YUDEAN Group (hereinafter referred to as the “Group”) is an enterprise with centennial historical inheritance. The history of the Group dates back to 1880s. The palace for Governor General of Guangdong and Guangxi was lit by the first light in Guangdong in 1888; patriotic overseas Chinese established the first light company with national capital in Guangzhou in 1890. The Government of Guangdong Province initiated electrical power system reform on August 8, 2001, which was the first move nationwide. The Group was built by inheriting power generation business of former Guangdong Electric Power Group. With registered capital of RMB 23 billion and currently 13,000 employees, the Group is the strongest and largest power generation enterprise in Guangdong Province, with 76% and 24% shares held by People’s Government of Guangdong Province and China Huaneng Group respectively. At the end of 2014, total assets of the Group amounted to RMB 130.869 billion; power plants wholly owned and controlled by the Group had installed capacity of 26,955,800 KW, among which there were 14 power plants with installed capacity above one million KW; currently, the Group wholly owns, controls and participates in more than 140 organizations, and exercises control over a listed company—Guangdong Electric Power Development Co., Ltd (Guangdong Electric Power). The Group’s business involves thermal power, hydropower, wind power, nuclear power, LNG power generation, biomass power generation, photovoltaic power generation etc, covering the whole Guangdong Province, and is actively extended to areas outside Guangdong Province and foreign countries. In recent years, the Group has energetically implemented a relevant diversified development strategy, continuously optimized industrial structure, and has made breakthroughs in the fields of coal, shipping, natural gas, finance and environmental protection etc, and has stretched its industry chain to the upstream and downstream of main business, thus effectively enhancing core value. The Group has been listed as excellent performer in the evaluation of provincial state-owned asset operation responsibility system for 13 consecutive years. Along with supply of safe, economical and reliable power to the society, YUDEAN Group also actively assumes social responsibility and attentively creates green energy for its sustainable development. YUDEAN Group launches clean production in power plants within the system throughout the whole process in an all-round way and continuously reduces pollutant discharge indicators. Currently, all coal-fired power plants of YUDEAN Group have been provided with supporting desulfurization facilities while canceling desulfurization bypasses, the phase-2 desulfurization reconstruction of the “Blue Sky Project” has been fully completed with 45 denitrification devices for 21.72 million KW coal-fired units put into operation and a decrease of total emissions of nitrogen oxides by 80% compared with 2010. With the development strategy for building a domestic first-class energy group with international competitiveness which is based in Guangdong Province, YUDEAN Group establishes presence nationwide and expands international market with energy as the core and coordinated development of relevant industries. YUDEAN Group will be committed to enterprise philosophy of “achieving harmonious coexistence, innovating while keeping integrity” and enterprise mission of “benefiting both the country and people with great virtue and kindness”, and strives to become the large state-owned aircraft carrier with total assets and annual operating revenue over RMB 100 billion in Guangdong Province and courageously forges ahead for new great-leap-forward development.
Top Ten Events in 2014

1. **First controlled project in Yunnan**
   - On December 25, 2014, YUDEAN Group's first controlled project in Yunnan was put into operation.
   - This successful case of capital operation realized YUDEAN Group's new breakthrough in the investment layout in Yunnan and created favorable conditions for listed companies to improve asset quality, optimize energy structure, expand development space and be stronger and better.

2. **Li Zhuoxian took over as board chairman and party secretary of the Group**
   - On November 11, 2014, YUDEAN Group held a meeting to announce the appointment and dismissal of Li Zhuoxian as board chairman and party secretary. Li Zhuoxian said that he would go all out to lead YUDEAN Group staff to courageously face market competition, seize the opportunity to deepen reform comprehensively and take all the work to the next level to assure the organization and satisfy shareholders and staff.

3. **The operating performance was rated excellent for 13 consecutive years**
   - In December 2014, the evaluation results of province-owned enterprise annual performance issued by the Provincial State-owned Assets Supervision and Administration Commission announced that YUDEAN Group was pleased to be rated as "excellent" and ranked first with a score of 96.22 among province-owned enterprises. This was the 13th consecutive year for YUDEAN Group to be rated as excellent since its establishment in 2001. In 2013, YUDEAN Group actively responded to the complicated business situation, achieved good results in cost efficiency and operating excellence and realized coordinated development of primary and diverse subsidiary business.

4. **The effects of mass line education practice was affirmed**
   - On January 27, 2014, YUDEAN Group held an educational practice summary teleconference. The 14th inspection group of the Provincial Party Committee fully affirmed the way and effects of YUDEAN Group’s education practice and put forward requirements on continued good implementation of education practice. All attendees made democratic evaluation of education practice conducted by the Group leadership and members and 98.6% of attendees rated it as “good”.

5. **Full completion of Phase 2 of “Blue Sky Project”**
   - In 2014, YUDEAN Group successfully completed Phase 2 of the “Blue Sky Project”. YUDEAN Group completed the desulfurization equipment capacity enhancement and efficiency improvement project and laid a solid foundation for its development in Guizhou.

6. **Lowest unit cost of power project**
   - On May 29, 2014, the National Energy Administration held a press conference on costs of power projects put into operation from 2011 to 2012 and YUDEAN Group’s power project cost management was effective.

7. **17 thermal power plants in Guangdong were granted environmentally-friendly “green labels”**
   - In June 2014, Guangdong Provincial Environmental Protection Bureau issued the results of 2013 environmental pollution credit evaluation of major pollution sources in Guangdong and all YUDEAN Group’s 17 fossil fuel power plants involved in the evaluation were honored as “Credible Environmental Protection Enterprises (Green Label)”. In 2013, YUDEAN Group took the tenth anniversary of the “Environmental Protection Year” and “Blue Sky Project” as an opportunity to actively promote phase 2 (denitration) of the “Blue Sky Project”, vigorously implement desulfurization equipment capacity enhancement, removal of desulfurization fly ash bypasses and dust collector upgrading and constantly improve environmental protection facility commissioning rate and efficiency for an overall enhancement of corporate environmental protection level.

8. **Completion of transformation of first coal-fired unit with “nearly-zero emission”**
   - On November 29, 2014, YUDEAN Group’s transformation demonstration project of first coal-fired unit (No.3 unit of Jinwan Power Generation Company) with “nearly-zero emission” was completed successfully. The transformation was rated successfully by the Provincial Development and Reform Commission and the National Energy Administration as “nearly-zero emission” demonstration project and environmental protection demonstration project; the project improved desulfurization equipment’s desulfurization rate and commissioning rate through desulfurization equipment capacity efficiency enhancement and installation of a wet electric dust collector. After transformation, the trial operation showed that the emission concentration of all gas emissions including dust, sulfur dioxide and nitrogen oxides met the emission requirements of the “nearly-zero emission” demonstration project.

9. **Smooth registration and issue of super short-term commercial papers**
   - On March 18, 2014, YUDEAN Group successfully registered super short-term commercial papers (SCPs) worth of RMB 10 billion; on March 26, the first batch of SCPs worth RMB 3 billion were issued with an annual coupon rate of 5.19% for a period of 180 days, which was equivalent to a half-year RMB benchmark lending rate fall by 7.32%; on September 16, the second batch of SCPs worth RMB 3 billion were issued with an annual coupon rate of 4.64% for a period of 270 days to have the lowest price among similar products issued in the same period. Through the registration and issue of SCPs, YUDEAN Group further expanded its financing channel, optimized debt structure, reduced financing cost and enhanced financial flexibility.

10. **Completion of handover of management power of Pannan Power Plant**
    - On December 40, 2014, the Confirmation of Self-Operation of Pannan Power Plant by Guizhou Yuequan Electric Power Co., Ltd. was formally signed. From 0:00 on January 1, 2015 onwards, Pannan Power Plant formally ends contracted operation and Guizhou Yuequan Electric Power Co., Ltd. will become actual controller of the plant. After two years of efforts, the take-over of the power plant’s human resources, safe production and financial property has been smoothly completed. The self-operation of Pannan Power Plant realized YUDEAN Group’s new breakthrough in its development in western China and laid a solid foundation for its development in Guizhou.
Adapt to the New Normalcy, Succeed through Reform

2014 observed the first year for Yuedean Group to fully implement the new policy of the Third Plenary Session of the Eighteenth Congress of the CPC. It was also a year for us to aggregate wisdom and efforts and to tackle tough issues. In the face of fierce competition in the electricity market, the whole group worked with cohesion to seize every opportunity, face all the challenges, strengthen accountability and stick to green development, and made steady improvement in business efficiency, quality of development, management, and overall strength, and made due contribution to Guangdong’s social and economic development.

In 2014, we innovated the “big safety” mechanism, and steadily promoted the “intrinsically safe” corporate development; we perfected our emergency management system for production safety, strengthened safety prevention and control in key areas and locations, and successfully dealt with “Rammasun”, the strongest typhoon landing on southern China in nearly four decades, prevented serious casualties arising from natural disasters, and successfully completed the task of safeguarding power supply during the important periods of the Fourth Plenary Session of the Eighteenth Congress of the CPC, and “Two Sessions” (the National People’s Congress and the Chinese People’s Political Consultative Conference).

In 2014, we focused on the market-oriented strategy and efficiency, and strengthened refined management during the whole process; we gave full play to the synergetic effects of diversified operation, and took simultaneous measures of reducing cost and increasing revenue, reversed the unfavorable situation of double drops in power supply and revenue, and perfectly completed the operation takeover of Pannan Power Plant. We enhanced the awareness of entity responsibility, and actively participated in the pilot program of direct power supply to large users, and achieved the target of excellence of performance evaluation result for 13 years in a row in the operation evaluation.

In 2014, we increased the intensity of industrial transformation and upgrading, and transformed our development pattern in a scientific way. We accelerated the planning for new energy with wind power entering the stage of large-scale development; made breakthrough in zero equity in nuclear power; completed and put into operation the first gas power generation project; acquired first controlled project in Yunnan province through equity swap; sped up power construction projects and, while completed and put into operation the first gas power generation project; acquired first controlled project in Yunnan province through equity swap; sped up power construction projects and, while upgrading in “Blue Sky Project Phase II”, and all of our coal-fired power plants obtained the title of “Rammasun”, the strongest typhoon landing on southern China in nearly four decades, prevented serious casualties arising from natural disasters, and successfully completed the task of safeguarding power supply during the important periods of the Fourth Plenary Session of the Eighteenth Congress of the CPC, and “Two Sessions” (the National People’s Congress and the Chinese People’s Political Consultative Conference).

In 2014, we insisted on technological innovation and green development, and strengthened energy conservation. We completed the comprehensive upgrading for 10 coal-fired units of 360,000 KW and named review and approval, and significantly reduced the coal consumption for power generation; we completed desulphuration transformation, desulphuration capacity enhancement and dust remover upgrading in “Blue Sky Project Phase II”, and all of our coal-fired power plants obtained the title of “green” enterprise; we completed the transformation of the first unit for the “nearly-zero emission” demonstration project; we also made breakthrough in scientific and technical development, given the fact that our technology of mixed coal combustion for boiler won the second-class national science and technology award.

In 2014, we continued to deepen the reform of state-owned enterprises to promote development; we strengthened the corporate governance structure, continuously regulated corporate management, and increased the intensity of risk control and supervision and inspection by the supervisory board; we safeguarded the interests of the shareholders to ensure the healthy development of the company, through the method of combining individual enterprise with the industries, we recommended three subordinate enterprises to be selected as the first batch of pilot enterprises for provincial mechanism reform and innovation by the Guangdong Provincial State-owned Assets Supervision and Administration Commission (SAASAC).

In 2014, we continued to adhere to the people-oriented principle, vigorously promoted the socialist core values, conscientiously summed up the lessons learned from the Party’s mass line educational practice, and promoted the effective implementation of “Two Responsibilities,” which resulted in fresh and inspiring corporate culture, and new achievements in the harmonious construction of YUDEAN Group.

As the saying goes, fruits are harvested in the autumn only after blossoms in spring, successes can only be achieved through efforts. Recalling the results of 2014, we just couldn’t make these achievements without the right leadership from the provincial Party Committee, the provincial government, and the provincial SASAC, without the strong support of shareholders, without the care from the communities and, most of all, without the wisdom and dedication of everyone of YUDEAN Group. Here, I give my deep appreciation and thanks to them for their contribution!

Only those who dare to surf the waves can see the beauty of spring tides, and rainbow will only show after strong winds and rain. At the new starting point of 2015, reform is still the banner to lead us forward. China’s economy has entered a new stage and energy revolution is gaining momentum, but energy saving and emission reduction still has a long way to go. The reform of state-owned enterprises is continuing to deepen, a new round of mechanism reforms for power supply has already been launched, which will bring new challenges to the traditional business model of electricity production and operation, and the market competition for electricity generation will become even more intense. There’s no turning back once the bow is pulled and only the brave can win the battle. With unwavering determination and courage, as well as pragmatic actions, we shall prepare in advance, seize every opportunity and take the initiative to act in order to build a large national energy group integrating both conventional and new energy with outstanding competitiveness and in the top rank of the national energy companies, and to create a brand new chapter for the development of YUDEAN Group.
In 2014, YUDEAN Group profoundly studied and implemented the spirit of the 3rd and 4th Plenary Sessions of 18th CPC Central Committee and a series of speeches by General Secretary Xi Jinping as well as the spirit of the “Eight-point Anti-bureaucracy and Formalism Rules”, thoroughly rejected “Four Forms of Undesirable Work Styles”, made good rectification of educational practices by establishing new systems, completed 21 rectifications throughout the year and newly developed and revised 27 relevant systems.

YUDEAN Group actively implemented the Opinions on Two Responsibilities to strengthen the party committee’s responsibility for improving party conduct and upholding integrity and the discipline committee’s responsibility for supervision and promote the change of function, method and style of discipline supervision and inspection. YUDEAN Group also strengthened the building of honesty culture, deepened performance monitoring, established a sound system and improved internal supervision mechanism.

YUDEAN Group established a risk management reporting mechanism, issued the YUDEAN Group Risk Management Report and the YUDEAN Group Major Risk Assessment Report and made dynamic assessment of the Group’s 10 major risks. YUDEAN Group strengthened the risk control management of two major risk areas, i.e. “large-sum fund management” and “overseas investment management”, organized and guided the Upper Horn companies, finance companies and wind power companies to establish target risk control systems and implement research on the “optimized design of coal-fired power plant risk control system”.

YUDEAN Group developed the Medium and Long-term Plan for Risk Control Management (Outline) to clarify the Group’s major work and contents of risk control management in the following 5 years.
In 2014, YUDEAN Group strengthened the “Great Safety” working mechanism, consolidated safe production foundation, enhanced safe production efficiency and sturdily promoted the construction an “intrinsically safe” enterprise, hence a safety situation throughout the year was stable generally.

1. In 2014, no major or more serious power production accidents and transportation, fire, dam collapse, plant flooding and environmental pollution accidents occurred, C-class faults occurred for 18 times which declined year on year.
2. YUDEAN Group successfully completed its power supply support task during key periods like the 4th Plenary Session of 18th Central Committee of the CPC and the Two Sessions.
3. In July 2014, typhoon “Ramasun” as the strongest one that had ever hit southern China in nearly 40 years attacked directly Western Guangdong’s coastal area and YUDEAN Group paid high attention, made early deployment and took effective measures with relevant personnel remaining at their posts to successfully realize the goal of “zero injury”.
4. YUDEAN Group carried out thorough safety checks and troubleshooting, strengthened infrastructure construction, environmental protection technology innovation, control and prevention of safety risks in key areas like major hazard sources, fire and explosion and in key areas, identifying 6304 potential hazards and finishing 6182 rectifications with a rectification rate of 95.05%.
5. YUDEAN Group focused its efforts to fight illegal activities, enabling first 24 enterprises to be smoothly accepted by the Provincial State-owned Assets Supervision and Administration Commission as “Safe Enterprises”.
6. YUDEAN Group established a production safety emergency plan system and carried out targeted emergency exercises like liquid ammonia leakage, earthquake escape, etc. to enhance the ability to resist risks.
7. YUDEAN Group strengthened unit maintenance and technical innovation management to effectively improve equipment health, completing on time the overhaul and repair of 68 units and 32 technological transformation projects.
8. YUDEAN Group profoundly carried out comprehensive benchmarking, making 2 units win the third prize in the national coal-fire unit contest, 11 plants win national-level safe production standardization certification and 4 power plants rated as AAAA-level standardized good conduct business in the power industry.
9. YUDEAN Group won 7 scientific and technological achievement awards at provincial and ministerial levels and added 11 granted patents; its “large-size power plant boiler mixed coal combustion theory and whole-process optimization technology” project won the second-class national science and technology progress award and regional power ecosystem optimization technology and application research” project won the second-class national environmental science and technology award, its 7 information technology achievements won the excellent power industry information technology achievement award and 2 power plants were honored as “China Electric Power Information Technology Benchmarking Enterprise”.
10. Controllable power plants completed grid-connected power amounting to 113.54 billion kwh.
In 2014, YUDEAN Group adhered to being market-oriented and efficiency as the core, actively responded to the challenges posed by the substantial increase in power transmitted from western China to eastern China, strived to reverse the unfavorable situation of decrease in both electricity and revenue, made coordinated efforts to decrease cost and increase efficiency and gave full play to the diversified management synergistic effects, hence continued enhancement of overall profitability.

In 2014, due to relative slow-down of power demand in Guangdong and substantial increase in power transmitted from western China, YUDEAN Group’s controllable power plant power generation accounted for about 19.6% of power purchased in Guangdong with a year-on-year decrease by 2.6%, about 27.8% of the power generation in Guangdong with a year-on-year decrease by 1.5% and about 34% of power generation by units subject to centralized dispatching in Guangdong with a year-on-year decrease by 0.9%.

YUDEAN Group seized market opportunities and strengthened the marketing of power generation process. Emergency power generation from coal-fired units in Guangdong reached 350 million kWh; by winning upstream gas demand due to shortage, LNG power plants generated additional power of 410 million kWh; with timely adoption of a flood season hydroelectric power generation mode, 1.52 billion kWh of hydroelectric power was additionally generated; by seizing the great advantage of relatively low power and coal prices, cost-effective power was generated to make additional revenue of RMB 18.48 million.

A variety of measures were taken for cost reduction and efficiency improvement. A total of 39.52 million tons of coal were purchased throughout the year with a year-on-year decrease by RMB 70 /ton, saving fuel cost by RMB 2 billion; 7 costal power plant terminals’ upgrading and licensing was completed, improving power-generating coal receiving and unloading capacity by 15 million tons and annual receiving, unloading and transport costs by RMB 75 million; through strengthened cost control, production maintenance cost had a year-on-year decrease by RMB 46 million; through expansion of aviation fuel procurement scale, the average aviation oil procurement cost decreased by RMB 207/ton over the same period in the market, resulting in an equivalent economic benefit of RMB 39.85 million.

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In 2014, YUDEAN Group increased efforts to transform and upgrade and took the great opportunity of Guangdong promoting transformation and upgrading of the Pearl River Delta and the revitalization and development eastern, western and northern Guangdong, seized new energy layout, speed up the application for approval of conventional coal power, optimized and integrated diversified industry development and highlighted enhancement in both quality and efficiency.

In 2014, project construction of a total of 4,804,180 KW was promoted, including coal power of 4.64 million, newly-commissioned installed capacity of 32,100 KW and controllable installed capacity of 26,955,800 KW. YUDEAN Group's power project cost control reached a new level, given the unit cost of RMB 3528/KW which is the lowest overall unit cost in China.

In 2014, YUDEAN Group's 6 projects with a total capacity of 8.22 million KW were incorporated into local projects and submitted to China's 2014-2020 thermal power construction plan.

YUDEAN Group accelerated clean energy development. Natural gas power projects made new progress and Zhongshan and Huadu projects were approved and granted permits; wind power entered large-scale development and a total of 7 project within and outside Guangdong were listed in China's "12th five-year" 4th-batch win power approval plan, and 4 projects in Dadingshan, Xianmen, Changqingshan and Guisi; Xinyi were approved and the marine wind power project in Shapa, Yangjiang was granted a permit. Yangjiang nuclear power No. 1 unit that YUDEAN Group participated in was put into operation and YUDEAN Group made breakthrough in zero equity in nuclear power. YUDEAN Group's first gas power project in Baogushan, Guizhou was completed and put into operation; Xinhui national-level IGCC project was granted a permit from the National Development and Reform Permission; Jinfa and Midea distributed photovoltaic power projects were completed and put into operation and Huaxing photodioxidic power projects were being promoted actively.

YUDEAN Group optimized and integrated diversified industries by establishing a natural gas company and starting the Group's natural gas asset integration; in 2014, YUDEAN Group commissioned additional 65,000 dwt of transport capacity and further optimized the transport capacity structure; the environmental protection company's fly ash deep processing project was registered and permitted; the preliminary work of the new project in Yangjiang Port's wharf was being promoted actively.

With the completion of exchange of stake in Yunnan Weixin and Lincang projects, Lincang YUNTOU YUDEAN Hydropower Development Company becomes YUDEAN Group's first controlled project in Yunnan Province.

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<th>Operating revenue (RMB 100 million)</th>
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<th>Net assets (RMB 100 million)</th>
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<td><strong>Net assets</strong></td>
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<td>1209.75</td>
<td>1289.52</td>
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Since its inception, YUDEAN Group has enabled cumulative power generation of 1273.7 billion kWh which ranked No.1 in Guangdong Province, thus making outstanding contribution to guaranteeing power supply for Guangdong Province and promoting social and economic development.

In 2014, controllable power plants of YUDEAN Group cumulatively generated 120.64 billion kWh.

In 2014, controllable power plants of YUDEAN Group cumulatively generated on-grid power of 113.548 billion kWh with a year-on-year decrease by 1.85%.
4.2 Controllable coal-fired power plants of YUDEAN Group than in 2013 reduced total nitrogen oxide emission by about 4200t.

In 2014, YUDEAN Group adhered to green development, strengthened capacity building of energy conservation and technological innovation and led and supported enterprise transformation and development.

YUDEAN Group promoted energy conservation and technological transformation initiatives, completed the preparation of the YUDEAN Group Coal Power Energy Saving and Emission Reduction Upgrading and Transformation Plan (2014-2020), effectively enhanced the awareness and level of energy conservation of enterprises within its system, and achieved annual coal saving of 120,000 tons and carbon dioxide emission reduction of 276,000 tons.

YUDEAN Group fully completed comprehensive upgrade and transformation of 10 coal-fired units of 300,000 kW with an enhanced health level and significant emission result effects to win an energy conservation incentive of RMB 50.928 million. All 10 units smoothly passed the strict review by the Provinclal Development and Reform Commission to adjust nameplate capacity from 300,000 kW to 330,000 kW to be able to generate additional annual power of 1.5 billion kW·h (a total of 5000 hours by 10 units) and additional revenue of RMB 750 million.

For the high energy consumption by 0.6 million kW turbines put into operation in recent years, turbine heat consumption was reduced by an average of 200 kJ/kW·h through sophisticated maintenance, steam seal repair and thermal system reform.

Through optimization of reservoir operation, the water consumption rate dropped by 0.7 m³/kW·h compared with the average of previous years and that of Xinpingjiang dropped by 1.24 m³/kW·h, equivalent to water saving of 1.03 billion m³; through active communication with the Pearl River Water Resources Commission, Tianyi Power Plant’s water level at the end of flood period increased by 2.9 m and the reservoir storage capacity increased by 254 million m³.

With the full completion of denitration transformation in phase II of the “Blue Sky Project”, a total of 45 denitrification devices for coal-fired units of 21.72 million kW were put into operation and the total amount of nitrogen oxide emission fell by 80% compared with that of 2010.

Through the compliance with the new national environmental standard, YUDEAN Group’s all units reached up-to-standard emission and all thermal power plants were honored as “Green” enterprises.

Through steady promotion of “nearly-zero emission”, YUDEAN Group completed the technological transformation of Jinwan No.3 unit as its first ultra-low emission demonstration project, and the emission concentration of dust, sulfur dioxide and nitrogen oxide all met the emission limits after transformation.
YUDEAN Group has been paying tax with integrity according to the law. In 2014, YUDEAN Group paid a total of RMB 7.759 billion. Since its inception in 2001, YUDEAN Group has paid a total of RMB 69.396 billion. In 2014, many of YUDEAN Group’s subordinate enterprises were awarded with A-level tax credit by local tax bureaus.

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<th>Tax payment (RMB × 100 million)</th>
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In 2014, YUDEAN Group again donated RMB 16.9266 million as poverty alleviation funds. Up to now, YUDEAN Group has donated total poverty alleviation funds of RMB 69.9924 million and has been granted the gold award of “Guangdong Kapok Award for Poverty Alleviation” for 4 consecutive years.

By the end of 2014, YUDEAN Group had invested over RMB 95.77 million in various poverty alleviation funds and helped 30 poverty-stricken villages. Through the implementation of the “Spread Wings Program” to enhance college students’ employment and entrepreneurship ability, 5 subordinate enterprises have completed employment, internship management and services for 23 college students.

Since its inception, YUDEAN Group has always been adhering to the enterprise mission of “benefitting both the country and people with great virtue and kindness” and vigorously helped those in poverty and difficulty, establishing a good corporate image.
2015 Outlook

- General Requirements
- Main Objectives
- Priorities

General Requirements

Fully implement the spirit of the 3rd and 4th Plenary Sessions of 18th CPC Central Committee and the spirit of the 4th Plenary Session of 11th Party Committee of Guangdong Province, take the initiative to adjust to the new normal of economic development, firmly grasp new challenges resulting from the country’s transformation of mode, adjustment of structure and comprehensively deepened reform, adhere to the overall tone of progress based on stability and the orientation to excellent business performance, improve efficiency to promote growth optimization, improve quality and efficiency through technological transformation, promote innovation and development through deepened reform, intensify structural adjustment, speed up transformation and upgrading pace, and constantly create a new situation of the Group becoming stronger and bigger to make greater contributions to the economic and social development of Guangdong.

Main Objectives

- **Safety objectives**: Resolutely avoid general or more serious personal accidents (including contractor accidents), equipment accidents, electrical accidents and traffic, fire, dam collapse, plant flooding accidents, serious mal-operation accidents, A-class faults and whole-plant outward power outage accidents, environmental pollution accidents and environmental administrative penalties, and major events that affect the Group’s image.

- **Business objectives**: Achieve total assets of RMB 137 billion, sales income of RMB 50.2 billion, on-grid electricity of 114 billion kWh and integrated power supply coal consumption of 321.5 g/kWh by coal-fired units.

- **Development objectives**: Try to make breakthroughs in the preliminary work of 1 million-kilowatt units, add new production capacity of 1.5 million-kilowatt and see new investment breakthroughs in related diversified projects.

Priorities

- Improve the system and strengthen accountability to ensure the Group’s whole-industry safety.
- Optimize management and expand both internally and externally to enhance the Group’s business efficiency.
- Seize resources and optimize the layout to promote the Group’s development in leaps and bounds.
- Promote the Group’s production system quality and efficiency improvement through upgrading, transformation and technological innovation.
- Deepen reform and enhance vitality to enhance the Group’s management professionalization and refinement level.
- Consolidate foundation and promote harmony to provide effective support for the Group’s development.
Company Honors

The Regional Power Ecosystem Optimization Technology and Application Research jointly completed by YUDEAN Group and Chinese Research Academy of Environmental Sciences won the “Second-class Award of National Environmental Science and Technology”.


YUDEAN Group was honored as “Enterprise with Advanced Enterprise Management Modernization Innovation Achievement Organization in Guangdong”.


The “Fully Contractor-immersed Management Mode with Dynamic Standard” by Zhuhai C Power Plant won the “2014 First-class Award of Management Innovation Achievement by National Electric Power Industry Enterprises”.


Guangzhou-Zhuhai Power Generation Company and Jinghai Power Generation Company were honored as “Advanced Organizations in National Health Cup Contest of Safety Culture Propaganda”.

YUDEAN Group’s 17 thermal power plants including Yuehua Power Generation Company were all honored as “Enterprises with Credible Environmental Protection in Guangdong(Green Labels)”.

Huizhou Natural Gas Power Generation Company won the second prize and Yuehua Power Generation Company and Shajiao A Power Plant won the third prize.
Major Events

- From January 21 to the morning of January 22, the first session of the third member (staff) congress and 2014 work conference of YUDEAN Group were held smoothly in Guangzhou.
- On January 27, YUDEAN Group held an educational practice summary teleconference. After evaluation, 96.6% of attendees rated the Group’s education practice situation as “good”.
- On February 27, YUDEAN Group’s 4 equipment management innovation achievements won the commendations of the national power industry equipment management innovation achievements.
- On March 17, Tu Zhen, Member of Standing Committee of Provincial Party Committee and Head of Provincial Publicity Department made an investigation visit to the project site of YUDEAN Bohe Coal Terminal.
- In March, YUDEAN Group’s Dadingshan wind power project in Shiqian County and Xianrenshan wind power project in Zunyi County, both in Guizhou were approved.
- On March 17, YUDEAN Group’s Zhongshang triangle gas combined cooling heating and power production project (3 units of 400,000 KW) was approved.
- On March 18, YUDEAN Group’s 10-billion super short-term financing bonds won registration in National Association of financial market institutional investors. The first 3-billion super short-term financing bonds were issued publicly on March 26.
- On April 3, the Pearl River basin flood control and drought relief inspection group led by Liu Ning, Secretary General of the State Flood Control and Drought Relief Headquarters Office and Deputy Minister of Ministry of Water Resources made an flood control inspection visit to Xinxiang Power Generation Company.
- On April 30, Guangdong Province held its May 1st Labor Day Celebration and Model Worker Commendation Ceremony in Guangzhou and a batch of YUDEAN Group’s advanced collectives and individuals were commended in the ceremony.
- In May, the provincial government of Guangdong issued the 2013 Guangdong science and technology awards and YUDEAN Group won 4 awards.
- In May, the investigation group led by Liang Zhiguo, Deputy Head of New Energy & Renewable Energy Department of National Energy Administration visited YUDEAN’s photovoltaic power plants and the investigation group visited Sunrude Midea Photovoltaic Power Plant first.
- On May 29, the National Energy Administration held a press conference on costs of power projects put into operation from 2011 to 2012 and YUDEAN Group’s power project cost management was effective given its lowest overall unit cost in China.
- On May 31, the first unit of Baoguanhu Gas Power Plant of YUDEAN Guizhou Company completed grid connection and power generation. As of June 1, six units in phase 1 of the power plant have all completed grid connection and power generation. This is YUDEAN Group’s first gas power project put into operation successfully and the power plant has a total installed capacity of 14 x 700 KW including 6 x 700 KW in phase 1.
- On June 4, Xu Shaohua Executive Deputy Governor of Guangdong Province made an investigation visit to the YUDEAN Bohe coal power project construction site.
- On June 16, Ma Xingrui, Deputy Secretary of Guangdong Provincial Party Committee made an investigation visit to the YUDEAN Bohe coal power project construction site.
- On June 23, Huang Xianyao, Secretary of Guangdong Provincial Commission for Discipline Inspection made an investigation visit to the Red Bay Power Company.
- In June, Guangdong Provincial Environmental Protection Bureau issued the results of 2013 environmental pollution credit evaluation of major pollution sources in Guangdong and all YUDEAN Group’s 17 fossil fuel power plants involved in the evaluation were honored as “Credible Environmental Protection Enterprises Green Label”.
- On June 30, the 2014 Guangdong Poverty Alleviation Day activity was held in Guangzhou and YUDEAN Group again donated RMB 12 million and was granted the “Guangdong Poverty Alleviation Kapok Award”.
- On July 4, the Guangdong “State-owned Asset Cup” Youth Marketing Content final smoothly came to an end and YUDEAN Group’s youth team did well to win the runner up of the content.
- On July 9, Hu Chunjia, Party Secretary of Guangdong Province accompanied by Xu Shaohua, Executive Deputy Governor of Guangdong Province, Liu Mudao, Secretary General of Guangdong Provincial Party Committee and main leaders of Maoming City made an investigation visit to the YUDEAN Bohe coal-electricity integration project construction site.
- On July 11, an earthquake with a magnitude of 4.2 and a focal depth of 12 km hit Dongyuan County (23.9°N, 114.9°E), Heyuan City. After onsite inspection and analysis, Xinxiang River Reservoir’s dam, buildings and production equipment remained intact.
- On July 18, YUDEAN Group held its 2013 corporate social responsibility report press conference.
- On July 18, super typhoon “Ramassin” landed in Xuwen County, which was the strongest that had landed in Southern China in 41 years and also the strongest YUDEAN Group had experienced since its establishment. Due to early deployment and effective measures, Ramassin was successfully withstood with “zero injury”.
- On July 25, Ma Xingrui, Deputy Secretary of Guangdong Province and Deng Haipeng, Deputy Governor of Guangdong Province led a team to investigate the YUDEAN Bohe coal-electricity integration project.
- On August 26, YUDEAN Group held a meeting to kick off the implementation of comprehensive deepened state-owned enterprise reform and development in its headquarters.
- On September 18, YUDEAN Group’s labor union successfully held the third female worker congress in Guangzhou.
- On September 25, YUDEAN Dianbai Wind Power Company’s energy-efficient power plant revolving fund loan program successfully signed the contract, marking that Dianbai Wind Power Company was successfully incorporated in to the revolving fund sub-project of Guangdong energy conservation and emission reduction promotion fund trust project.
- On October 21, Huang Xianyao, Secretary of Guangdong Provincial Commission for Discipline Inspection investigated YUDEAN Bohe coal-electricity integration project.
- On November 11, the meeting for the announcement of appointment and dismissal of YUDEAN Group’s board chairman and party secretary was held in YUDEAN Group’s headquarters. In the meeting, Li Zhuoxian was appointed as YUDEAN Group’s board chairman and party secretary. Due to age, Pan Li would no longer serve as board chairman and party secretary.
- On November 12, YUDEAN Group’s 7 information technology achievements won national awards and 3 management innovations won national new electricity enterprise management innovation awards.
- On November 25, YUDEAN Group’s first “near-zero emission” coal-fired unit (Shounan Power Generation Company’s No.3 unit) transformation demonstration project was successfully completed.
- In December, in the 2013 province-owned enterprise annual performance evaluation results issued by the Provincial State-owned Assets Supervision and Administration Commission, YUDEAN Group was pleased to be rated as “excellent” and ranked first with a score of 96.22 among province-owned enterprises. This was the 13th consecutive year for YUDEAN Group to be rated as “excellent” since its establishment in 2001.
- On December 18, the Third Congress of the Communist Youth League of YUDEAN Group was held in its headquarters to elect a new league committee.
- On December 26, YUDEAN Group’s Huangpu, Shangguan and Zhanjiang power plants’ 8 units of 300,000 KW smoothly passed the nameplate capacity identification review and acceptance inspection. With the 2 units of Shajiao power plant A that had been a copeitd in July, the nameplate capacity of the 10 units of 300,000 KW first upgraded and transformed of YUDEAN Group has all been upgraded to 300,000 KW.
- On December 25, Guangdong Electric Power Development Co., Ltd. controlled by YUDEAN Group won Yunnan Power Investment Company’s 51% stake in Lincang YUNTOU YUDEAN Hydropower Development Co., Ltd, making YUDEAN Group wholly own the hydropower project.
- On December 30, the signing ceremony of the self-managed Panni Power Plant of YUDEAN Group under YUDEAN Group was held to realize handover of management power.