

SDIC Power Holdings Co., Ltd.

2020 Annual Report

Important Notice

- I. The board of directors, board of supervisors, directors, supervisors and senior executives of this Company ensure the authenticity, accuracy and integrity of the annual report, without any false record, misleading statement or major omission, and undertake the individual and joint responsibility.**
- II. All directors of this Company attend the board meeting.**
- III. BDO China Shu Lun Pan Certified Public Accountants LLP (special general partnership) has issued a standard and unqualified audit report for this Company's consolidated financial statements for the year ended 31 December 2020 prepared in compliance with PRC GAAP. BDO Limited, Certified Public Accountants, Hong Kong, has issued an unmodified audit report for this Company's consolidated financial statements for the year ended 31 December 2020 prepared in compliance with International Financial Reporting Standards as adopted by European Union.**
- IV. Zhu Jiwei - the leader of this Company, Zhou Changxin - the principal of accounting work and Zhang Song - the person in charge of accounting firm (accountant officer) declare that we can ensure the authenticity, accuracy and integrity of the financial report in annual report.**
- V. Profit distribution plan or plan of share capital increase from accumulation fund in report period reviewed by board of directors**

2020 Profit Distribution Plan reviewed at the 26th Meeting of the Company's 11th Board of Directors (hereinafter referred to as "Board"): The Board proposes to distribute the cash dividend at RMB 0.28 per share (tax included), totally RMB 1,950,444,537.16 (accounting for ca.[35.36]% of the Company's net profit attributable to shareholders of the listed company for the year), based on 6,965,873,347 shares at the end of 2020.

VI. Risk disclosure statement about forward-looking statement

" Applicable" " Not applicable"

The forward-looking statement of this Company about future development strategy and business plan shall not constitute any substantive commitment of this Company to investors. Investors shall pay attention to investment risk.

VII. Is there any non-operating capital occupation by the controlling shareholder and its related parties?

No

VIII. Is there any external guarantee violating the specified decision-making procedure?

No

IX. Whether more than half of the board of directors cannot guarantee the authenticity, accuracy and integrity of the annual report disclosed by the company?

No

X. Major risk notice

This Company analyzes the possible influence of relevant risks on company business and development in this report. For details, see the paragraph "(IV) Possible risk, III. Company discussion and analysis about future development, Section IV Discussion and analysis of operating conditions".

XI. Other

" Applicable" " Not applicable"

RESPONSIBILITY STATEMENT

For the purposes of the United Kingdom's Financial Conduct Authority's Transparency Rule 4.1.12(3), each director (whose names and functions are listed on page 71 to 76, to the best of his or her knowledge, confirms that:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and*
- the management report (being this annual report, excluding the financial statements referred to above (on pages F6 to F128) and the independent auditor's report thereon (on pages F1 to F5) includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.*

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Section I Interpretations

I. Interpretations

For the purpose of this report, the following words shall have the meanings as follows, unless otherwise specified:

Interpretations of common words		
CSRC	means	the China Securities Regulatory Commission
NDRC	means	the National Development and Reform Commission of the PRC
SASAC	means	the State-owned Assets Supervision and Administration Commission of the State Council
SSE	means	Shanghai Stock Exchange
SDIC	means	State Development & Investment Corp., Ltd., the controlling shareholder of the Company
Company or SDIC Power	means	SDIC Power Holdings Co., Ltd.
Yalong River Hydropower	means	Yalong River Hydropower Development Company Ltd.
SDIC Dachaoshan	means	SDIC Yunnan Dachaoshan Hydropower Co., Ltd.
SDIC Xiaosanxia	means	SDIC Gansu Xiaosanxia Power Co., Ltd.
SDIC Jinneng	means	Tianjin SDIC Jinneng Electric Power Co., Ltd.
SDIC Qinzhou	means	SDIC Qinzhou Electric Power Co., Ltd.
Huaxia Power	means	Xiamen Huaxia International Power Development Co., Ltd.
SDIC Panjiang	means	SDIC Panjiang Electric Power Co., Ltd.
SDIC Genting Meizhouwan	means	SDIC Genting Meizhouwan Electric Power Co., Ltd.
SDIC New Energy	means	SDIC New Energy Investment Co., Ltd.
SDIC Aksay	means	SDIC Aksay New Energy Co., Ltd.
Yunnan Metallurgical New Energy	means	Yunnan Metallurgical New Energy Co., Ltd.
Huzhou Xianghui	means	Huzhou Xianghui photovoltaic power generation Co., Ltd.
Toksun Tianhe	means	Toksun Tianhe Solar Power Co., Ltd.
Dingbian Angli	means	Dingbian Angli Photovoltaic Technology Co., Ltd.
Jingbian Solar Power	means	Jingbian County Zhiguang New Energy Development Co., Ltd.
Hengneng Solar Power	means	Xianghui Hengneng Solar Power Generation Co., Ltd.
Yongneng Solar Power	means	Xianghui Yongneng Solar Power Generation Co., Ltd.
Guyuan Solar Power	means	Guyuan County Guanghui New Energy Power Generation Co., Ltd.
Chabei Solar Energy	means	Zhangjiakou Jingke new energy Co., Ltd
SDIC Huanneng	means	SDIC Huanneng Electric Power Co., Ltd.
Newsky China	means	Newsky (China) Environment & Tech. Co., Ltd
SDIC KingRock	means	SDIC KingRock Overseas Investment Management Co., Ltd.
Gansu Electricity Sales	means	SDIC Gansu Electricity Sales Co., Ltd.
China Resources Power (Xuzhou)	means	China Resources Power (Xuzhou) Co., Ltd.
China Resources Power (Tongshan)	means	China Resources Power (Tongshan) Co., Ltd.
Jiangsu Ligang	means	Jiangsu Ligang Electric Power Co., Ltd.
Jiangyin Ligang	means	Jiangyin Ligang Power Stock Co., Ltd.
Ganneng Limited	means	Jiangxi Ganneng Co., Ltd.
GrandBlue Environment	means	GrandBlue Environment Co., Ltd.
Jaderock Investment,	means	Jaderock Investment Singapore Pte. Ltd.
Redrock investment	means	Redrock Investment Limited, a company

		incorporated in the UK and a subsidiary of the Company
Red Rock Energy	means	Red Rock Power Limited
Inch Cape、ICOL	means	Inch Cape Offshore Limited
Beatrice、BOWL	means	Beatrice Offshore Windfarm Limited
Afton	means	Afton Wind Farm Limited
LLPL	means	Lestari Listrik Pte. Ltd.
PT.LBE	means	PT. Lesteri Banten Energi
Installed capacity, installed	means	the sum of rated power of generating equipment
Total installed capacity	means	the sum of installed capacity of a company and its existing power plants in which the company holds share or controlling share
Holding installed capacity	means	the sum of installed capacity of a company and its existing power plants in which the company holds controlling share
Equity installed capacity	means	the sum of installed capacity multiplying by shareholding ratio of a company and its existing power plants in which the company holds share or controlling share
Generating capacity	means	the quantity of active energy generated from primary energy by generating set through processing, namely, the product of actual active power and actual run time of generator set
On-grid energy	means	the measured electricity generated by power plant and connected to the grid connection point, also known as sales electricity
Overall power consumption rate	means	the proportion of the power consumption of generating equipment and other power consumption during power generation in the generating capacity
Utilization hours	means	the operating hours when the generating capacity of generating equipment is converted to rated power within a period. this indicator is used to reflect the utilization of generating equipment calculated as per its nameplate capacity.
Standard coal	means	the ideal coal can generate the calorific value of 29,271.2 kJ per kilogram.
Coal consumption for power generation	means	the standard coal consumption per generating capacity
Coal consumption for power supply	means	the standard coal consumption per generating capacity
GDR	means	a global depository receipt which represents A shares

Section II Company Profile and Main Financial Indicators

I. Company information

Chinese name of company	国投电力控股股份有限公司
Chinese abbreviation of company	国投电力
English name of company	SDIC Power Holdings Co., Ltd.
English abbreviation of company	SDIC Power
Legal representative of company	Zhu Jiwei

II. Contact person and contact details

	Board secretariat	Securities affairs representative
Name	Yang Lin	Wang Weirong
Contact address	Floor 12, Building 147, Nanxiaojie Road, Xizhimen, Xicheng District, Beijing	Floor 12, Building 147, Nanxiaojie Road, Xizhimen, Xicheng District, Beijing
Tel	010-88006378	010-88006378
Fax	010-88006368	010-88006368
Email	gtdl@sdicpower.com	gtdl@sdicpower.com

III. Basic information

Registered address of company	Room 1108, Floor 11, Building 147, Nanxiaojie Road, Xizhimen, Xicheng District, Beijing
Post code of registered address of company	100034
Address of company office	Building 147, Nanxiaojie Road, Xizhimen, Xicheng District, Beijing
Post code of company office	100034
Company website	www.sdicpower.com
Email	gtdl@sdicpower.com

IV. Information disclosure and preparation place

Information disclosure media selected by the Company	<i>China Securities News, Shanghai Securities News</i>
Annual report website designated by CSRC	www.sse.com.cn
Annual report preparation place of the Company	Securities Department, Floor 12, Building 147, Nanxiaojie Road, Xizhimen, Xicheng District, Beijing

V. Company stock information

Company stock information				
Stock type	Stock exchange	Stock abbreviation	Stock code	Stock abbreviation before change
A share	Shanghai Stock Exchange	SDIC	600886	Hubei Xinghua
GDR	London Stock Exchange	SDIC Power Holdings Co., Ltd	SDIC	

VI. Other relevant information

Accountancy firm hired by SDIC (domestic)	Name	BDO China Shu Lun Pan Certified Public Accountants LLP
	Address	17-20F, Tower A, Zhonghai international center, No.5 Anding Road, Chaoyang District, Beijing

	Certified Public Accountants	Zhao Bin, Pei Zhichao
	Name	BDO Limited, Certified Public Accountants, Hong Kong
Accountancy firm hired by SDIC (overseas)	Address	25 th Floor Wing On Centre, 111 Connaught Road Central, Hong Kong
	Certified Public Accountants	Tsui Ka Che, Norman

VII. Key Accounting Data and Financial Indicators for the Past Three Years

(I) Key accounting data

Unit: Million Yuan Currency: RMB

Item	2020	2019	Increase or decrease (%)	2018
Total revenue	39,320.4	37,752.0	4.15	36,485.8
Operating profit	14,556.4	14,083.3	3.36	14,531.3
Profit before tax from continuing operations	11,165.9	10,197.1	9.50	10,328.0
Profit for the year	9,774.4	8,692.9	12.44	8,315.6
Profit of this year-attributable to owner of the company	5,513.8	4,726.5	16.66	4,329.2
Net cash (used in)/generated from operating activities	20,647.3	20,235.5	2.04	19,132.9

Item	At the end of 2020	At the end of 2019	Increase or decrease, (%)	At the end of 2018
Total assets	229,020.9	224,839.7	1.86	220,836.5
Total liabilities	146,439.5	150,447.7	-2.66	150,653.4
Total equity attributable to shareholders of the Company	47,222.7	40,380.2	16.95	37,691.7
Total equities	82,581.4	74,392.0	11.01	70,183.1

(II) Key financial indicators

Key financial indexes	2020	2019	Increase or decrease, (%)	2018
Operating profit margin(%)	37.0	37.3	-0.80	39.8
Net profit margin(%)	24.9	23.0	8.26	22.8
Earnings per share (RMB)	0.78	0.67	16.59	0.62
Earnings per share from continuing operations (RMB)	0.70	0.64	9.64	0.67

VIII. Difference between accounting data under PRC GAAP and International Financial Reporting Standards

(I) Differences between the profit and the equity attributed to owners of the company in financial report disclosed in accordance with PRC accounting standards (“PRC GAAP”) and International Financial Reporting Standards (“IFRSs”) at the same time

Unit: Million Yuan Currency: RMB

	Profit for the year attributable to owners of the company		Equity attributable to owner of the company	
	2020	2019	2020	2019
Amounts under	5,515.6	4,755.5	47,226.7	40,382.5

PRC GAAP				
Adjustment:				
The transfer of water supply, power supply, heating and property to government without consideration		(26.8)		
Effect of IFRS 16	(1.8)	(2.2)	(4.0)	(2.2)
Amounts under IFRSs	5,513.8	4,726.5	47,222.7	40,380.3

IX. Quarterly key financial data in 2020

	1 st quarter (Jan. to Mar.)	2 nd quarter (Apr. to Jun.)	3 rd quarter (Jul. to Sept.)	4 th quarter (Aug. to Dec.)
Total revenue	7,584.8	9,885.5	12,205.7	9,644.4
Net profits attributed to shareholders of listed company	1,477.1	1,597.6	2,134.8	304.3
Net cash (used in)/generated from operating activities	3,457.2	5,258.8	7,180.2	4,847.1

X. Items measured at fair value

Unit: Million Yuan Currency: RMB

Item	Beginning balance of the period	Closing balance of the period	Change in the current period	Affect amount of current profit
ST Yunwei	6.4	9.6	3.3	-3.5
Exchangable bonds of Zhejiang Energy Group CP Ltd.	852.8	846.2	-6.6	8.5
Convertible bonds of Grandblue Environment Co., Ltd.	-	-	-	9.0
Convertible bonds of Zhongmin Energy Co., Ltd.	-	90.3	90.3	11.3
Guian New Area	68.3	52.4	-15.9	-
Yunnan Coal and Chemical Industry Group Co., Ltd.	20.8	54.2	33.4	-
National Coal Transaction Center	12.0	12.0	-	-
Beijing Electricity Transaction Center	6.6	6.6	-	-
SDIC Hami Industry	8.4	8.5	0.1	-
Tianjin Electricity Transaction Center	-	3.0	3.0	-
Sichuan Electricity Transaction Center	-	1.3	1.3	-
Contingent consideration of ICOL equities	-	93.3	93.3	-

Section III General on Company Business

I. Description on main business, operation mode and industry condition of the Company in report period

(I) Main business of the Company

The business scope of the Company mainly includes the investment, construction, operation and management of power-generation-dominated energy projects, the development and operation of new energy projects and high-tech and environment protection industries, the development and operation of auxiliary products of electric power and the information and consultation service. Among these, the power generation business is a core business of the Company, accounting for more than 95% of total operating income of the Company. In order to adapt to the reformation of electric power system and market changes, meanwhile, the Company is developing the relevant business dominated by energy development and power generation.

(II) Operation mode of the Company

The Company, as an early enterprise implementing modern enterprise system, is mainly engaged in construction and operation of various types of energy and power projects in the form of equity investment.

(III) Industry situation of company position in industry

1. Description on electric power industry

According to the report of China Electricity Council, the electricity consumption in 2020 is 7,510 billion kWh throughout the country, increasing by 3.1% year on year. **By quarter:** The growth rate of electricity consumption in each quarter is -6.5%, 3.9%, 5.8% and 8.1% respectively. The steady recovery of economic operation is the main reason for the rise of electricity consumption growth. **By industry:** the electricity consumption of the primary, secondary and tertiary industries is 85.9, 5,120 and 1,210 billion kWh with 10.2%, 2.5% and 1.9% year-on-year increase respectively; the domestic consumption for urban and rural residents is 1,090 billion kWh with 6.9% year-on-year increase. **By region:** the total electricity consumption is increased by 2.1%, 2.4%, 5.6% and 1.6% in the east, middle, west and northeast regions respectively. In China, 27 provinces have realized positive growth in electricity consumption. Among them, 8 provinces, including Yunnan, Sichuan, Gansu, Inner Mongolia, Tibet, Guangxi, Jiangxi and Anhui, grow by more than 5%.

By the end of 2020, the national installed power-generating capacity in full aperture is 2.2 billion kWh with 9.5% year-on-year increase. During the 13th Five-Year Plan period, the annual average growth rate of national installed power-generating capacity in full aperture is 7.6%, of which the installed capacity of newly-increased non-fossil energy power generation grows by 13.1% annually, and the proportion of total installed capacity of non-fossil energy increases from 34.8% at the end of 2015 to 44.8% at the end of 2020, an increase of 10 percentage points. The average annual growth rate of coal energy installed capacity is 3.7%, and the proportion of coal energy installed capacity in total installed capacity decreases from 59.0% at the end of 2015 to 49.1% at the end of 2020. In 2020, the national newly-increased installed generating capacity is 190,870,000kW with a year-on-year increase of 85,870,000kW, of which the installed generating capacity of wind energy and solar energy is 71,670,000kW and 48,200,000kW. The newly-increased installed generating capacity of wind energy sets a new record.

In 2020, the utilization hours of national power generating equipment are 3,758 hours with a year-on-year decrease of 70 hours. Among these, the utilization hours are respectively 3,827 hours firstly exceeding 3,800 hours for years with a year-on-year increase of 130 hours for hydropower equipment; 7,453 hours with a year-on-year increase of 59 hours for nuclear power equipment; 4,216 hours with a year-on-year decrease of 92 hours for thermal power equipment, among that 4,340 hours with a year-on-year decrease of 89 hours for coal power equipment; 2,073 hours with a year-on-year decrease of 10 hours for grid-connected wind power equipment and 1,281 hours with a year-on-year decrease of 10 hours for grid-connected solar power equipment.

In the 4th quarter of 2020, the supply of electricity-coal is in tight balance, and the market price of electricity-coal continues to rise. Affected by the economic recovery and low temperature, the demand for electricity-coal increases significantly in the 4th quarter, which pushes up its market price. As *China's coastal electricity coal index* (CECI coastal index) shows, the market electricity coal price continues to rise after entering the "red zone" in October.

2. Company position in industry

In terms of installation structure, the Company is an integrated electric power listed company dominated by clean energy and supplemented by hydropower, thermal power, wind power and solar power. With the holding installed capacity of hydropower of 16.77 million kW, it is the third largest listed company concerning the hydropower installed capacity and becomes the industry leader.

In terms of business distribution, the Company is an electric power listed company dominated by domestic development and supplemented by overseas extension and its domestic projects mainly distribute in Sichuan, Tianjin, Fujian, Guangxi, Yunnan, Gansu, Xinjiang, Guizhou, Qinghai, Shanxi, Jiangsu and Zhejiang provinces, etc.

In terms of profitability, although the market competition intensifies and the pressure of energy saving and environmental protection is relatively high, the Company enjoys the obvious advantages, excellent social and economic benefits and strong risk resistance capacity by the aid of its clean energy dominated power supply structure.

II. Description on major change of main assets of the Company within report period

" Applicable" " Not applicable"

III. Analysis of core competence within report period

(I) Absolute controlling right in Yalong River Hydropower

Yalong River Hydropower, whose 52% shares are held by the Company, is the exclusive hydropower developer in Yalong River Basin, featuring unmatchable advantages in reasonable development and unified dispatch. Yalong River Basin features rich water volume, concentrated drops, less hydropower inundation loss, prominent scale advantage, significant cascade compensation benefits. Moreover, this River is of both absorption and immigration advantages, presenting superior economic and technical indicators, and outstanding operational efficiency. The Yalong River is the third largest hydropower base among China's 13 largest hydropower bases with an exploitable capacity of over 30 GW. At the end of this Reporting Period, 14.7 GW have been put into production, 4.5 GW are under construction, and 1.02 GW have been approved for construction.

(II) Clean and high-efficiency energy accounts for a high proportion, green and low-carbon development shows obvious advantages

As of the end of 2020, its installed capacity of clean energy accounted for 62.67% of the Company's existing installed capacity. The installed hydropower capacity is stable, accounting for 52.71% of the total installed capacity; through greenfield construction and M&A, the installed capacity of wind power and solar power has been continuously increasing, reaching 3,171,500 kW, accounting for 9.96% of the total installed capacity. Policy priorities are available for the transmission and consumption of clean energies, so the Company's high proportion of clean energy presents an inherent advantage as low marginal cost. In the increasing marketization context, the Company shows strong pricing capabilities and guaranteed profitability.

The Company's thermal power plants are mainly consisted of high-parameter, large-scale units, without any unit below 300MW (excluding waste-to-energy). 1000MW units account for 67.53% of its controlled thermal power installed capacity; most of its controlled thermal power plants are located in the coastal provinces, presenting advantageous power generation costs, outstanding operating indicators. The Company actively responds to the national energy efficiency and emission reduction policies, and continuously improves its energy efficiency and environmental protection level of thermal power units, 100% equipped with desulfurization, denitration and dust removal devices. According to the statistics of installed capacity, the Company's ultra-low emission units account for nearly 95% of its installed capacities.

(III) A professional manager system is established to maximize the Company's management vitality

Through establishing a professional manager system, the Company has strengthened its top management's market awareness and contract awareness, and created an internal atmosphere of free workforce flow and performance-oriented salary; and realized its professional managers be contractized, marketized and professionalized, so as to efficiently consummate the Company's governance structure and effectively stimulate the vitality of its executive management and development momentum of the entire company.

(IV) Mature investment and management experience in the power industry

The Company has always adhered to its "benefit first" investment management principle, and its profitability tops the similar power generation companies, thanks to its experienced and well-structured management and technical talents in investment, construction and operation management. Moreover, the Company's institutional system encourages management innovation and technical progress, providing powerful guarantee for the Company's management and business expansion.

(V) Mature experience in capital operation and strong support from key shareholders

Since its backdoor listing in 2002, the Company makes full uses of the financing measures like GDR, allotment, public offering, convertible bonds and corporate bonds to provide financial support for a large number of its high-quality under-construction and reserve projects at home and abroad, through the listed company platform. In this way, the Company's market value, assets, installed capacity, equity, and profits grow rapidly. Its accumulated rich experience in capital operation are favorable for the Company to continuously improve its internationalization and marketization level.

As the exclusive capital operation platform for the power business of SDIC, the Company has received strong support from SDIC during its development process. Through assets injection, the Company has acquired

such core assets as Yalong River Hydropower and SDIC Dachaoshan, making it grow stronger and bigger quickly.

Section IV Discussion and Analysis of Operating Conditions

I. Discussion and analysis of operating conditions

Facing the complex and changing domestic and international situation in 2020, the Company, under the strong leadership of the Board, firmly fulfilled its corporate social responsibilities, fully fought against COVID-19 pandemic, promoted the resumption of work and production, accelerated the promotion of transformation and upgrading, improved its quality and efficiency, completed its annual missions and goals in high quality, and achieved a successful conclusion to its "13th Five-Year Plan".

(I) Via transformation and upgrading, the business development achieved new breakthrough

Firstly, accelerating Yazhong DC into the construction stage, and Kala Project in the middle reach of Yalong River be approved via communicating and coordinating with multiple parties. Secondly, completing the acquisition of 8 new energy projects made the Company's energy projects be settled in several new provinces, reserving a large amount of developable resources. Thirdly, establishing a number of regional management companies in Jiangsu, Shanxi, Xinjiang, and Beijing-Tianjin-Hebei basically formed a new energy business division management and development model, laying a solid foundation for the "14th Five-Year Plan". Fourthly, continually promoting the transformation and upgrading of thermal power: a 660MW unit of Qinzhou Power Generation III was approved; substantial progress had been made in capacity replacement projects like Huaxia Power I, and the level of clean and efficient development of thermal power had been vitally improved. Fifthly, the equity transfer formalities of 6 thermal power companies had been completed, optimizing the Company's asset quality. Sixthly, participating in the allotment of Hanlan Environmental convertible bonds and subscribing to Zhongmin Energy convertible bonds obtained good investment returns. Seventhly, successfully completing GDR listing on London Stock Exchange for raising USD 220 million, helped the Company's internationalization process to a new height. Eighthly, actively deployed businesses in the "Belt and Road" countries like Indonesia, Myanmar, Cambodia and Philippines. Ninthly, continually expanded the renewable energy markets in developed countries, successfully completed the equity acquisition of the onshore wind power project in Sweden and expanded its international business domain to the Nordic Region.

(II) Through lean operation, the professional management was comprehensively improved

Firstly, consummated the power marketing system, and built up a marketing information system. In the context of the impact of the pandemic and the further reduction of energy costs for enterprises, the Company rushed to generate electricity, actively participated in local trading centers, increased information acquisition channels, and enhanced market voice rights. Targeted marketing training was carried out to improve the professional skills of business personnel. Secondly, implemented the management of thermal power companies and the lean management of fuel, with well-controlled calorific value difference and storage loss. Thirdly, strengthened the bidding and procurement management for consolidating the basis of procurement management, and controlling the annual procurement cost. Fourthly, fully realized the goal of "lowering leverage and reducing liabilities", continued to control "accounts receivable and inventory", minimized both the annual loss units and loss amount. Fifthly, strictly controlled cost, optimized capital expenditures, and actively strove for tax and fee reduction policies. Sixthly, continued the capital management for ensuring the fund safety and demand of invested companies at home and abroad. Seized the favorable opportunities from the decline of financing costs and the switching of interest rate, and took multiple measures to minimize the cost of debt financing. Steadily promoted

domestic and foreign financing, and efficiently completed the financing of multiple domestic and foreign projects to ensure the smooth progress of the projects.

(III) With multiple measures taken, both production and infrastructure construction were stable and orderly

Firstly, continually optimized production and infrastructure management systems; secondly, resumed work and production in an orderly manner, focusing on infrastructure process management and control, to optimize on-site construction organization for ensuring project safety, quality and schedule. Lianghekou and Yangfanggou hydropower projects on Yalong River had both successfully stored water, and Tongzilin Hydropower Station won "China Power Quality Project Award" from China Electric Power Construction Association (CEPCA). Under the impacts of multiple unfavorable factors such as COVID-19 pandemic and race to install wind turbines, all the new energy infrastructure projects under construction were put in operation on time. Thirdly, carried out in-depth "special rectification of production management issues" and organized invested companies to comprehensively sort out, investigate the problems and deficiencies in the production management process, and carried out special rectification work in a solid manner. Fourthly, actively carried out environmental protection and energy efficiency benchmarking, promoted the enterprise's energy conservation and environmental protection level to a new height, successfully completed the annual goal, and reached the advanced level of the power industry. Fifthly, continuously increased the intensity of scientific and technical innovation and strengthened exchanges and cooperation with well-known domestic scientific research institutions. Increased investment in scientific and technical innovation, increased scientific research expenses year-on-year, and used scientific and technical innovation to drive enterprises to improve quality and efficiency.

(IV) Being rigorous and stable, the management and control system was continuously improved

In term of legal construction and compliance management: Firstly, further promoted the in-depth integration of corporate operations and compliance, compiled and completed "Manual of Operational Compliance Management for SDIC Power Enterprise Principals", and refined the business compliance requirements into more than 400 key elements and bottom-line requirements in 13 categories to guide the principals of the invested company to perform their duties. Secondly, continually optimized the management and control interface between SDIC Power Division and the invested companies, and further strengthened the system construction and established scientific and efficient management and control systems by combining and improving the system hierarchy, decision-making body and management process. Thirdly, strengthened legal risk prevention and control, and improved risk prediction capability, proactive response capability, and resolution and disposal capability. Strengthened domestic and overseas project investment, M&A, operation management, and capital operation process management and control to ensure stable and compliant operations in accordance with laws and regulations.

In term of internal control and audit supervision: Firstly, grasped the "window period" when the pandemic prevention and control situation was improved. The pandemic prevention and control and audit supervision services were carried out simultaneously, totally 6 corporate audits and 4 special inspections had been completed. Secondly, further optimized the internal control system, strictly regulated management, and promoted the healthy development of the Company's business operations. Thirdly, actively carried out post-project evaluation work, summed up experiences and insufficiencies, and promoted continuous improvement of business development,

project investment and operation management capabilities. Fourthly, improved assets investment operation accountability mechanism, established the Company's illegal operation and investment accountability system, and further improved the management and control mechanism for domestic and foreign companies.

(V) Being pragmatic and innovative, the safety management was under control and controllable

Earnestly implemented the work requirements of the Board, strengthened pandemic prevention and control, and no cluster pandemic occurred throughout the year. Improved the long-term safety management mechanism, strengthened the implementation of responsibilities and risk hierarchical management, and no safety production accident occurred throughout the year.

Firstly, quickly established an emergency response team for pandemic prevention work, to coordinate the implementation of various pandemic prevention and control work at home and abroad, to promote the normalization of pandemic prevention work in an orderly manner, with sufficient stock of pandemic prevention materials, effective implementation of pandemic prevention measures, finally presenting good results in pandemic prevention and control. Secondly, strengthened the top-level design, formulated system construction and improvement plan and five-year plan, and accelerated the optimization and improvement of the safety, health and environmental management system. Thirdly, "look back" on safety inspection issues, three-year action for special rectification of safety production, improvement of basic management of hazardous chemicals, and contracting annual special works such as the annual business safety management to eliminate potential safety hazards and improve the management level; Fourthly, continually focused on system construction, standard building, and capacity building, and continued to consolidate the foundation of safety management. Fifthly, strengthened the safety management of construction projects and newly-acquired companies, quickly filled up the shortcomings of safety management.

II. Main operations within report period

(I) Analysis of main business

In 2020, the continuing operating income of the company is 39.32 billion Yuan, increased by 4.15% on year-on-year basis; operating cost is 21.68 billion Yuan, increased by 1.45% on a year-on-year basis. As of December 31, 2020, total assets of the company are 229.0 billion Yuan, increased by 4.2 billion Yuan than that at the beginning of period; total liabilities are 146.4 billion Yuan, decreased by 4.0 billion Yuan than that at the beginning of period. The asset-liability ratio at the end of report period is 63.94%, decreased by 2.97 percent points than that at the end of the previous period; equity attributed to owner of the company is 47.2 billion Yuan, increased by 16.95% than that at the end of the previous period. The company realizes profit of 5.5 billion Yuan attributed to owner of the company, increased by 16.66% on a year-on-year basis; earnings per share of 0.7767 Yuan, increased by 16.59% on a year-on-year basis.

1. Analytical statement of changes in relevant items of statement of profit or loss and statement of cash flows

Unit: Million Yuan Currency: RMB

Item	2020	2019	Increase or decrease, (%)
Revenue	39,320.4	37,752.0	4.15
Cost of sales	(21,677.9)	(21,367.8)	1.45
Administrative cost	(1,732.2)	(1,272.9)	36.08
Distribution cost	(27.7)	(30.4)	-8.88

Share of results of associates and joint ventures	715.7	609.1	17.50
Financial costs	(4,293.3)	(4,617.4)	-7.02
Net cash generated operating activities,	20,647.3	20,235.5	2.04
Net cash used in investing activities,	-10,146.5	-8,611.5	17.83
Net cash used in financing activities	-9,310.2	-10,708.5	-13.06

2. Analysis of income and cost

(1). Industrial, product and regional situation of main businesses

Unit: Million Yuan Currency: RMB

Industrial situation of main businesses						
Industry	Revenue of main business	Cost of main business	Gross profit rate (%)	Increase or decrease in revenue of main business than the previous year (%)	Increase or decrease in cost of main business than the previous year (%)	Increase or decrease in gross profit rate than the previous year (%)
Electricity	38,745.6	21,089.5	45.57	4.45	2.55	Increased by 1.01 percent points
Others	420.9	553.5	-31.50	-16.82	-26.53	Increased by 17.39 percent points
Product situation in main businesses						
Product	Revenue of main business	Cost of main business	Gross profit rate (%)	Increase or decrease in revenue of main business than the previous year (%)	Increase or decrease in cost of main business than the previous year (%)	Increase or decrease in gross profit rate than the previous year (%)
Electricity	38,745.6	21,089.5	45.57	4.45	2.55	Increased by 1.01 percent points
Others	420.9	553.5	-31.50	-16.82	-26.53	Increased by 17.39 percent points
Regional situation of main businesses						
Region	Revenue of main business	Cost of main business	Gross profit rate (%)	Increase or decrease in revenue of main business than the previous year (%)	Increase or decrease in cost of main business than the previous year (%)	Increase or decrease in gross profit rate than the previous year (%)
Sichuan	17,489.0	6,055.4	65.38	6.04	7.97	Decreased by 0.61 percent points
Fujian	6,423.8	4,896.4	23.78	7.36	1.81	Increased by 4.16 percent points
Guangxi	4,582.4	3,884.5	15.23	-1.77	-4.49	Increased by 2.42 percent points

Tianjin	5,501.6	4,501.3	18.18	-3.47	-3.48	-
Gansu	1,118.7	574.8	48.62	6.59	-1.39	Increased by 4.16 percent points
Yunnan	1,804.2	519.3	71.22	-5.48	-7.86	Increased by 0.75 percent points
Xinjiang	751.8	290.2	61.40	44.00	43.31	Increased by 0.18 percent points
Guizhou	755.8	599.2	20.72	-11.46	-7.27	Decreased by 3.59 percent points
Qinghai	155.1	74.5	51.97	-0.58	-1.06	Increased by 0.24 percent points
UK	98.1	44.4	54.74	-12.64	27.22	Decreased by 14.11 percent points
Thailand	123.6	54.0	56.31	78.87	119.51	Decreased by 8.05 percent points
Zhejiang	104.8	44.0	58.02	104.69	139.13	Decreased by 5.95 percent points
Jiangsu	77.6	32.2	58.51			-
Shannxi	133.1	47.3	64.46			-
Hebei	4.4	1.6	63.64			-
Ningxia	42.5	24.0	43.53	15.80	12.68	Increased by 1.54 percent points
Total	39,166.5	21,643.1	44.74	4.17	1.52	Increased by 1.44 percent points

Description of industrial, product and regional situation of main businesses

① Description of industrial and product situation of main businesses

In 2020, the company realizes revenue of main business of 39,166.5 million Yuan, increased by 1,566.7 million Yuan than 2019, for 4.17%, with the gross profit rate increased by 1.44 percent points on a year-on-year basis. Of which, the electricity income is 38,745.6 million Yuan, increased by 4.45% than 2019, with the gross profit rate increased by 1.01 percent points, mainly reason is the unit price of standard coal fired decreases and M&A of new energy projects.

② Description of regional situation of main businesses

In 2020, revenue in Sichuan increases by 6.04% on a year-on-year basis, mainly because the inflow of Yalong River is larger than the previous year resulting in year-on-year increase in power generation;

In 2020, revenue in Fujian increases by 7.36% on a year-on-year basis, mainly because the annual rainfall is insufficient and the Coal-fired power generation increases;

In 2020, revenue in Guangxi basically equals to that of the previous period;

In 2020, revenue in Tianjin basically equals to that of the previous period;

In 2020, revenue in Gansu increases by 6.59% on a year-on-year basis, mainly because the power generation situation has improved;

In 2020, revenue in Yunnan basically equals to that of the previous period;

In 2020, revenue in Xinjiang increases by 44.00% on a year-on-year basis, mainly because new energy projects put into production in 2019 generate revenue throughout 2020;

In 2020, revenue in Guizhou decreases by 11.46% on a year-on-year basis, mainly because Guizhou has two flood periods and Coal-fired power generation capacity decreases than the previous year;

In 2020, revenue in Qinghai basically equals to that of the previous period;

In 2020, revenue in UK decreases by 12.64% on a year-on-year basis, mainly because the tariff decreases on a year-on-year basis due to COVID-19;

In 2020, revenue in Thailand increases by 78.87% on a year-on-year basis, mainly because of acquisition of Newsky China in the second half of 2019, which takes effect throughout 2020;

In 2020, revenue in Zhejiang increases by 104.69% on a year-on-year basis, mainly because of acquisition of Huzhou Xianghui in the second half of 2019, which takes effect throughout 2020;

In 2020, revenue in Ningxia increases by 15.80% on a year-on-year basis, mainly because the Zhongning Project is put into operation;

In 2020, the company adds three solar projects in Jiangsu, Shaanxi and Hebei through acquisition.

(2). Analytical statement of costs

Unit: Million Yuan

Industrial situation							
Industry	Cost composition	Amount of current period	Proportion of current amount in cost of sales (%)	Amount of the previous period	Proportion of previous amount in cost of sales (%)	Change ratio of current amount compared with that of the previous period (%)	Description
Electricity	Fuel expenses, depreciation expenses, employee's wages, repair expenses and materials expenses	21,089.5	97.29	20,799.19	97.34	1.40	
Other industries such as seawater desalination, building materials and heat supply	Fuel expenses, depreciation expenses, employee's wages, repair expenses	588.4	2.71	568.61	2.66	3.48	

	and materials expenses						
Product situation							
Product	Cost composition	Amount of current period	Proportion of current amount in cost of sales (%)	Amount of the previous period	Proportion of previous amount in cost of sales (%)	Change ratio of current amount compared with that of the previous period (%)	Description
Electricity	Fuel expenses, depreciation expenses, employee's wages, repair expenses and materials expenses	21,089.5	97.29	20,799.19	97.34	1.40	
Other industries such as seawater desalination, building materials and heat supply	Fuel expenses, depreciation expenses, employee's wages, repair expenses and materials expenses	588.4	2.71	568.61	2.66	3.48	

(3). Main customers and main suppliers

The sales volume of top 5 customers is 29,994.4 Million Yuan, accounting for 76.28% in annual sales volume; of which, the sales volume of the related party is 0, accounting for 0% in annual sales volume.

The procurement amount of top 5 suppliers is 6,087.2 Million Yuan, accounting for 40.75% in annual procurement volume; of which, the procurement volume of the related party is 0, accounting for 0% in annual procurement volume.

Main customers

Unit: Million Yuan Currency: RMB

Customer name	Revenue	Proportion in operating income of the company (%)
State Grid Corporation of China	13,717.0	34.89
State Grid North China Co., Ltd.	5,229.3	13.30
Guangxi Power Grid Co., Ltd.	4,393.8	11.17
State Grid Fujian Electric Power Company	3,954.6	10.06
State Grid Sichuan Electric Power Company	2,699.7	6.87
Total	29,994.4	76.28

Main suppliers

Unit: Million Yuan Currency: RMB

Supplier name	Procurement amount	Proportion in procurement amount of the company (%)
Guangdong China Coal Import & Export Co., Ltd.	2,749.5	18.41
Shenhua Trading Group South China Co., Ltd.	1,121.9	7.51
Shenhua Trading Group North China Energy Trading Co., Ltd.	941.8	6.30
Xinjiang Goldwind Sci & Tech Co.,Ltd.	721.2	4.83
China Coal Jingmin (Fujian) Industrial Trading Co., Ltd.	552.8	3.70
Total	6,087.2	40.75

3. Expenses

Unit: Million Yuan Currency: RMB

Item	2020	2019	Increase or decrease rate (%)	Description
Administrative cost	1,732.2	1,272.9	36.08	Provisions for extra social security of the retired are made in current period.
Distribution cost	27.7	30.4	-8.88	
Finance costs	4,293.3	4,617.4	-7.02	Parts of operating loans are repaid through adjustment of debt structure

4. R&D investment

(1). Details of R&D investment

Unit: Million Yuan

Expenditure R&D investment in current period	37.8
Capitalized R&D investment in current period	2.6
Total R&D investment	40.4
Proportion of total R&D investment in operating income (%)	0.10
Number of R&D personnel of the company	306
Proportion of number of R&D personnel in total number of company employees (%)	3.52
Proportion of capitalized R&D investment (%)	6.36

(2). Description

"□ Applicable" "√ Not applicable"

5. Cash flow

Unit: Million Yuan Currency: RMB

Item	2020	2019	Increase or decrease, YoY (%)	Reason
Net cash generated from operating activities	20,647.3	20,235.5	2.04	
Net cash used in investing activities	-10,146.5	-8,611.5	17.83	Consideration for equity disposal of Coal-fired power projects is received

				this year
Net cash used in financing activities	-9,310.2	-10,708.5	-13.06	
Net increase in cash and cash equivalents	1,190.6	915.5	30.05	

(II) Description on major profit change due to non-main operations

"□ Applicable" "√ Not applicable"

(III) Analysis of assets and liabilities

1. Situations of assets and liabilities

Unit: Million Yuan

Item	Closing balance of the current period	Proportion of current closing balance in total assets (%)	Closing balance of the previous period	Proportion of previous closing balance in total assets (%)	Increase or decrease, YoY (%)	Description
Cash and cash equivalents	9,552.80	4.17	8,281.60	3.68	15.35	
Inventories	954.8	0.42	1,158.90	0.52	-17.61	
Accounts and notes receivables	7,466.70	3.26	5,599.20	2.49	33.35	Note 1
Property, plant and equipment	192,354.30	83.99	184,487.50	82.05	4.26	
Intangible assets	2,269.20	0.99	2,633.80	1.17	-13.84	
Long-term receivable	1,135.00	0.50	511.4	0.23	121.94	Note 2
Inventories	954.8	0.42	1,158.90	0.52	-17.61	
Short-term loans	7,226.10	3.16	5,283.80	2.35	36.76	
Short-term bonds	2,500.00	1.09	1,500.00	0.67	66.67	
Current portion of long-term liabilities	15,515.40	6.77	11,276.80	5.02	37.59	
Long-term loans	103,214.80	45.07	109,879.50	48.87	-6.07	
Long-term bonds	5,200.00	2.27	4,400.00	1.96	18.18	

Other descriptions

Note 1: The main reason for the growth is the impact of newly acquired new energy projects in 2020.

Note 2: In 2020, long-term receivables on joint ventures (Cloud Wind Farm Holdings AB and Inch Cape Offshore Limited Holdings) are increased by the company;

2. Main limited assets as of report period

Unit: Million Yuan Currency: RMB

Item	Closing book value	Beginning book value
Restricted deposits	137.1	158.9
Accounts and notes receivables	3,420.5	2,486.9
Property, plant and equipment	5,479.0	3,899.1
Intangible assets	484.5	502.8
Total	9,521.1	7,047.7

(IV) Analysis of industry operating information

In 2020, the holding enterprise of the company has the accumulated power generation of 148,510 million kWh and on-grid energy of 144,646 million kWh, respectively decreased by 8.51% and 8.10% on a year-on-year basis; the average on-grid tariff is 0.301 Yuan/kWh, increased by 0.67% on a year-on-year basis.

Analysis of operation information of power industry**1. Electricity quantity and tariff within report period**

	Power generation (MWh)			On-grid energy (MWh)			Electricity sales amount (MWh)			Purchased electricity amount (if any) (MWh)			On-grid tariff (Yuan/MWh)	Sale tariff (Yuan/MWh)
Region/generation type	2020	2019	YoY	2020	2019	YoY	2020	2019	YoY	2020	2019	YoY	2020	2019
Tianjian	17,346,082.6	17,865,478.1	-2.91	16,345,665.8	16,875,270.0	-3.14	16,345,665.8	16,875,270.0	-3.14	1,152.3	1,861.3	-38.09	363	363
Coal-fired power	17,346,082.6	17,865,478.1	-2.91	16,345,665.8	16,875,270.0	-3.14	16,345,665.8	16,875,270.0	-3.14	1,152.3	1,861.3	-38.09	363	363
Anhui	-	5,781,403.0		-	5,485,045.5		-	5,485,045.5		-	949.9			
Coal-fired power	-	5,781,403.0		-	5,485,045.5		-	5,485,045.5		-	949.9			
Guangxi	15,605,980.4	19,865,400.4	-21.44	14,702,261.9	18,676,168.2	-21.28	14,702,261.9	18,676,168.2	-21.28	1,699.1	510.4	232.90	352	352
Coal-fired power	15,246,988.0	19,663,831.0	-22.46	14,352,375.0	18,480,104.2	-22.34	14,352,375.0	18,480,104.2	-22.34	1,316.6	-	346	346	
Wind power	358,992.4	201,569.4	78.10	349,886.9	196,064.0	78.46	349,886.9	196,064.0	78.46	382.5	510.4	-25.06	588	588
Gansu	4,872,594.8	9,280,484.5	-47.50	4,807,481.2	8,901,836.6	-45.99	4,807,481.2	8,901,836.6	-45.99	4,370.9	7,358.2	-40.60	259	259
Coal-fired power	-	4,215,640.2	-	-	3,903,609.5		-	3,903,609.5		-	2,756.2			
Wind power	744,271.9	701,748.7	6.06	730,782.0	687,104.0	6.36	730,782.0	687,104.0	6.36	3,660.1	3,818.1	-4.14	347	347
Hydropower	4,076,858.9	4,317,277.6	-5.57	4,026,380.4	4,266,290.2	-5.62	4,026,380.3	4,266,290.2	-5.62	222.1	344.9	-35.60	234	234
Solar power	51,464.0	45,818.0	12.32	50,318.8	44,833.0	12.24	50,318.8	44,833.0	12.24	488.7	439.1	11.30	958	958
Fujian	19,867,303.6	18,478,332.6	7.52	18,762,342.7	17,470,663.0	7.39	18,762,342.7	17,470,663.0	7.39	7,465.8	10,028.4	-25.55	378	378
Coal-fired			7.52			7.39			7.39			-25.55	378	378

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power	19,867,30 3.6	18,478,33 2.6		18,762,34 2.7	17,470,663. 0		18,762,342. 7	17,470,663.0		7,465.8	10,028.4			
Xinjiang	1,617,856 .4	4,275,018. 2	-62.16	1,577,284. 6	3,922,217.9	-59.79	1,577,284.6	3,922,217.9	-59.79	8,270.3	5,619.1	47.18	554	554
Coal-fired power	-	3,115,782. 0	-100.00	-	2,789,740.8		-	2,789,740.8		-	105.6			
Wind power	1,394,430 .7	1,014,605. 5	37.44	1,358,241. 9	990,731.5	37.09	1,358,241.9	990,731.5	37.09	7,010.9	4,771.6	46.93	510	510
Solar power	223,425.7	130,421.7	71.31	219,042.7	127,856.5	71.32	219,042.7	127,856.5	71.32	1,259.4	741.9	69.75	828	828
Hydropower	-	14,209.1		-	13,889.1		-	13,889.1		-	-			
Guizhou	2,676,966 .0	3,072,665. 0	-12.88	2,424,434. 2	2,811,814.5	-13.78	2,424,434.2	2,811,814.5	-13.78	240.1	620.4	-61.30	342	342
Coal-fired power	2,569,548 .0	3,023,670. 0	-15.02	2,336,180. 0	2,771,164.0	-15.70	2,336,180.0	2,771,164.0	-15.70	-	341.0		330	330
Waste-to-Energy Power	107,418.0	48,995.0	119.24	88,254.2	40,650.5	117.10	88,254.2	40,650.5	117.10	240.1	279.4	-14.07	648	648
Sichuan	77,671,78 4.9	74,779,00 2.6	3.87	77,270,11 6.8	74,401,682. 6	3.86	77,270,116. 8	74,401,682.6	3.86	1,104.5	1,043.0	5.90	256	256
Hydropower	77,468,21 3.3	74,731,73 7.8	3.66	77,070,29 6.5	74,355,794. 8	3.65	77,070,296. 5	74,355,794.8	3.65	561.8	440.8	27.44	255	255
Solar power	42,880.3	47,264.8	-9.28	42,383.4	45,887.8	-7.64	42,383.4	45,887.8	-7.64	542.7	602.2	-9.88	931	931
Wind power	160,691.3	-		157,436.9	-		157,436.9	-		328.1	-		603	603
Yunnan	7,942,459 .5	8,389,487. 3	-5.33	7,875,455. 8	8,321,389.2	-5.36	7,875,455.8	8,321,389.2	-5.36	4,184.2	4,308.5	-2.89	242	242
Wind power	543,071.2	514,994.6	5.45	532,733.5	504,492.9	5.60	532,733.5	504,492.9	5.60	351.9	452.2	-22.18	460	460
Hydropower	6,907,760 .2	7,332,845. 2	-5.80	6,855,112. 5	7,279,524.5	-5.83	6,855,112.5	7,279,524.5	-5.83	-	-		185	185
Solar power	491,628.1	541,647.5	-9.23	487,609.8	537,371.9	-9.26	487,609.8	537,371.9	-9.26	3,832.3	3,856.4	-0.62	803	803
Qinghai	265,192.8	262,719.4	0.94	259,119.5	256,208.6	1.14	259,119.5	256,208.6	1.14	1,836.2	1,568.4	17.08	676	676

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Wind power	186,557.4	189,167.2	-1.38	181,749.5	183,885.6	-1.16	181,749.5	183,885.6	-1.16	1,307.6	1,098.3	19.06	521	521
Solar power	78,635.4	73,552.2	6.91	77,370.0	72,323.0	6.98	77,370.0	72,323.0	6.98	528.6	470.1	12.44	1,041	1,041
Ningxia	58,622.0	43,072.8	36.10	57,593.7	42,359.5	35.96	57,593.7	42,359.5	35.96	840.1	659.4	27.39	837	837
Solar power	44,165.2	43,072.8	2.54	43,460.2	42,359.5	2.60	43,460.2	42,359.5	2.60	696.8	659.4	5.67	972	972
Wind power	14,456.8	-		14,133.5	-		14,133.5	-		143.3	-		421	421
Zhejiang	108,806.9	48,438.9	124.63	107,969.4	48,029.5	124.80	107,969.4	48,029.5	124.80	1,016.4	415.8	144.44	1,099	1,099
Solar power	108,806.9	48,438.9	124.63	107,969.4	48,029.5	124.80	107,969.4	48,029.5	124.80	1,016.4	415.8	144.44	1,099	1,099
UK	147,381.0	146,103.3	0.87	144,864.0	144,115.5	0.52	144,864.0	144,115.5	0.52	0.2	0.2		676	676
Wind power	147,381.0	146,103.3	0.87	144,864.0	144,115.5	0.52	144,864.0	144,115.5	0.52	0.2	0.2		676	676
Thailand	79,394.4	38,923.9	103.97	65,204.0	32,077.0	103.27	65,204.0	32,077.0	103.27	145.0	0.7	20,038 .89	1,555	1,555
Waste-to-Energy Power	79,394.4	38,923.9	103.97	65,204.0	32,077.0	103.27	65,204.0	32,077.0	103.27	145.0	0.7	20,038 .89	1,555	1,555
Jiangsu	86,972.6	-		86,700.4	-		86,700.4	-		958.4	-		1,042	1,042
Solar power	86,972.6	-		86,700.4	-		86,700.4	-		958.4	-		1,042	1,042
shaanxi	158,132.0	-		155,482.4	-		155,482.4	-		1,571.7	-		950	950
Solar power	158,132.0	-		155,482.4	-		155,482.4	-		1,571.7	-		950	950
Hebei	4,294.2	-		4,231.2	-		4,231.2	-		114.8	-		950	950
Solar power	4,294.2	-		4,231.2	-		4,231.2	-		114.8	-		950	950
Total	148,509.8 24.1	162,326.5 30.0	-8.51	144,646.2 07.5	157,388,877 .5	-8.10	144,646,20 7.5	157,388,877 6	-8.10	34,970.0	34,943.9	0.07	301	301

2. Electricity quantity, income and cost within report period

Unit: Billion Yuan Currency: RMB

Type	Power generation (MWh)	YoY	Electricity sales amount (MWh)	YoY	Revenue	Income of the previous period	Change ratio (%)	Cost composition	Current amount	Proportion of current amount	Previous period amount	Proportion of previous period	Change ratio (%)

										t in cost of sales (%)		period amount in t cost of sales (%)	
Coal-fired power	55,029,922.2	-24.00	51,796,563.5	-23.58	16.7	16.6	0.60	Fuel expenses, depreciation expenses, employees' wages and repair expenses, etc.	13.3	61.29	13.7	64.02	-2.92
Hydropower	88,452,832.4	2.00	87,951,789.3	2.37	19.4	18.5	4.86	Depreciation expenses, employees' wages and repair expenses, etc.	6.6	30.41	6.3	29.44	4.76
Wind power	3,549,852.8	28.00	3,469,828.2	28.21	1.5	1.2	25.00	Depreciation expenses, employees' wages and repair expenses, etc.	0.7	3.23	0.5	2.34	40.00
Solar power	1,290,404.3	39.00	1,274,568.3	38.74	1.0	0.7	42.86	Depreciation expenses, employees' wages and repair expenses, etc.	0.4	1.84	0.3	1.40	33.33
Waste-to-Energy Power	186,812.40	112.00	153,458.2	111.00	0.1	0.1	-	Fuel expenses, depreciation expenses, employees' wages and repair expenses, etc.	0.1	0.46	0.0	-	
Total	148,509,824.1	-9.00	144,646,207.5	-8.10	38.7	37.1	4.33	-	21.1	97.24	20.8	97.20	1.44

3. Analysis of installed capacity

By the end of 2020, the holding installed capacity of the Company which has been put into production is 31.8268 million kW, of which, the installed capacity of hydropower is 16.7745 million kW, accounting for 52.71%, the installed capacity of thermal power (including waste-to-energy) is 11.8808 million kW, accounting for 37.33%, the installed capacity of wind power is 2.1395 million kW, accounting for 6.72%, and the installed capacity of solar power is 1.032 million kW, accounting for 3.24%.

The newly-increased installed capacity in 2020 is 1.0385 million kW, including 15,000 kW from hydropower, 709,500 kW from wind power, 314,000 kW from solar power. The Company completed the transfer of Jingyuan Second Power Co., Ltd., Xuancheng Power Co., Ltd., and Yili Power Co., Ltd., withdraw the installed capacity of 1.32 million kW, 1.29 million kW and 0.664 million kW respectively.

By the end of 2020, the details of holding installed capacity which has been put into production are as shown below:

Unit: 10,000kW

Region	Total installed capacity	Installed capacity of hydropower	Installed capacity of thermal power	Installed capacity of wind power	Installed capacity of solar power
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Region	Total installed capacity	Installed capacity of hydropower	Installed capacity of thermal power	Installed capacity of wind power	Installed capacity of solar power
Sichuan	1513.95	1470		40.95	3
Tianjin	400		400		
Fujian	398.6		398.6		
Guangxi	345.4		326	19.4	
Yunnan	183.4	135		14.4	34
Gansu	114.7	72.45		39.45	2.8
Xinjiang	88.85			74.85	14
Guizhou	62.5		62.5		
Qinghai	19.9			14.9	5
Shanxi	15				15
Jiangsu	12				12
Zhejiang	10				10
Ningxia	8			5	3
Hebei	4.4				4.4
UK	5			5	
Thailand	0.98		0.98		
Total	3182.68	1677.45	1188.08	213.95	103.2

Note: The above 11.8808 million kW thermal power includes 34,800 kW of waste-to-energy.

By the end of 2020, the installed capacity under construction of the Company is 4.6 million kW, as shown below:

No.	Project name	Design capacity (10,000 kW)	Capacity under construction (10,000 kW)	Project status
1	Lianghekou Hydropower Station	6×50	300	Under construction
2	Yangfanggou Hydropower Station	4×37.5	150	Under construction
3	Liaoning Fuxin solar power	10	10	Under construction
Total		460	460	-

4. Analysis of generating capacity

In 2020, the generating utilization hours of the holding generating enterprises of the Company are 4,781 hours with year-on-year increase of 60 hours, including 5,278 hours for hydropower with year-on-year increase of 122 hours, 4,645 hours for thermal power with year-on-year increase of 66 hours, 2,239 hours for wind power with year-on-year increase of 84 hours and 1,434 hours for solar power with year-on-year decrease of 103 hours. The overall power consumption rate is 2.61%, including 0.57% for hydropower, 5.91% for thermal power, 2.69% for wind power and 2.08% for solar power. The power supply coal consumption of coal-fired power unit is 298.23g/ kWh with year-on-year decrease of 3.96g/ kWh.

5. Details of capital expenditure

Unit: Million Yuan Currency: RMB				
Project name	Project amount	Project progress	Investment amount in 2020	Accumulated actual investment amount
Yalong Hydropower Development Co., Ltd.	10,465.9	Under construction	936.00	6,661.2
SDIC Gansu Electricity Sales Co., Ltd.	71.50	In operation	55.3	71.5
SDIC Inner Mongolia New Energy Co., Ltd.	201.9	Early-stage development	20.0	25.0
Dingbian Angli Photovoltaic Technology Co., Ltd.	155.	Put into operation	155.5	155.5
Hainan Holdings Intelligent Energy Co., Ltd.	12.3	In operation	12.3	12.3
SDIC Jiangsu New Energy Co., Ltd.	20.0	In operation	20.0	20.0
Xiangshui Hengneng Solar Power Generation Co., Ltd.	438.0	Put into operation	438.0	438.0
Xiangshui Yongneng Solar Power Generation Co., Ltd.	100.0	Put into operation	100.0	100.0
Jingbian County Zhiguang New Energy Development Co., Ltd.	82.0	Put into operation	82.0	82.0
SDIC New Energy Co., Ltd.	20.0	In operation	20.0	20.0
Guyuan County Guanghui New Energy Power Generation Co., Ltd.	63.0	Put into operation	63.0	63.0
Zhangjiakou Jinko New Energy Co., Ltd.	40.0	Put into operation	40.0	40.0
Shenyang Jingbu Solar power Co., Ltd.	95.0	Under construction	95.0	95.0
Cloud Wind Farm Holdings AB	207.6	Put into operation	207.6	207.6
Total	11,972.7	-	2,244.7	7,991.1

6. Electric power market transaction

Unit: 0.1 billion kWh

	This year	Previous year	Change on year-on-year basis

Total electricity traded on market	467.77	451.08	3.7%
Total on-grid energy	1446.46	1413.39	2.34%
Proportion	32.34%	31.91%	Increase by 0.43%

Note: The above data is the data after eliminating the influence of three thermal power equity transfer.

7. Operation of electricity sales business

In 2020, the Company realized electricity sales of 144.646 billion kWh. Among them, the four electricity retailers held by the Company sold a total of 10.119 billion kWh of electricity, the Company's electricity sales business went ahead in order and the electricity sales volume grew steadily. In 2020, the Company was eligible to start electricity sales business in 3 provinces of Jiangxi, Hainan and Shanghai. Till now, the Company is eligible to make electricity sales business for up to 22 provinces, and has achieved electricity sale transactions in 9 provinces of Gansu, Xinjiang, Tianjin, Shaanxi, Anhui, Zhejiang, Guizhou, Guangxi and Sichuan. The incremental distribution business of Lanzhou New Area operates smoothly, and the annual electricity distribution is about 56 million kWh, it shows the business goes well in the future.

(V) Analysis of investment situation**1. Overall analysis of external equity investment****① Overall situation**

Unit: Million Yuan Currency: RMB

Investment amount within report period	2,244.7
Increase or decrease in investment amount	-405.7
Investment amount of the previous same period	2,650.4
Change ratio (%)	-15.31

② Invested companies

No.	Name	Main business activities	Shareholding ratio (%)
1	Yalong Hydropower Development Co., Ltd.	Hydropower	52
2	SDIC Gansu Electricity Sales Co., Ltd.	Electricity sales	65
3	SDIC Inner Mongolia New Energy Co., Ltd.	Wind power	100
4	Dingbian Angli Photovoltaic Technology Co., Ltd.	Solar power	100
5	Hainan Holdings Intelligent Energy Co., Ltd.	Investment and operation of charging facilities of new energy vehicles	35
6	SDIC Jiangsu New Energy Co., Ltd.	Investment	100
7	Xiangshui Hengneng Solar Power Generation Co., Ltd.	Solar power	100
8	Xiangshui Yongneng Solar Power Generation Co., Ltd.	Solar power	100
9	Jingbian County Zhiguang New Energy Development Co., Ltd.	Solar power	100
10	SDIC New Energy Co., Ltd.	Investment	100
11	Guyuan County Guanghui New Energy Power Generation Co., Ltd.	Solar power	100
12	Zhangjiakou Jinko New Energy Co., Ltd.	Solar power	100
13	Shenyang Jingbu Solar power Co., Ltd.	Solar power	100
14	Cloud Wind Farm Holdings AB	Wind power	50

③ Shareholding in non-listed financial enterprises

Unit: Million Yuan Currency: RMB

Name of the held company	Initial investment amount	Number of shares held (share)	Shareholding in the company	Investment amount in current period	Closing book value	Profit and loss within report period	Changes in owners' equity within report period	Accounting subject	Source
SDIC Finance Co., Ltd.	279.0		35.40%		2,643.1	169.7	40.0	Long-term equity investment	Investment

④ Shareholding in other listed companies

Unit: Million Yuan Currency: RMB

Stock code	Stock name for short	Initial investment cost	Initial shareholding ratio	Shareholding ratio at the end of period	Closing book value	Profit and loss within report	Changes in owners' equity within	Accounting subject	Source
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						period	report period		
000899	Jiangxi Ganneng	2,159.2		33.72%	2,031.2	80.9	73.5	Long-term equity investment	Investment
600725	ST Yunwei	6.7		0.46%	6.4	-3.5	0.1	Trading financial assets	by creditor's right
600323	Grandblue Environment	889.3		8.61%	1,065.6	90.8	86.0	Long-term equity investment	Investment

(1) Significant equity investment

① On November 18, 2019, upon deliberation by the General Manager's Office Meeting, the investment scheme and investment plan of the company to acquire 100% equity of Dingbian Angli Photovoltaic Technology Co., Ltd. at 59 million Yuan were agreed. On January 14, 2020, the company completed the acquisition of Dingbian Angli Photovoltaic Technology Co., Ltd. and this project began to be incorporated into the consolidated statements of the company.

② On April 20, 2020, upon deliberation by the 2nd Office Meeting of the Chairman of the Board of Directors, the company was agreed to acquire 100% holding rights of Xiangshui Yongneng Solar Power Generation Co., Ltd. at 100 million Yuan. As of May 29, 2020, the company completed the acquisition of Xiangshui Yongneng Solar Power Generation Co., Ltd. and this project began to be incorporated into the consolidated statements of the company.

③ On April 20, 2020, upon deliberation by the 2nd Office Meeting of the Chairman of the Board of Directors, the company was agreed to acquire 100% holding rights of Xiangshui Hengneng Solar Power Generation Co., Ltd. at 438 million Yuan. As of May 29, 2020, the company completed the acquisition of Xiangshui Hengneng Solar Power Generation Co., Ltd. and this project began to be incorporated into the consolidated statements of the company.

④ On September 21, 2020, upon deliberation by the General Manager's Office Meeting, the company was agreed to acquire 100% holding rights of Jingbian County Zhiguang New Energy Development Co., Ltd. at 20 million Yuan. As of October 12, 2020, the company completed the acquisition of Jingbian County Zhiguang New Energy Development Co., Ltd. and this project began to be incorporated into the consolidated statements of the company.

⑤ In October 2020, Yalong Hydropower, a subsidiary of the company, signed a Property Transaction Contract with HydroChina, PowerChina Hydropower Development Group Co., Ltd. and PowerChina Chengdu Engineering Corporation Limited, to acquire 100% equity of Dechang Wind Power Development Co., Ltd. held by the three companies at 1314.4269 million Yuan and reach the conditions for controlling the invested company, and after acquisition, Dechang Wind Power Development Co., Ltd. Will be incorporated into the consolidated statements of Yalong Hydropower.

⑥ On November 17, 2020, upon deliberation by the General Manager's Office Meeting, the company was agreed to acquire 100% holding rights of Guyuan County Guanghui New Energy Power Generation Co., Ltd. at 63 million Yuan. As of November 30, 2020, the company completed the acquisition of Guyuan County Guanghui New Energy Power Generation Co., Ltd. and this project began to be incorporated into the consolidated statements of the company.

⑦ On November 24, 2020, upon deliberation by the General Manager's Office Meeting, the company was agreed to acquire 100% holding rights of Zhangjiakou Jinko New Energy Co., Ltd. at 40 million Yuan. As of November 30, 2020, the company completed the acquisition of Zhangjiakou Jinko New Energy Co., Ltd. and this project began to be incorporated into the consolidated statements of the company.

⑧ In November 2020, upon deliberation by the General Manager's Office Meeting, the company was agreed to accept 100% holding rights of Shenyang Jingbu Solar power Co., Ltd. at zero consideration. As of November 30, 2020, the company completed the acquisition of Shenyang Jingbu Solar power Co., Ltd. and this project began to be incorporated into the consolidated statements of the company.

⑨ In 2019, upon deliberation by the Office Meeting of the Chairman of the Board of Directors, Red Rock Power Limited was agreed to acquire 50% equity of Cloud Wind Farm Holdings AB, and it was agreed to complete the equity delivery at the date of being put into operation. In December 2020, the Project was put into operation, and the project delivery was completed at that month.

(2) Financial assets measured at fair value

Unit: Million Yuan Currency: RMB

Item name	Beginning balance of the period	Closing balance of the period	Change in the current period	Affect amount of current profit
ST Yunwei	6.4	9.6	3.3	-3.5
Exchangable bonds of Zhejiang Energy Group CP Ltd.	852.8	846.2	-6.6	8.5
Convertible bonds of Grandblue Environment Co., Ltd.				9.0
Convertible bonds of Zhongmin Energy Co., Ltd.		90.3	90.3	11.3
Guian New Area	68.3	52.4	-15.9	
Yunnan Coal and Chemical Industry Group Co., Ltd.	20.8	54.2	33.4	
National Coal Transaction Center	12.0	12.0		
Beijing Electricity Transaction Center	6.6	6.6		
SDIC Hami Industry	8.4	8.5	-	
Tianjin Electricity Transaction Center		3.0	3.0	
Sichuan Electricity Transaction Center		1.3	1.3	
Contingent consideration of ICOL equities		93.3	93.3	
Total	975.3	1,177.5	202.2	25.3

(VI) Sales of significant assets and equity

① In December 2019, the company signed a Property Transaction Contract with China Coal Energy Group Co., Ltd., to transfer the equity of SDIC Yili, Jingyuan Second Power, SDIC Xuancheng, Huabei Guo'an Electric Power Co., Ltd. and Gansu Zhangye at total transfer price of 1.8090691 billion Yuan, and the equity delivery was completed in 2020, with investment income determined as 543.09 million Yuan.

(2) In September 2020, upon deliberation by the General Manager's Office Meeting, Red Rock Power Limited was agreed to transfer 50% equity of ICOL Project. In November 2020, the equity delivery was completed. After the above disposal of equity, Inch Cape Offshore Limited Holdco becomes the shareholding platform of ICOL Project (joint venture) and Red Rock Power holds 50% equity.

(VII) Analysis of main holding and controlling companies

1. Analysis of main subsidiaries

Unit: Million Yuan Currency: RMB

No.	Company name	Business nature	Registered capital	Total assets	Owner's equity attributed to parent company	Revenue	Operating profit	Net profit
1	Yalong Hydropower	Hydropower	37,300.0	156,373.3	54,445.0	17,490.7	7,609.4	6,230.4
2	SDIC Jinneng	Coal-fired power	2,200.0	12,787.6	4,202.7	5,503.2	453.1	342.1
3	SDIC New Energy	Electric power investment	2,820.0	12,559.8	2,797.4	1,484.7	370.4	346.1
4	SDIC Genting Meizhouwan	Coal-fired power	1,850.0	6,693.8	3,819.4	4,538.9	768.3	610.3
5	SDIC Qinzhou	Coal-fired power	2,280.0	5,783.7	2,731.2	4,475.8	367.0	319.5
6	SDIC Dachaoshan	Hydropower	1,770.0	3,457.8	3,295.2	1,260.5	900.0	788.1
7	Huaxia Power	Coal-fired power	1,022.0	2,442.6	1,599.6	1,922.8	216.2	173.0

2. Where the operating performance of one subsidiary or joint-stock company fluctuates sharply on a year-on-year basis and significantly affects the combined operating performance of the company, analyze and explain the situation of performance fluctuation and the reason for that

Unit: Million Yuan Currency: RMB

No.	Company name	Net profit		Increase or decrease	YoY	Main reason for change
		2020	2019			
1	Yalong Hydropower	6,230.4	6,020.6	209.9	3.49%	Water inflow is better in current period and the power generation is superior than the previous same period
2	Genting Meizhouwan	610.3	482.5	127.8	26.49%	1. Coal-fired power generation increases in Fujian; 2. Unit price of standard coal fired decreases.
3	SDIC New Energy	346.1	181.0	165.2	91.28%	1. Power generation projects are successively put into operation this year and the profitability is enhanced; 2. Projects put into operation last year works all this year.
4	Jaderock Investment	-151.3	-24.1	-127.2	-527.54%	This year, provisions for impairment on participating companies is made.
5	Yunnan Metallurgical New Energy	45.3	82.3	-37.0	-44.94%	Investment income from foreign currency of last year.

6	SDIC Panjiang	43.4	86.8	-43.5	-50.04%	1. Guizhou has two flood seasons and the hydropower occupies a larger proportion than Coal-fired power; 2. Due to COVID-19, there is strong uncertainty on resumption of work and production and the implementation efficiency of market trading electricity plan is low.
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(VIII) Details of structured entity under the control of the Company

" Applicable" " Not applicable"

III. Discussion and analysis of future development

(I) Industry structure and trend

" Applicable" " Not applicable"

1. Forecast of national electricity supply and demand in 2021

It's forecast by China Electricity Council that, in the new domestic and foreign context, China faces both opportunities and challenges, taking into account the economic situation at home and abroad, the electric energy substitution, the previous-year low base, the pandemic situation and the external environment uncertainty. It is expected that the growth rate of electricity consumption in the whole country will be high at the first half but low in the second half of 2021, being 6%-7% per annum.

It is estimated that in 2021, the newly installed capacity of the national power generation infrastructure will be about 180 million kW, and about 140 million kW of them are from non-fossil energy power generation capacity. It is estimated that by the end of 2021, the installed capacity of power generation countrywide will be 2.37 billion kW, increasing about 7.7% year-on-year. The installed capacity of non-fossil energy power generation is expected to reach about 1.12 billion kW, accounting for 47.3% of the total installed capacity, increasing about 2.5% compared with the end of 2020. The proportion of wind power and solar power installed capacity is expected to increase by about 3 % from the end of 2020, and the demand for flexible capabilities of the power system will be further increased.

It is expected that in 2021, the overall power supply and demand across the country will be balanced totally, and the power supply in some areas will be relatively tight or even in shortage during peak hours. In term of regional distribution, the power supply is surplus in Northeast China and Northwest China, balanced in East China, and relatively tight in North China, and in shortage in Central China and South China. In North China, Hebei's and Shandong's power supply will be relatively tight, needing cross-provincial power support; and the power supply of western Inner Mongolia grid supply is tight (when wind power output drops sharply, it may be necessary to adopt orderly power consumption measures for months). In Central China, the power supply is in shortage during peak hours in Hunan; under extreme weather conditions, Hubei and Jiangxi may experience certain electricity gap. In South China, Guangdong, Yunnan and Guangxi all have greater risk of peak-shifting and curtailment.

In addition, under the background that China is accelerating the construction of a new development pattern in which the domestic large cycle is the main body and the domestic and international double cycles are mutually

promoted, and under the goal of "China's carbon dioxide emission will reach the peak by 2030 and strive to achieve carbon neutrality by 2060", the power industry needs to accelerate the transformation of a clean and low-carbon supply structure to achieve carbon emission reduction objectives.

2. The "14th Five-Year Plan" Power industry pattern and trends

(1) The general trend is the green and low-carbon development. With the accelerated pace to realize the commitments stated in "Paris Agreement", the "30-60" carbon peak and the carbon neutrality, China's energy and power industry will complete in-depth reconstruction and transformation in the context of energy transition and energy revolution, posing unprecedented requirements toward green and low-carbon.

(2) The reform of the power system will touch on more deep-seated problems. Breaking inter-provincial barriers, improving the trading system, giving full play to the role of the market, promoting clean energy consumption, cultivating diversified entities, improving regulatory capabilities, gradually liberalizing operational power generation and consumption plans, and minimizing energy costs will be the keys to promote the further in-depth reform of the power system.

(3) Supply and demand are generally balanced, and local peak regulation is under pressure. It is expected that power demand will maintain a growth rate of over 5% during the "14th Five-Year Plan" period, and the overall supply and demand situation will be loose and relatively balanced. Moreover, as the proportion of renewable energy power generation continues to increase, the pressure of long-term peak regulation will also increase day by day, and the role of energy storage in the future energy system will continue to appear.

(4) On-grid tariff will be definitely increasingly lower for new energies. China's new energy development and utilization technologies continue to advance, and effects of scale economy are gradually appearing. Wind power and solar power have been able to connect the power grid at benchmark tariff in some regions. With the decline, adjustment, and withdrawal of subsidy policies, benchmark tariff for new energy projects in various provinces and regions will be gradually realized.

(5) Opportunities and challenges coexist in the international market. Today, the world is experiencing centennial changes, the Chinese Government proposes accelerating the domestic market as the mainstay while domestic and international markets reinforce each other. In this context, the international power business is facing new opportunities and challenges.

（II）Development strategy of the Company

"√ Applicable" "□ Not applicable"

During the "14th Five-Year Plan" period, the Company's overall development strategy is taking high-quality development as the main line, implementing the new development concept, adhering to seek improvement in stability, transformation and upgrading, innovation-driven, and in accordance with the standards of optimized asset structure, excellent management level and excellent investment performance, so as to write a new chapter of high-quality development of SDIC Power.

Specifically, the Company will focus on clean energy and new energy fields, making good use of both domestic and international markets through strengthening safety in production, increasing marketing, deepening reform authorization, innovating talents incentive, improving the compliance system and financial management, and strict risk control, etc, so as to improve the three investment modes of greenfield development, merger and

acquisition, and capital investment and build SDIC Power into a world-class comprehensive energy company with international competitiveness

(III) Operation plan

"√ Applicable" "□ Not applicable"

In 2021, total planned power generation of enterprises within the consolidation scope of SDIC Power is 154.2 billion kWh.

1. Annual investment expenditure plan

In 2021, total planned external investment of SDIC Power is 7.71billion Yuan.

2. Annual financing plan

In 2021, SDIC Power Headquarters plans to raise 17 billion Yuan in total in China, proposed to meet the capital requirement by publicly issue corporate bonds, medium term notes, renewable corporate bonds and other debentures, or by borrowing from State Development & Investment Corp. Ltd., SDIC Finance Co., Ltd., banks and other financial organizations.

SDIC Power and its overseas wholly-owned subsidiaries plan to raise foreign currencies abroad equaling to 4.0 billion Yuan, and proposes to meet the capital requirement by loans from Rongshi International Holding Company Ltd. ("Rongshi International") and its subsidiary and financial organization.

(IV) Possible risks

"√ Applicable" "□ Not applicable"

1. Electric power market risk

At the 75th General Assembly of the United Nations, China announced that its carbon dioxide emissions will peak by 2030 and China will achieve carbon neutral by 2060. Therefore, building a clean and low-carbon energy system has become the only way to go. In the future, the installed capacity of wind power and solar power will greatly increase. The decrease of thermal power and the increase of clean energy brings new and greater challenges to the stability and absorption of the grid.

Response measures: Firstly, the Company will further take advantage of existing units, improve the efficiency of large capacity and low emission thermal power units to make more benefit; Secondly, actively carry out the research and development of energy storage, pumped storage, integrated intelligent energy etc., develop new business area; Finally, strengthen evaluation during the new energy projects development to ensure that new projects are at leading position in technology and operation and make good benefit.

2. Tariff risk

The tariff of power generation enterprises will face with dual risks, namely, policy adjustment and market adjustment.

Response measures: Currently, the power generation enterprises are generally facing with large marketing pressure; the Company will actively cope with the new change trend of tariff, strength policy and market study and in combination with actual situation of the Company, do well on the relevant marketing work to strive for a reasonable tariff.

3. Coal price risk

The coal supply and demand structure will be improved in 2021, the coal price is expected to rise up slightly, and the imbalance pattern of coal supply in the peak summer (winter) and key periods will also bring some pressure to coal supply for the Company.

Response measures: The Company will continue to play its collaborative advantage, enhance market research and judgment, expand joint procurement, strengthen coordination on long-term coal plan and spot coal plan, optimize inventory structure; continuously intensify internal fuel management, strictly control key index; strive for reducing fuel cost.

4. Environmental risk

With the revision and implementation of *Environmental Protection Law, Atmospheric Pollution Prevention Law, General Planning of Ecological Civilization System Reform, Plan on Strengthening Atmospheric Pollution Prevention in Energy Industry* and other regulations and policies, the electric power industry is facing with all-around and more stringent supervision of environmental protection. Meanwhile, the public awakens their consciousness of environmental protection to have increasingly high attention and requirement on air quality, so the public risk of environmental protection is increasingly serious.

Response measures: The Company will strictly implement the national regulations and standards concerning environmental protection to ensure that each pollutant can be discharged to reach standard and various environmental protection facilities can operate stably and efficiently. Meanwhile, continuously strengthen study and training of policy and standard, improve business level of professional personnel; intensify the publicity of ecological environment protection and build up a positive image of green and low-carbon development of the Company.

5. Financial risk

Firstly, construction of Yalong River at midstream and development and expansion of Chinese and overseas projects need a large number of capital support, which causes certain stress to the company on capital balance; secondly, the asset-liability ratio of the Company is relatively high, so the change of interest rate will directly affect the debt cost of the Company.

Response measures: The Company will, based on the electric power market demand, reasonably control project development process, plan in advance, take opportunity, select financing plan suitable for company development, effort to reduce capital cost, optimize debt structure and prevent capital and interest rate risks.

6. Extreme climate risk

The Company has a high proportion of hydropower, so the hydropower production and operation will produce important influence on company profit. Naturally, the hydropower is greatly influenced by the climate. The hydropower units under operation of the Company distribute in Sichuan, Yunnan, Gansu and other different regions and basins and their generating capacity will be influenced by extreme climate and instable incoming water. The hydropower units under construction often locate in remote regions, which may be influenced by debris flow and other natural disasters in rainy season to produce uncertain influence on the production of these units.

Response measures: The Company will utilize modern prediction technique, reasonably schedule each cascade of power station, cooperate with external scheduling mechanism and maximize the effect of water power

resource; complete internal equipment maintenance work and improve equipment utilization rate; build up the awareness of safety responsibility, take effective measures to strengthen construction management in flood season, reduce the influence on projects under construction.

Notes: Detailed description of Financial Risk Management is covered in the Notes to the Consolidated Financial Statements on page F99, and the description of hedging instruments is covered on page F31-F33.

Credit risk is covered in the Notes to the Consolidated Financial Statements on pages F99 – F101 and Liquidity risk is covered on pages F102 – F103.

(V) Other

" Applicable" " Not applicable"

IV. Details of failure to disclose due to inapplicability to standard regulations or state secret, trade secret and other special reasons and its reason

" Applicable" " Not applicable"

Section V Important Matters

I. Common stock profit distribution plan or plan for capital stock increase from accumulation fund

(I) Formulation, execution or adjustment of cash dividend policy

"√ Applicable" "□ Not applicable"

During the reporting period, the Company's cash dividends conform to the relevant cash dividend policies in *the Articles of Association and the Plan for Shareholders' Return in the Next Three Years (2020-2022)*. The specific dividend policies are as follows:

The company may distribute dividends in the form of cash, stock or a combination of cash and stock. The company gives priority to the profit distribution of cash dividends. Under the condition of meeting the above-mentioned cash dividend, the Company shall carry out cash dividend once a year. According to the Company's profitability and capital demand, interim cash dividends can also be carried out with the proposal of the board of directors and the approval of the general meeting of shareholders.

The company should keep the continuity and stability of profit distribution policy. The accumulated profit distributed by cash in the last three years shall not be less than 30% of the average annual distributable profit realized in the last three years. The company's profit distribution policy adjustment plan shall seek the opinions of independent directors and supervisors in advance, and shall be approved by more than two thirds of the voting rights held by shareholders attending the general meeting of shareholders. In the process of decision-making and demonstration of profit distribution scheme, the board of directors should actively communicate and exchange with shareholders, especially small and medium shareholders, through various channels, fully listen to the opinions and demands of small and medium shareholders, and timely answer the concerns of small and medium shareholders. Independent directors can solicit the opinions of small and medium shareholders, put forward dividend proposals, and directly submit them to the board of directors for deliberation.

The board of directors of a company shall comprehensively consider the industry characteristics, development stage, its own business model, profit level, whether there are major capital expenditure arrangements and other factors, distinguish the following situations, and put forward differentiated cash dividend policies according to the procedures specified in the articles of association:

(1) If the development stage of the Company is mature and there is no major capital expenditure arrangement, the minimum proportion of cash dividends in the profit distribution should reach 80%;

(2) If the development stage of the Company is mature and there are major capital expenditure arrangements, the minimum proportion of cash dividends in this profit distribution should reach 40%;

(3) If the development stage of the Company is a growth period and there are major capital expenditure arrangements, the minimum proportion of cash dividends in this profit distribution should reach 20%;

The specific stage of the Company's actual dividend distribution shall be determined by the board of directors according to the specific situation.

The "major investment plan or major cash expenditure" means the accumulated expenditure achieving or exceeding 30% of latest audited net assets of the Company or the single expenditure exceeding RMB 0.5 billion Yuan for the Company to invest abroad, purchase asset or equipment (exclusive of capital-raised project) in future 12 months.

(II) Profit distribution scheme or plan of ordinary stock and scheme or plan for capital stock increase from accumulation fund of the Company in the recent three years (including this report period)

Unit: Yuan Currency: RMB

Note: Net profit attributable to the ordinary shareholders of the listed company in consolidated statement of dividend year and the proportion calculated in the table below are both in accordance with PRC accounting standards.

Bonus Year	Bonus shares per 10 shares (share)	Dividends per 10 shares (Yuan) (including tax)	Increase shares per 10 shares (share)	Amount of cash dividends (including tax)	Net profit attributable to the ordinary shareholders of the listed company in consolidated statement of dividend year	Proportion in the net profit attributable to the ordinary shareholders of the listed company in consolidated statement (%)
Year 2020	0	2.8000	0	1,950,444,537.16	5,515,627,276.16	35.36
Year 2019	0	2.4530	0	1,664,611,527.02	4,755,460,882.37	35.00
Year 2018	0	2.2500	0	1,526,855,253.08	4,364,098,425.70	34.99

(III) Cash repurchase shares listed into cash dividends

" Applicable" " Not applicable"

No shares have been repurchased during the year.

(IV) If the profit in the reporting period is positive and the profit available to the shareholders of common stock is positive, but no plan for the distribution of cash profit of common stock is proposed, the Company shall disclose the reasons in detail, the purpose and use plan of undistributed profits

" Applicable" " Not applicable"

II. Performance of commitments

(I) Commitments of actual controllers, shareholders, related parties, purchasers and other committed related parties of the Company during or up to the reporting period

" Applicable" " Not applicable"

Commitment background	Commitment type	Commitment party	Commitment Content	Commitment time and deadline	Is there deadline for performance	Is performed timely and strictly
Commitment in relation to major asset restructuring	Resolution of horizontal competition	SDIC	SDIC promises at the major asset replacement in 2002 that SDIC will not directly or	Commitment time: Apr. 25, 2002. Commitment period: long term.	Yes	Yes

			indirectly participate in any business or activity which competes with the Company and its holding subsidiary after it becomes the controlling shareholder of the Company.			
Resolution of related party transaction	SDIC	SDIC promises at the major asset replacement in 2002 that SDIC will reduce and standardize the related party transaction with the Company as possible after it becomes the controlling shareholder of the Company. The related party transaction, if any, shall perform legal procedure and be subject to timely information disclosure to ensure that the legal rights of the Company and other shareholders cannot be injured through related party transaction.	Commitment time: Apr. 25, 2002. Commitment period: long term.	Yes	Yes	
Resolution of related party transaction	SDIC	SDIC promises at the major asset replacement in 2002 for the related party transaction of deposits of the	Commitment time: Sept. 16, 2009. Commitment period: long term.	Yes	Yes	

			Company and its subsidiary in SDIC Finance Co., Ltd. subordinated to SDIC that when the Company and its subsidiary take deposits in SDIC Finance Co., Ltd. subordinated to SDIC and suffer from loss because SDIC Finance Co., Ltd. is insolvent, SDIC will, within 30 work days upon receipt of the written notice on the matter of the Company, compensate the loss in the form of cash according to the document specifying the loss and its amount of the Company issued by audit agency.			
Acquired asset value assurance and compensation	SDIC	SDIC promises at the major asset restructuring in 2009 for the lawsuits which were respectively filed by Mianning Mianli Rare Earth Ore Processing Co., Ltd. in May 2009 and by Xichang Chengzong Mining Co., Ltd. in July	Commitment time: Friday, Oct. 16, 2009. Commitment period: when the condition is achieved. The lawsuits of Chengzong Mining and Mianli Rare Earth have been settled and no compensation	Yes	Yes	

			2009 against Yalong River Hydropower subordinated to the restructuring target in 2009 that if the Company suffers from loss due to above two lawsuits of Yalong River Hydropower after the delivery date of this major asset restructuring, SDIC will, within 30 work days upon receipt of the written notice on the matter of the Company, compensate the loss in the form of cash according to the document specifying the loss and its amount of the Company issued by audit agency.	conditions are triggered.		
Commitment in relation to refinancing	Resolution of horizontal competition	SDIC	SDIC promises at the Company refinancing in 2007 that the Company will be an only SDIC capital operation platform of power business at home. Currently, SDIC has entrusted all thermal power assets which are appropriate for listed	Commitment time: Monday, May 28, 2007. Commitment period: long term.	Yes	Yes

			company to the Company for management.			
	Asset injection	SDIC	SDIC promises at the Company governance activity and refinancing in 2010 that after the convertible bonds to be subject to public issuing in the Company are completed, we will strive to inject our independent electricity generation business assets (exclusive of related asset, business and equity of other SDIC direct holding listing companies than the Company in the form of asset acquisition or restructuring within about 5 years. SDIC will, based on relevant asset status and degree of capital market recognition, gradually establish and implement the specific integration plan of electric power assets.	Commitment time: Thursday, Sept. 30, 2010. Original commitment period: Jan. 25, 2016. The revision to the commitment was approved on the first extraordinary shareholder's meeting in 2016.	Yes	Yes
	Asset injection	SDIC	On Dec. 24, 2015, SDIC revised its commitment for the Company governance	Commitment time: Thursday, Dec. 24, 2015. Commitment period:	Yes	Yes

			<p>activity and refinancing in 2010 and such revision was approved on the first extraordinary shareholders meeting of the Company in 2016. SDIC will, within 2 years after the independent power generation business assets meet the injection condition, complete the asset injection into the Company. The conditions of asset injection are as follows:</p> <ol style="list-style-type: none"> 1. The production and operation shall be as specified in laws, administrative regulations and Articles of Association as well as the national industry policies, laws and administrative regulations concerning environmental protection, safety production, land management, anti-monopoly and so on. 2. The asset ownership shall be clear and conform to the listing conditions specified in 	<p>within 2 years after the asset injection condition is met.</p>		
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			national laws, regulations and appropriate normative documents without any incomplete property ownership or defective project investment approval procedure. 3. It shall conform to the strategic planning of SDIC Power and help SDIC Power to improve asset quality, improve financial condition and strengthen sustained profitability. On principle, the weighted average net assets income rate in the latest three accounting years shall not be less than 10% for those assets which have operated for three years and will be injected; for those assets which have operated for less than three years, the weighted average net assets income rate shall not be less than 10% in the continuous two full accounting			
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			years; the assets to be injected shall have the asset-liability ratio not higher than 80% in the latest one accounting year, unless SDIC Power forwardly reduces net assets income rate or asset-liability ratio. 4. It shall neither belong to relevant asset, business and equity of other SDIC direct holding listed companies than SDIC Power nor be coal-electricity integration or other projects whose business is not independent, in order to enable that SDIC Power can remain independent with actual controller and its associated persons in terms of business, asset, finance, personnel, mechanism and so on. 5. There shall be no major debt risk or guarantee, lawsuit, arbitration and major contingency which may affect			
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			sustainable operation. 6. Supervision requirements of securities regulatory institution according to appropriate laws, regulations and normative documents.			
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(II) When the Company's assets or projects are profitable, and the report period is still in the profit forecast period, the Company shall

" Reached" " Unreached" " Not applicable"

(III) Completion of performance commitment and its influence on goodwill impairment test

" Applicable" " Not applicable"

III. Occupation of capitals within report and its addressing condition

" Applicable" " Not applicable"

IV. Description of the Company on the "non-standard audit report" of accounting firm

" Applicable" " Not applicable"

V. Analysis and explanation of reasons for changes made in accounting policies and accounting estimates and for corrections on significant accounting errors and its influences

(I) Analysis and explanation of reasons for changes made on accounting policies and accounting estimates

" Applicable" " Not applicable"

(II) Analysis and explanation of reasons for corrections made on significant accounting errors and its influences

" Applicable" " Not applicable"

(III) Description of the Company on major accounting error correction reason and effect

" Applicable" " Not applicable"

(IV) Communication with previous accounting firm

" Applicable" " Not applicable"

(V) Other description

" Applicable" " Not applicable"

VI. Accounting firms that are engaged or dismissed

Unit: Million Yuan Currency: RMB

	Engaged now
Name of Chinese accounting firm	BDO China Shu Lun Pan Certified Public Accountants LLP
Remuneration for Chinese accounting firm	4.1
Audit period of Chinese accounting firm	9
Name of overseas accounting firm	BDO Limited, Certified Public Accountants, Hong Kong

Remuneration for overseas accounting firm	2.7
Audit period of overseas accounting firm	1

	Name	Remuneration
Accounting firm for internal control audit	BDO China Shu Lun Pan Certified Public Accountants LLP	1.0

Explanation of engagement and dismissal of accounting firms

The company issues GDR at London Stock Exchange at the end of 2020. Since the company adopted International Financial Reporting Standards ("IFRSs") in preparing its financial information for inclusion in the GDR prospectus, the Company prepared its consolidated financial statements for the year ended 31 December 2020 in compliance with IFRSs (the "2020 IFRS Financial Statements") for inclusion in its 2020 annual report to be filed with London Stock Exchange. Upon the approval of the 2nd extraordinary general meeting and the 23rd meeting of the 11st Board of Directors of the company for Year 2021, BDO Limited is engaged as overseas audit institution to perform the audit in accordance with International Standards on Auditing of the Company's 2020 IFRS Financial Statements, with a term of one year.

VII. Details of listing suspension risk

(I) Reason of listing suspension

" Applicable" " Not applicable"

(II) Response measures to be taken by the Company

" Applicable" " Not applicable"

VIII. Listing termination and reason

" Applicable" " Not applicable"

IX. Bankruptcy and reorganization-related matters

" Applicable" " Not applicable"

X. Major litigation and arbitration

" The Company has major litigation and arbitration matter this year."

" The Company has no major litigation and arbitration matter this year."

XI. Punishment and rectification of listed company and its director, supervisor, senior managers, controlling shareholder, actual controller and acquirer

" Applicable" " Not applicable"

XII. Credit of the Company and its controlling shareholder and actual controller within report period

" Applicable" " Not applicable"

Within report period, the Company and its controlling shareholders have no the effective judgments of court unfulfilled or the comparatively large amount of debts due and unsettled in 2020.

XIII. Company's equity incentive plan, employee stock ownership plan or other employee incentive measures and their effect
(I) Relevant incentives which are disclosed in provisional notice and have no subsequent implementation or change

" Applicable" " Not applicable"

(II) Incentives which are not disclosed in provisional notice or has subsequent implementation

Equity incentive

" Applicable" " Not applicable"

Other description

" Applicable" " Not applicable"

Employee stock ownership plan

" Applicable" " Not applicable"

Other incentives

" Applicable" " Not applicable"

XIV. Major related party transactions
(I) Related party transactions in relation to day-to-day operations
1. Matters which are disclosed in provisional notice and have no subsequent implementation or change

" Applicable" " Not applicable"

2. Matters which are disclosed in provisional notice but have subsequent implementation or change

" Applicable" " Not applicable"

The *Proposal on 2020 Day-to-day Related Party Transactions* was approved on the 11th meeting of the 11th board of directors and 2019 general shareholders meeting .

In 2020, the anticipated annual daily average deposit balance in SDIC Finance Co., Ltd. is not greater than 10 billion Yuan, and the actual annual daily average deposit balance is 4.557 billion Yuan; In 2020, the anticipated annual daily average deposit balance in Rongshi International Treasury Management Co., Ltd. is not greater than 1 billion Dollars, and the actual annual daily average deposit balance is 8.9031 million Dollars; the anticipated borrowings with SDIC and its holding subsidiaries are not greater than 15 billion Yuan, and the actual borrowings are 5.104 billion Yuan; the anticipated borrowings with Rongshi International Treasury Management Co., Ltd. are not greater than 1 billion Dollars, and the actual borrowings are 0.145 billion Dollars.

In 2020, the anticipated amount of related party transactions generated by purchasing goods / receiving labor services from the SDIC and its holding subsidiaries is not greater than 800 million yuan, and the actual amount of related party transactions is 0.203 billion yuan; In 2020, the anticipated amount of related party transactions generated by selling goods / providing labor services to the SDIC and its holding subsidiaries is not greater than 400 million yuan, and the actual amount of related party transactions is 0.07 billion yuan.

3. Matters which are not disclosed in provisional notice

" Applicable" " Not applicable"

(II) Related party transactions in relation to asset or share acquisition and offering

1. Matters which are disclosed in provisional notice and have no subsequent implementation or change

" Applicable" " Not applicable"

2. Matters which are disclosed in provisional notice but have subsequent implementation or change

" Applicable" " Not applicable"

3. Matters which are not disclosed in provisional notice

" Applicable" " Not applicable"

4. Performance achievement which is involved with performance agreement and shall be disclosed within report period

" Applicable" " Not applicable"

(III) Major related party transactions of joint investments abroad

1. Matters which are disclosed in provisional notice and have no subsequent implementation or change

" Applicable" " Not applicable"

2. Matters which are disclosed in provisional notice but have subsequent implementation or change

" Applicable" " Not applicable"

3. Matters which are not disclosed in provisional notice

" Applicable" " Not applicable"

(IV) Related credit and debt exchanges

1. Matters which are disclosed in provisional notice and have no subsequent implementation or change

" Applicable" " Not applicable"

2. Matters which are disclosed in provisional notice but have subsequent implementation or change

" Applicable" " Not applicable"

3. Matters which are not disclosed in provisional notice

" Applicable" " Not applicable"

(V) Other

" Applicable" " Not applicable"

XV. Major contracts and implementation

(I) Trusteeship, contracting and leasing

1. Trusteeship

" Applicable" " Not applicable"

2. Contracting

" Applicable" " Not applicable"

3. Leasing

" Applicable" " Not applicable"

(II) Guarantee

Unit: Million Yuan Currency: RMB

External guarantee of the company (excluding those for subsidiaries)													
Guarantor	Relation with listed company	Secured party	Guarantee amount	Date of guarantee (date of signing agreement)	Starting date	Date of expiration	Type of guaranteee	whether completed	Whether expired	Overdue amount	Whether there is counter guarantee	Whether it is related-party guarantee	Relationship
SDIC Power	Headquarters	Inch Cape Offshore Limited	44.4	May 11, 2016	May 11, 2016	October 10, 2064	Joint and severally liability guaranteee	No	No		No	Yes	JV
Red Rock Power Limited	Wholly-owned subsidiary	Cloud Snurr an AB	16.1	December 16, 2020	December 16, 2020	December 16, 2033	Joint and severally liability guaranteee	No	No		No	Yes	JV
Total guarantee amount within report period (excluding those for subsidiaries)													60.5
Total balance of guarantee at the end of report period (excluding those for subsidiaries) (A)													60.5
Guarantee of the company and its subsidiaries to the subsidiaries													
Total guarantee amount for subsidiaries within report period													-861.0
Total amount of guarantee for subsidiaries at the end of report period (B)													2,294.1
Total guarantee amount of the company (including those for subsidiaries)													
Total guarantee amount (A+B)													2,354.6
Proportion of total guarantee amount in the company's net assets (%)													4.99
in which:													
Amount of guarantee provided to the shareholder, actual controller and its related party (C)													
Amount of debt guarantee directly or indirectly provided to the secured party whose asset-liability ratio exceeds 70% (D)													1,165.0
Amount of guarantee in excess of 50% of net assets (E)													
Total of the above three guarantee amounts (C+D+E)													1,165.0
Explanation of possible joint liability for satisfaction related to unexpired guarantee													
Explanation of guarantee													

(III) Details of entrusted cash asset management**1. Entrusted money management****(1) General condition of entrusted money management**

" Applicable" " Not applicable"

(2) Single entrusted money management

" Applicable" " Not applicable"

(3) Impairment reserve of entrusted money management

" Applicable" " Not applicable"

2. Entrusted loan**(1) Overall situation of entrusted loans**

Unit: Million Yuan Currency: RMB

Type	Capital source	Amount incurred	Undue amount	Due amount outstanding
Entrusted loan	Self-owned	780.0	1,349.0	

(2) Single entrusted loan

Unit: Yuan Currency: RMB

Entrustee	Type of entrusted loan	Amount of entrusted loan	Starting date	Termination date	Capital source	Use of capital	Determination of remuneration	Annual rate of return	Expected earning (if any)	Actual income or loss	Actual recovery	Whether it has gone through legal procedures	Whether there is entrusted loan plan in the future	Amount of provisions for impairment (if any)
SDIC Finance Co., Ltd.	Entrusted loan	20,000	August 1, 2018	August 1, 2021	Self-owned	Yunnan Metallurgical New Energy	Loan contract	5.1%		1,034.2	1,034.2	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	3,200	December 17, 2018	December 17, 2021	Self-owned capital	Yunnan Metallurgical New Energy	Loan contract	5.1%		165.5	165.5	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	2,000	March 5, 2019	March 5, 2022	Self-owned capital	Yunnan Metallurgical New Energy	Loan contract	5.1%		103.4	103.4	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	1,800	March 18, 2019	March 18, 2022	Self-owned capital	Yunnan Metallurgical New Energy	Loan contract	5.1%		93.1	93.1	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	6,500	May 7, 2019	May 7, 2019	Self-owned capital	Yunnan Metallurgical New Energy	Loan contract	5.1%		336.1	336.1	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	1,000	June 19, 2019	June 19, 2022	Self-owned capital	Yunnan Metallurgical New Energy	Loan contract	5.1%		51.7	51.7	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	1,200	September 17, 2019	September 17, 2022	Self-owned capital	Yunnan Metallurgical New Energy	Loan contract	5.1%		62.0	62.0	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	3,500	November 6, 2019	November 6, 2022	Self-owned capital	Yunnan Metallurgical New Energy	Loan contract	5.1%		181.0	181.0	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	2,000	October 8, 2018	October 8, 2021	Self-owned capital	SDIC Kingrock	Loan contract	4.3%		87.2	87.2	Yes	Yes	
SDIC Finance	Entrusted loan	16,000	January 9, 2019	January 9, 2022	Self-owned capital	SDIC New Energy	Loan contract	5.1%		827.3	827.3	Yes	Yes	

Co., Ltd.														
SDIC Finance Co., Ltd.	Entrusted loan	6,000	March 25, 2019	March 25, 2022	Self-owned capital	SDIC New Energy	Loan contract	5.1%		310.2	310.2	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	6,000	April 29, 2019	April 29, 2022	Self-owned capital	SDIC New Energy	Loan contract	5.1%		310.2	310.2	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	2,000	October 18, 2019	October 18, 2022	Self-owned capital	SDIC New Energy	Loan contract	5.1%		103.4	103.4	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	6,500	July 2, 2020	July 2, 2022	Self-owned capital	Toksun Tianhe	Loan contract	4.3%		142.5	142.5	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	1,300	April 27, 2020	October 13, 2023	Self-owned capital	Huzhou Xianghui	Loan contract	4.35%		26.5	26.5	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	8,000	August 14, 2020	August 14, 2021	Self-owned capital	Huzhou Xianghui	Loan contract	4.35%		135.3	135.3	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	24,500	January 21, 2021	January 21, 2023	Self-owned capital	Dingbian Angli	Loan contract	4.75%		1,118.5	1,118.5	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	2,800	June 15, 2020	June 22, 2020	Self-owned capital	Xiangshui Hengneng	Loan contract	4.13%		2.2	2.2	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	600	June 15, 2020	September 11, 2021	Self-owned capital	Yongneng Solar Power	Loan contract	4.13%		6.0	6.0	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	19,000	October 28, 2020	October 28, 2023	Self-owned capital	Jingbian Zhiguang	Loan contract	4.30%		147.5	147.5	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	3,700	December 29, 2020	December 29, 2023	Self-owned capital	Zhangjiakou Solar Energy	Loan contract	4.30%		1.3	1.3	Yes	Yes	
SDIC Finance Co., Ltd.	Entrusted loan	2,000	June 17, 2020	June 17, 2023	Self-owned capital	Jiuquan 1 st wind power	Loan contract	4.30%		47.3	47.3	Yes	Yes	

Other conditions

" Applicable" " Not applicable"

(3) Impairment reserve of entrusted loan

" Applicable" " Not applicable"

3. Other conditions

" Applicable" " Not applicable"

(IV) Other major contracts

" Applicable" " Not applicable"

XVI. Other major matters

" Applicable" " Not applicable"

XVII. Details of active performance of social responsibilities**(I) Poverty-relief work of listed company**

" Applicable" " Not applicable"

1. Targeted poverty alleviation program

" Applicable" " Not applicable"

In 2020, the Company's precision poverty alleviation work insisted on co-planning and co-deploying the poverty alleviation work with the Company's reform and management work, and intensified efforts on precision poverty alleviation, actively fulfilled the responsibilities of enterprises, and established a good image of the Company.

2. Annual targeted poverty alleviation overview

" Applicable" " Not applicable"

According to its 2020 poverty alleviation plan, the Company and its controlled companies selected temporary cadres to provide support for poverty alleviation and carried out research work on poverty alleviation for several times, so as to timely and effectively understand local demands and practical difficulties, strictly followed "The External Donation Management Measures of SDIC Power Holdings Co., Ltd.", regulated external donations, and carried out external donations in compliance with laws and regulations. In 2020, the Company and its controlled companies had spent a total of RMB 45.5135 million in cash and RMB 46,2000 in materials for precision poverty alleviation, helping 1,908 persons out of poverty in total.

3. Achievements of targeted poverty alleviation

" Applicable" " Not applicable"

Unit: 10,000 Yuan Currency: RMB

Index	Quantity and development
1. General conditions	
Including: 1. Capital	4,551.35
2. Goods equivalent amount	4.62
3. Number of registered poverty people out of poverty (person)	1,908

II. Input by item	
1. Poverty alleviation through industrial development	
Including: 1.1 Type of industrial poverty-relief project	<input checked="" type="checkbox"/> Poverty alleviation through agriculture, forest and animal product industry" <input type="checkbox"/> Poverty alleviation through tourism" <input type="checkbox"/> Poverty alleviation through E-commerce" <input type="checkbox"/> Poverty alleviation through assets income" <input type="checkbox"/> Poverty alleviation through technology " <input checked="" type="checkbox"/> Other"
1.2 Number of industrial poverty-relief project (number)	6
1.3 Amount invested in industrial poverty-relief project	283.6
1.4. Number of registered poverty people out of poverty (person)	1,492
2. Poverty alleviation through transfer employment	
Including: 2.1 Amount invested in vocational skill training	0
2.2 Number of vocational skill training people (person/time)	0
2.3. Number of registered poverty people realizing employment (person)	0
3. Poverty alleviation through relocation	
Including: 3.1 Number of relocated people realizing employment (person)	0
4. Poverty alleviation through education	
Including: 4.1 Amount invested in financing for poor students	11.63
4.2 Number of financed poor students (person)	247
4.3 Amounted invested in improving educational resources of poverty-stricken area	18.77
5. Poverty alleviation of health	
Including: 5.1 Amount invested in medical and health resources of poverty-stricken area	232.85
6. Poverty alleviation through ecological protection	
Including: 6.1 Type of project	<input checked="" type="checkbox"/> "Carry out ecological protection and construction" <input checked="" type="checkbox"/> Establishment of ecological protection compensation mode" <input checked="" type="checkbox"/> Other"
6.2 Amount invested	222.2
7. Reveals guarantee	
Including: 7.1 Amount invested in helping "three-left-behind" people	1.45
7.2 Number of "three-left-behind" people	88

(person)		
7.3 Amount invested in helping poverty people with disabilities		0.55
7.4 Number of poverty people with disabilities (person)		14
8. Social poverty alleviation		
Including:		0
8.1 Amount invested in poverty alleviation in east and west regions		
8.2 Amount invested in fixed-point poverty alleviation work		28
8.3 Non-profit fund in poverty alleviation		0
9. Other projects		
Including:		23
9.1 Number of projects (number)		
9.2 Amount invested		3,756.91
9.3. Number of registered poverty people out of poverty (person)		416
9.4 Description on other projects	Infrastructure construction: Construction of cultural facilities and living facilities; Funds for poverty alleviation activities; Poverty alleviation donation.	
III. Received awards (content, level)		
1. The "water-like love building a dream" volunteer service activity of Yalong River Hydropower was awarded as the "National Best Volunteer Service Activity".		
2. Yalong River Hydropower was rated as "Advanced Group for Poverty Alleviation" by SDIC. Deng Zongxiang, a poverty alleviation cadre, won the "Outstanding Contribution Award for Poverty Alleviation" of SDIC. Poverty alleviation cadres Qiu Hua, Gao Peng, Zhang Wei and Jin Xue won the "Achievement Award for Poverty Alleviation" of SDIC.		
3. The poverty alleviation micro-film "Take Up the Steps" produced by Yalong River Hydropower won the first prize in the National Socialist Core Values Micro-film (Micro-video) Contest, the gold medal in the 6th Sichuan Workers Micro-film Contest, the special gold medal in the First Micro-film Competition of Sichuan Province Mechatronics Coal System, and the first prize in Sichuan Province "Positive Energy for Good Netizen in Sichuan" contest.		
4. The poverty alleviation micro-film "On the Poverty Alleviation Way" produced by Yalong River Hydropower won the video category excellence award in the "Poverty Alleviation Stories I've Experienced" solicitation activity under the guidance of the Poverty Alleviation Office of the State Council, organized by "China Poverty Alleviation" magazine and Xinhuanet.		
5. SDIC Dachaoshan was awarded as "Advanced Group for Poverty Alleviation" by SDIC.		
6. SDIC Qinzhou was awarded as the "fighting against poverty and striving for a better life together" medal issued by Qinnan District, Qinzhou City. Gong Xiaoyong won the Outstanding Poverty Alleviation "understanding person" in Pubei County, Liu Guanghui won the Napeng Town Poverty Alleviation "Excellence Award", and Gong Weihua and Meng Jinsheng won SDIC Group's "Poverty Alleviation Achievement Award".		
7. Qinghai Beikeliang Wind Power Project was awarded with honorary plaque of "Poverty Alleviation for Education" by Haixi Prefecture Poverty Alleviation Association.		
8. SDIC Panjiang was awarded with the banner of "poverty alleviation and poverty relief exhibition, responsibility of central enterprises, warm people's heart for the people" by Boguo Town, Panzhou City.		
9. SDIC Panjiang was awarded with the banner of "Joining Hands to Help Alleviate Poverty and Build a Beautiful Home" by the People's Government of Baoji Miao and Yi Township, Panzhou City.		

4. Follow-up targeted poverty alleviation program

" Applicable" " Not applicable"

In 2021, the Company will promote the effective connection of poverty alleviation and rural revitalization, consolidate the results of poverty alleviation, and further strengthen the missions. Through the solid implementation of poverty alleviation work, with the efforts in industry, education, and infrastructure construction areas, by strengthening the harmonious cooperation between government and enterprises, the company will continuously contribute its efforts to poverty alleviation.

(II) Details of social responsibility work

" Applicable" " Not applicable"

In 2020, the Company firmly fulfilled its social responsibilities and actively contributed its efforts to social development and stability.

After the outbreak of the COVID-19 pandemic, the Company actively assumed its social responsibilities, and responded by donating cash and anti-pandemic materials. During the fight against the pandemic, in order to further support Pingtang County, Guizhou Province to improve its public health inspection and testing capabilities, and effectively respond to the prevention and control of the pandemic, the Company donated RMB 2.3285 million for the renovation and upgrading of the laboratory of Pingtang County Center for Disease Control and Prevention; Yalong River Hydropower actively responded to the local calls and donated RMB 5 million to support the pandemic prevention and control work of West China Hospital of Sichuan University and Sichuan Provincial People's Hospital, and donated RMB 5 million to the pandemic area through the donation platform of SDIC Group; SDIC Xiaosanxia has donated RMB 200,000 to the Red Cross Society of Baiyin City to fight against the pandemic. In addition, all controlled companies actively responded to the national call to purchase unsold agricultural products in designated poverty alleviation counties and unsold agricultural and sideline products in Hubei, fully supported pandemic prevention and control, and actively fulfilled their corporate social responsibilities.

As one of the main sponsors of Sichuan Foundation for Justice and Courage, Yalong River hydropower donated RMB 500,000 to Sichuan Foundation for Justice and Courage, to protect and reward justice and bravery, and to promote deeds of justice and bravery in Sichuan Province.

Huaxia Power, by uniting streets, communities, schools and other institutions, brings warmth and care to the recipients in diversified forms. It signs a joint construction agreement with the village committee of Zhen'an Village, Haicang District, and provides subsidies to help orphaned and widowed elderly people solve their difficulties in life every year.

SDIC Xiaosanxia actively participates in social welfare undertakings, and organizes donation activities for Heshui County, Gansu Province to help the local poverty alleviation.

SDIC Panjiang donated RMB 27,000 to the Guiyang Ecological Civilization Foundation of Guizhou Province to fulfill the obligations of ecological environmental protection and help Guizhou Province to overcome poverty and to construct ecology civilization experimental zone.

Guizhou Liupanshui Waste-to-energy Power Plant, a subsidiary of Newsky China, produced stable production during the pandemic, achieved daily domestic waste collection, effectively avoided the accumulation of harmful waste, prevented the breeding and spread of germs, and minimized environmental pollution, and

helped Liupanshui City to prevent and control the pandemic, contributing its efforts to the development of circular economy.

(III) Information on environmental protection

1. Environmental protection of SDIC Power and its key subsidiaries which are incorporated in the list of key pollutant discharging entities as announced by the environmental protection department

(1) Information on pollutant discharge

" Applicable" " Not applicable"

The thermal power enterprises of SDIC Power are on the list of key pollution discharging entities. The desulfurization and dedusting work of the thermal power plants are performed stably, and the emission of various pollutants complies with requirements specified by the country, various provinces and regions.

(2) Construction and operation of pollution prevention and control facilities

" Applicable" " Not applicable"

The coal-fired thermal power enterprises affiliated to SDIC Power have built pollution prevention and control facilities in accordance with national and local requirements, and have ensured the normal operation of such pollution prevention and control facilities.

(3) Information on environmental impact assessment of construction project and other environmental protection administrative permits

" Applicable" " Not applicable"

Environmental impact assessment has been provided for construction projects of SDIC Power as required, and the environmental protection acceptance has been done as required.

(4) Contingency plan for environmental emergencies

" Applicable" " Not applicable"

The Company has formulated and strictly implemented contingency plans for environmental emergencies in accordance with national and local requirements.

(5) Environmental self-monitoring plan

" Applicable" " Not applicable"

The Company has provided online monitoring of pollutants in strict compliance with national and local requirements. SDIC Power has prepared the self-monitoring plans according to relevant requirements of pollutant discharge permit system and self-monitoring standards, and implemented them strictly.

(6) Other environmental information to be disclosed

" Applicable" " Not applicable"

In accordance with the relevant requirements of the state, the relevant information of the Company's emission permit shall be submitted to the competent department of environmental protection in time, and the information shall be disclosed as required.

2. Information on environmental protection of companies other than those key pollution discharging entities

" Applicable" " Not applicable"

3. Reason for failure of companies other than those key pollution discharging entities to disclose the environmental information

" Applicable" " Not applicable"

4. Information on subsequent progress or changes of environmental information disclosed during the reporting period

" Applicable" " Not applicable"

(IV) Additional information

" Applicable" " Not applicable"

XVIII. Convertible corporate bonds

" Applicable" " Not applicable"

Section Note: For more details of important events that have occurred since the end of the financial year, please refer to the “SUBSEQUENT EVENTS” section on page F 117.

Section VI Changes and Shareholders of Common Shares

I. Changes of capital stocks of common shares

(I) Table of changes of common shares

1. Table of changes of common shares

	Before this change		Increase/decrease (+, -)					After this change	
	quantity	Proportion (%)	New issue of shares	Presented shares	Shares transferred from reserve fund	Others	Subtotal	Quantity	Proportion (%)
I. Shares with trading limited conditions	0	0	0	0	0	0	0	0	0
II. Tradable shares without trading limited conditions	6,786,023,347	100	179,850,000	0	0	0	179,850,000	6,965,873,347	100
1.RMB common share	6,786,023,347	100	179,850,000	0	0	0	179,850,000	6,965,873,347	100
III. Total number of common shares	6,786,023,347	100	179,850,000	0	0	0	179,850,000	6,965,873,347	100

2. Changes of common shares

" Applicable " " Not applicable "

(1) The Company issued GDRs and listed on London Stock Exchange

On October 22, 2020, 16,350,000 Global Depository Receipts ("GDRs") issued by the Company were listed on London Stock Exchange, which 1 GDR representing 10 A share. The corresponding basic newly-increased A share stock numbers were 163,500,000 shares. The stock numbers of the Company were totally up to 6,949,523,347 shares. (For more details, see Shanghai Stock Exchange announcement 2020-043)

(2) Exercising GDR-related over-allotment right

On November 19, 2020, due to the exercise of the over-allotment right, the Company issued additional 1,635,000 GDRs. As 1 GDR representing 10 A shares, the Company correspondingly added 16,350,000 A shares, totally up to 6,965,873,347 shares. (For more details, see Shanghai Stock Exchange Announcement 2020-048)

3. Impact of changes of common shares on the earnings per share, net assets per share and other financial indexes in the most recent year and in the most recent period (if any)

" Applicable " " Not applicable "

On Nov 19, 2020, the Company completed the issuance of 17,98,5000 GDRs, representing 179,850,000 A-share stock of underlying securities. The total stock numbers of the Company increased from 6,786,023,347 shares before issuance to 6,965,873,347 shares after issuance. The amount of total capital stock of the Company increased from 6,786,023,347 Yuan before issuance to 6,965,873,347 Yuan after issuance. Due to the equity increase, the Company's earnings per share for the report period and net assets per share at the end of the reporting period are diluted. Based on weighted average number of shares, earnings per share in 2020 are RMB 0.7767 yuan and net assets per share at the end of the term are RMB 5.91 yuan.

4. Information disclosure deemed necessary by SDIC Power or required by the securities regulatory institution

" Applicable " " Not applicable "

(II) Changes in equity with trading limited conditions

" Applicable " " Not applicable "

II. Issuance and listing of securities

(I) Issuance of securities by the end of reporting period

" Applicable " "Not applicable "

Unit : share Currency: RMB						
Types of stocks and their derivative securities	Date of issuance	Issue price (or interest rate)	Issue quantity	date of listing	Amount of approved listing trade	Transaction termination date
Common shares						
Convertible corporate bonds, separable convertible bonds, corporate bonds						
SDIC Power Holdings Co., Ltd. publicly issued renewable corporate bonds to qualified investors in 2020 (first issue)	Jun 4,2020	3.40%	0.5 billion yuan	Jun 16,2020	0.5 billion yuan	Jun 4,2023
SDIC Power Holdings Co., Ltd. publicly issued renewable corporate bonds to qualified investors in 2020 (second issue)	Nov 30,2020	4.06%	1.2 billion yuan	Dec 16,2020	1.2 billion yuan	Nov 30,2022

Other derivative securities						
Global depositary receipts	Oct 16,2020	US\$ 12.27	16,350,000 shares	Oct 22,2020	16,350,000 shares	-
Global depositary receipts (over- allotment)	Oct 16,2020	US\$ 12.27	1,635,000 shares	Nov 19,2020	1,635,000 shares	-

Note: 1 GDR represents 10 A shares.

Issuance of securities by the end of reporting period (respectively specify bonds with different interest rates in the duration) :

" Applicable " " Not applicable "

(II)Changes of total number of common shares and of shareholder structure, and changes of assets and liability structure of SDIC Power

" Applicable " " Not applicable "

During the reporting period, the total number of shares increased from 6,786,023,347 to 6,965,873,347 for GDRs issued and listed on the London Stock Exchange. The changes of the Company's assets and liabilities structure could be found in this report "discussion and analysis of operating conditions", (II) Main operations within report period and (III) Analysis of assets and liabilities.

(III) Existing employee stocks

" Applicable " " Not applicable "

III. Shareholders and actual controllers

(I) Total quantity of shareholders

Quantity of holders of common shares by the end of the reporting period (Nos.)	103,370
Quantity of holders of common shares by the end of the last month before the disclosure date of annual report (Nos.)	101,190

(II) Shareholding of top ten shareholders and top ten holders of tradable shares (or shareholders without trading limited conditions) by the end of the reporting period

Unit: share

Name of shareholder (full name)	Increase/decrease in the reporting period	Quantity of shares held at the end of period	Proportion (%)	Quantity of held shares with trading limited conditions	Shareholding of top ten shareholders		Nature of shareholder
					Pledged or frozen	Share Status	
State Development & Investment Group Co., Ltd.	0	3,337,136,589	47.91	-	None	-	State-owned legal person
China Yangtze Power Co., Ltd.	250,055,228	970,043,585	13.93	-	None	-	State-owned legal person
China Securities	0	203,657,917	2.92		None		State-owned legal person

Finance Corp.							
Citibank, National Association	179,850,000	179,850,000	2.58				Foreign legal person
Hong Kong Securities Clearing Co., Ltd.	-60,460,649	152,031,077	2.18	-	None	-	Foreign legal person
Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Caizhi Fund	0	90,460,317	1.30	-	None	-	Unknown
Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Juzhi Fund	0	75,687,364	1.09	-	None	-	Unknown
National Council for Social Security Fund of the PRC 109 portfolio	59,414,619	59,414,619	0.85	-	None	-	Unknown
Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Huizhi Fund	0	54,988,628	0.79	-	None	-	Unknown
Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Yingzhi Fund	0	54,369,047	0.78	-	None	-	Unknown
Description of shareholding of top ten shareholders without trading limited conditions							
Name of shareholder	Quantity of held tradable share without trading limited conditions	Type and quantity of shares					
		Type	Quantity				
State Development & Investment Group Co., Ltd.	3,337,136,589	RMB common share	3,337,136,589				
China Yangtze Power Co., Ltd.	970,043,585	RMB common share	970,043,585				
China Securities Finance Corp.	203,657,917	RMB common share	203,657,917				
Citibank, National Association	179,850,000	RMB common share	179,850,000				
Hong Kong Securities Clearing Co., Ltd.	152,031,077	RMB common share	152,031,077				
Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Caizhi Fund	90,460,317	RMB common share	90,460,317				

Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Juzhi Fund	75,687,364	RMB common share	75,687,364
National Council for Social Security Fund of the PRC 109 portfolio	59,414,619	RMB common share	59,414,619
Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Huizhi Fund	54,988,628	RMB common share	54,988,628
Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Yingzhi Fund	54,369,047	RMB common share	54,369,047
Description of association relationship or concerted action of the shareholders listed above	The largest shareholder SDIC has no association relationship with other nine shareholders and doesn't belong to the person acting in concert specified in the <i>Measures for the Administration of the Takeover of Listed Companies</i> ; Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Caizhi Fund, Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Juzhi Fund, Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Huizhi Fund, and Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategic Yingzhi Fund are persons acting in concert; associated relationship among other shareholders is unknown and whether other shareholders belong to the person acting in concert specified in the <i>Measures for the Administration of the Takeover of Listed Companies</i> is unknown.		

Note :

Citibank, National Association is the depositary of GDR of the company, and the domestic ordinary A shares corresponding to GDR are registered under Citibank, National Association according to law. According to the depositary's statistics, as of the end of the reporting period, there were 17,985,000 GDRs in existence, accounting for 100 % of the number approved by the CSRC.

Quantity of shares held by top ten shareholders with trading limited conditions, and description of these trading limited conditions

" Applicable" " Not applicable"

(III) Top ten shareholders converted from strategic investors or general legal persons who participate in the rights issue

" Applicable" " Not applicable"

IV. Controlling shareholders and actual controllers

(I) Controlling shareholders

1 Legal person

" Applicable" " Not applicable"

Description	State Development & Investment Group Co., Ltd.
Company principal or legal representative	Bai Tao
Date of establishment	Apr. 14, 1995
Main place of business	Operation of state-owned assets as authorized by the State Council, and development of relevant investment businesses; investment and investment management in fields of energy, transport, fertilizer, high-tech industry, financial service, consultation, guarantee, trading, bio-mass energy, pension industry, big date, medical treatment and health, inspection and testing; assets management; economic information

	consultation; technical development and technical services. (The enterprise is required to select and perform the operations by law; the approved projects can be only executed within the limits as specified in the approval document; nobody is allowed to engage in operation activities which are prohibited or limited by the industrial policies of the local city.)
Other overseas listed companies hold and shared during the reporting period	SDIC Power exercises actual control and indirect control of a total of 8 other domestic and foreign listed companies: Complant Ltd. (000151.SZ), SDIC Capital (600061.SH), SDIC Zhonglu (600962.SH), Hua Lien International (0969.HK), Zhongxin Fruit (5EG), YAPP (603013.SH), CHSR (000008.SZ) and Meiya Pico (300188.SZ).

2 Natural person

Applicable " Not applicable "

3 Special description of non-existence of controlling shareholder in SDIC Power

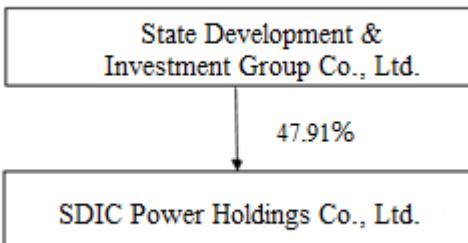
Applicable " Not applicable "

4 Indexes and dates of changes of controlling shareholders in the reporting period

Applicable " Not applicable "

5 Block diagram of equity and control relationship between SDIC Power and the controlling shareholder

Applicable " Not applicable "



(II) Description of actual controller

1 Legal person

Applicable " Not applicable "

Description	State-owned Assets Supervision and Administration Commission of the State Council
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2 Natural person

Applicable " Not applicable "

3 Special information on non-existence of actual controller in SDIC Power

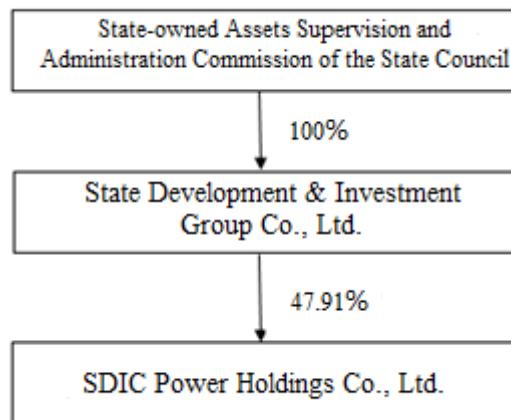
Applicable " Not applicable "

4 Indexes and dates of changes of actual controllers in the reporting period

Applicable " Not applicable "

5 Block diagram of equity and control relationship between SDIC Power and the actual controller

Applicable " Not applicable "



6 Controlling of SDIC Power by the actual controller by trusting or other assets management method

Applicable Not applicable

(III) Additional information on the controlling shareholder and actual controller

Applicable Not applicable

V. Other legal person shareholders with the shareholding proportion higher than 10%

Applicable Not applicable

Unit: Yuan Currency: RMB

Name of corporate shareholder	Company principal or legal representative	Date of establishment	Organization structure Code	Registered capital	Information on main business or management activities
China Yangtze Power Co., Ltd.	Lei Mingshan	2002-11-04	71093040-5	22,741,859,230	Electric power generation, operation and investment; technical consultation on electric power generation; maintenance of hydropower projects.

VI. Restricted reduction of shares

Applicable Not applicable

Section VII Preferred Stock

" Applicable " " Not applicable "

Section VIII Information on Directors, Supervisors, Senior Management Personnel and Employees

I. Shareholding changes and payments

(I) Shareholding changes and payments of directors, supervisors and senior management personnel who are currently in office and left post during the reporting period

"√ Applicable" "□ Not applicable"

Unit: share

Name	Position (note)	Sex	Age	Starting date of term of office	Ending date of term of office	Shares held at the beginning of the year	Shares held at the end of the year	Increase/decrease of shares in the year	Reason	Total payment received from SDIC Power during the reporting period (10,000 Yuan)	Whether any payment is received from related party of SDIC Power
Zhu Jiwei	Chairman of the Board of Directors	Male	50	Mar. 8, 2019	-	0	0	0	-	136.97	No
Luo Shaoxiang	Deputy Chairman of the Board of Directors	Male	56	Feb. 26, 2016	-	0	0	0	-	0	Yes
Zhang Wenping	Director	Male	50	Jan. 15, 2021	-	0	0	0	-	0	No
	General Manager			Dec.14,2020	-						
Jiang Hua	Director	Male	42	Mar.25, 2019	Oct.23,2020	6,000	6,000	0	-	93.96	No
	General Manager			Mar.28, 2019	Oct.23,2020						
Zeng Ming	Independent director	Male	63	Jul. 27, 2015	-	0	0	0	-	8	No
Shao Lvwei	Independent director	Male	54	May 5, 2015	-	0	0	0	-	8	No
Yu Yingmin	Independent director	Male	54	Sep. 6, 2019	-	0	0	0	-	8	No
Zhang Yuanling	Director	Male	58	Nov.15, 2017	-	0	0	0	-	0	Yes
Zhan	Director	Male	48	Sept. 6, 2019	-	0	0	0	-	0	Yes

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Gao Hai	Employee director	Male	52	Jan. 27, 2021	-	0	0	0	-	0	No	
Li Jun	Employee director	Male	57	Apr. 1, 2019	May. 7, 2020	0	0	0	-	57.4	No	
Qu Lixin	Chairman of the Board of Supervisors	Male	53	Jan.31, 2019	-	0	0	0	-	0	Yes	
Zhang Haijuan	Supervisor	Female	39	Sept. 6, 2019	-	0	0	0	-	0	Yes	
Ma Bin	Employee Supervisor	Male	52	Aug.13, 2018	-	0	0	0	-	76.16	No	
Zhao Fengbo	Deputy General Manager	Male	56	Nov.24, 2014	Mar. 9, 2020	0	0	0	-	48.71	No	
Yu Haimiao	Deputy General Manager	Male	46	Mar.9, 2020	-	0	0	0	-	40.53	No	
Yang Lin	Secretary of the Board of Directors	Male	48	Apr. 10, 2013	-	0	0	0	-	83.18	No	
Zhang Kaihong	Deputy General Manager	Male	44	Mar.9, 2020	-	0	0	0	-	40.78	No	
Zhou Changxin	Deputy General Manager and Financial Supervisor	Male	46	Mar.9, 2020	-	0	0	0	-	36.69	No	
Niu Yuexiang	Financial Supervisor	Female	55	Dec.28, 2018	Mar.27, 2020	0	0	0	-	46.35	No	
Total	/	/	/	/	/	6,000	6,000	0	/	684.73	/	

Name	Track record
Zhu Jiwei	He, an engineer, acted as General Manager and Secretary of the Party Committee of Xiamen Huaxia International Power Development Co., Ltd. and General Manager and Deputy Secretary of the Party Committee of SDIC Power Holdings Co., Ltd., and now he acts as the Chairman of Board of Directors and Secretary of the Party Committee of SDIC Power Holdings Co., Ltd.

Luo Shaoxiang	He, a senior engineer, acted as Deputy Director and Director of Strategic Development Department, and Director of Operation and Management Department of SDIC, and at present, act as the full-time stock director of SDIC and the Deputy Chairman of the Board of Directors of SDIC Power Holdings Co., Ltd.
Zhang Wenping	He, a professorate senior accountant, senior engineer, acted as Chief accountant, member of Party Committee and Chairman of Trade Union of Xiamen Huaxia International Power Development Co., Ltd., Deputy General Manager of Fujian Pacific Electric Co., Ltd., Deputy General Manager of SDIC (Fujian) Meizhouwan Electric Power Co., Ltd., General Manager and Secretary of the Party Committee of Xiamen Huaxia International Power Development Co., Ltd., Deputy Director of finance department of SDIC. Now he acts as the General Manager and Deputy Secretary of the Party Committee of SDIC Power Holding Co., Ltd.
Jiang Hua	He, a senior engineer, acted as Deputy Manager and Manager of Production & Operation Department of SDIC Power Holdings Co., Ltd., Deputy General Manager of Tianjin SDIC Jinneng Electric Power Co., Ltd., General Manager of SDIC Qinzhou Electric Power Co., Ltd. and General Manager Assistant, Deputy General Manager and General Manager of SDIC Power Holdings Co., Ltd., and he resigned in October 2020.
Zeng Ming	He, a professor in electric power technology economics and management specialty, was honored with first class candidates of "hundred, thousand and ten thousands talent" engineering and academic leading person of "cross century" and at present, he acts as the professor and PHD supervisor of Economics and Management School of North China Electric Power University, director of Research and Consulting Center of Energy and Power Economy of North China Electric Power University, principal of Beijing "Power Market Teaching Team" and Independent Director of SDIC Power Holdings Co., Ltd.
Shao Lvwei	He, a lawyer, acts as partner and director of Jiangsu New Talent Law Firm and Independent Director of SDIC Power Holdings Co., Ltd.
Yu Yingmin	He, an associate professor of accounting, now acts as accounting professor and doctoral supervisor of School of Finance, Central University of Finance and Economics, and Independent Director of SDIC Power Holdings Co., Ltd.
Zhang Yuanling	He, a senior engineer, acted as Deputy Manager of Project Management Department of SDIC Power Holdings Co., Ltd., General Manager of SDIC Gansu Xiaosanxia Power Co., Ltd., Deputy General Manager of SDIC Power Holdings Co., Ltd. and General Manager of SDIC Chuangyi Industry Fund Management Co., Ltd., and now he acts as the full-time Stock Director of SDIC and the Director of SDIC Power Holdings Co., Ltd.
Zhan Pingyuan	He, a senior accountant, and now he acts as Financial Supervisor of China Yangtze Power Co., Ltd. and Independent Director of SDIC Power Holdings Co., Ltd.
Gao Hai	He, a senior economist, acted as Deputy Manager of General Administration Department, Manager of Fuel Management Department, Manager of Commerce Department, now he acts as Employee Director, General Manager Assistant and Manager of Commerce Department of SDIC Power Holdings Co., Ltd.
Li Jun	He, a researcher-level senior engineer, acted as Chief Engineer, Deputy General Manager and Deputy Secretary of the Party Committee of SDIC Power Holdings Co., Ltd., and he resigned in May 2020.
Qu Lixin	He, a senior accountant, acted as General Manager Assistant & Financial Principal of SDIC Huajing Power Holdings Co., Ltd., Deputy General Manager and Employee director of SDIC Power Holdings Co., Ltd., and now he acts as Resident Auditor of Audit Department of SDIC and the Chairman of the Board of Supervisors of SDIC Power Holdings Co., Ltd.
Zhang Haijuan	She, a senior economist, acted as Assistant to Audit Director of No. 1 Audit Business Section of Audit Department of SDIC, and Audit Supervisor of No. 1 Audit Team of Audit Center, and now acts as Audit Supervisor of No. 1 Audit Team of Audit Evaluation Center of Audit Department of SDIC, and the Supervisor of SDIC Power Holdings Co., Ltd.
Ma Bin	He, a researcher-level senior accountant, acted as Chief Accountant and Secretary of the commission for discipline inspection of SDIC Xuancheng Power Generation Co., Ltd., Deputy General Manager of SDIC Panjiang Power Generation Co., Ltd. and Senior Business Manager at Audit Post of Audit Department of SDIC Power Holdings Co., Ltd., and now acts as Manager of Audit Department and the Employee Supervisor of SDIC Power Holdings Co., Ltd.
Zhao Fengbo	He, a senior economist, acted as Deputy General Manager of Business Development Department, Chief Economist and Deputy General Manager of SDIC Power Holdings Co., Ltd. He resigned as Deputy General Manager in March 2020.

Yu Haimiao	He, a professorate senior engineer, acted as Director of Engineering Technology Department, Deputy Chief Engineer, Chief Engineer, Deputy General Manager of Tianjin SDIC Jinneng Electric Power Co., Ltd., General Manager and Party Committee Secretary of SDIC Genting Meizhouwan Electric Power Co., Ltd., and now acts as Deputy General Manager of SDIC Power Holdings Co., Ltd.
Yang Lin	He, a senior economist, acted as Manager of Business Development Department, Manager of General Administration department, Responsible Project Manager, Manager of HR department of SDIC Huajing Power Holdings Co., Ltd., Manager of HR department of SDIC Power Holdings Co., Ltd. and now acts as Secretary of the Board of Directors of SDIC Power Holdings Co., Ltd.
Zhang Kaihong	He, a senior engineer, acted as Manager of Business Development Department and International Business Department, General Manager Assistant of SDIC Power Holding Co., Ltd., now acts as Deputy General Manager of SDIC Power Holding Co., Ltd.
Zhou Changxin	He, a professorate senior accountant, acted as General Accountant and Deputy General Manager of Guangxi Railway Investment Group Co., Ltd., General Accountant of Guangxi Tourism Development Group Co., Ltd., General Accountant of China New Era Holding Group Co., Ltd. Now he acts as Deputy General Manager and Financial Supervisor of SDIC Power Holding Co., Ltd.
Niu Yuexiang	She, an accountant, acted as Deputy Manager and Manager of Finance and Accounting Department, and General Manager Assistant and Financial Supervisor, Senior Consultant of SDIC Power Holdings Co., Ltd. She resigned in March 2020.

Additional information

" Applicable" " Not applicable"

(II) Equity-based incentives for directors, supervisors and senior management personnel in the reporting period

" Applicable" " Not applicable"

II. Posts of directors, supervisors and senior management personnel who are currently in office and leaved post during the reporting period

(I) Post in the shareholding companies

" Applicable" " Not applicable"

Name of person	Name of shareholding company	Post in the shareholding company	Starting date of term of office	Ending date of term of office
Luo Shaoxiang	State Development & Investment Group Co., Ltd.	Full-time Stock Director	April 2016	-
	SDIC Mining Investment Co., Ltd.	Director	December 2015	-
	China SDIC Gaoxin Industrial Investment Corp., Ltd.	Director	April 2020	
Zhang Wenping	SDIC Traffic Holding Co., Ltd.	Director	December 2018	January2021
	SDIC Intelligent Technology Co., Ltd.	Director	April 2020	January2021
	SDIC Gaoxin Industry Investment Co., Ltd	Director	March 2020	January2021
Zhang Yuanling	State Development & Investment Group Co., Ltd.	Full-time Stock Director	June 2017	
	SDIC Health Co., Ltd.	Director	October 2020	
	SDIC Assets Management Co., Ltd.	Director	August 2017	October 2020
Qu Lixin	State Development & Investment Group Co., Ltd.	Resident Auditor of Audit Department	December 2018	-
	SDIC Capital Co., Ltd.	Chairman of the Board of Supervisors	April 2019	

	SDIC Intelligent Technology Co., Ltd.	Chairman of the Board of Supervisors	April 2019	
Zhang Haijuan	State Development & Investment Group Co., Ltd.	Audit Supervisor of No. 1 Audit Team of Audit Evaluation Center	December 2020	-
	SDIC Intelligent Technology Co., Ltd.	Supervisor	September 2018	
Description of Post in the shareholding company				

(II) Post status in other organizations

"√ Applicable" "□ Not applicable"

Name of person	Name of the other organizations	Post in the other organization	Starting date of term of office	Ending date of term of office
Zeng Ming	Economics and Management School of North China Electric Power University	Professor	December 2010	-
	Jointo Energy Investment Co., Ltd. Hebei	Independent director	March 2016	-
	GCL Intelligent Energy Co., Ltd.	Independent director	June 2019	-
Shao Lvwei	Jiangsu New Talent Law Firm	Partner, director	June 1996	-
	Jiangsu Yangnong Chemical Stock Co., Ltd.	Independent director	April 2016	-
	Jiangsu Aoyang Health Industry Co., Ltd.	Independent director	February 2018	
Yu Yingmin	Central University of Finance and Economics	Professor, Doctor Tutor	July 2005	
	Genimous Technology Co., Ltd.	Independent director	January 2015	January 2021
	Sichuan Shuangma Cement Co., Ltd.	Independent director	August 2017	July 2020
	Huabao Food Flavours & Fragrances Co., Ltd.	Independent director	November 2016	
	Guangzhou Tech-Long Co., Ltd.	Independent director	December 2018	
Zhan Pingyuan	China Yangtze Power Co., Ltd.	Chief Financial Officer, General Legal Counsel	April 2019	
	China Yangtze Power Capital Co., Ltd.	Chairman, President	November 2019	
	China Yangtze Power Andes Co., Ltd.	Director	November 2019	April 2020
	China Yangtze Power Investment Management Co., Ltd.	Chairman, General Manager	September 2020	
	China Yangtze Power International (Hongkong) Co., Ltd.	Director	December 2020	
Description of Post in other organizations				

III. Compensation of directors, supervisors and senior management

Applicable " Not applicable "

Decision-making procedure for compensation of directors, supervisors and senior management	The compensation of directors and supervisors shall be reviewed and approved by the board of directors before implementation. The compensation of senior management personnel shall be reviewed by Compensation and Assessment Committee of the board of directors and approved by the board of directors.
Basis for determination of compensation of directors, supervisors and senior management	1. The compensation for directors and supervisors are determined according to "Method of Assessment and Management of Compensations for Directors, Supervisors and Senior Management of SDIC Power". 2. In the reporting period, the compensation for the senior management are determined pursuant to "Method of Management of Compensation for Senior Management of SDIC Power" and "Method of Performance Examination and Management of Senior Management of SDIC Power".
Description of actual payment of compensation of directors, supervisors and senior management	Refer to "(I) Shareholding changes and compensation of incumbent and resigned directors, supervisors and senior management in the reporting period, I. Description of shareholding changes and compensation".
Total of compensation of directors, supervisors and senior management at the end of reporting period	6.8473 million Yuan

IV. Changes of directors, supervisors and senior management of SDIC Power

Applicable " Not applicable "

Name	Post held	Description of change	Reason for change
Zhang Wenping	Director	Elected	Elected by Board of Directors and General Meeting of Shareholders
	General Manager	Appointed	Appointed by Board of Directors
Jiang Hua	Director	Resigned	Quit due to job change
	General Manager	Resigned	Quit due to job change
Gao Hai	Employee Director	Elected	Elected by the Employees' Assembly
Li Jun	Employee Director	Resigned	Quit due to job change
Zhao Fengbo	Deputy General Manager	Resigned	Quit due to job change
Yu Haimiao	Deputy General Manager	Appointed	Appointed by Board of Directors
Zhang Kaihong	Deputy General Manager	Appointed	Appointed by Board of Directors
Zhou Changxin	Deputy General Manager, Finance Chief	Appointed	Appointed by Board of Directors
Niu Yuexiang	Financial Supervisor	Resigned	Retirement

V. Punishment imposed by securities regulation authority in recent three years

Applicable " Not applicable "

VI. Status of the staff in parent company and main subsidiaries

(I) Status of the staff

Number of the incumbent staff in the parent company	111
Number of the incumbent staff in the major subsidiary	8,503
Total number of incumbent staff	8,614
Number of retirees whose expense are undertaken by the parent company and main subsidiaries	5
Status of professional occupation	
Category of professional occupation	Number of employees of the professional occupation
Production personnel	5,316
Sales personnel	84
Technical personnel	1,627
Financial personnel	267
Administration personnel	1,320
Total	8,614
Education background	
Category of education background	Number (person)
Master's degree and above	447
Bachelor degree	3,958
College degree	1,834
Technical secondary school and below	2,375
Total	8614

Note: Due to the implementation of socialized management of retirees in 2020, a total of 689 retirees' management and service functions were handed over. At present, the number of retirees whose expense are undertaken by the parent company and main subsidiaries is only 5.

(II) Compensation policy

"√ Applicable" "□ Not applicable"

SDIC Power shall strictly execute the labor cost and gross payroll management in this year, revise gross payroll management policy of holding investment enterprises, improve the management system and management mechanism, adhere to the principle of efficiency matching, and ensure that the payment schedule of each holding investment enterprise's payroll was synchronized with the time schedule and that the growth of total labor cost and total payroll was in line with the growth of economic benefits. The increase of gross payroll shall focus on stable growth of benefits and incline to enterprises that have made breakthroughs in reform and innovation. SDIC Power shall constantly strengthen the incentive and constraint of income distribution and the potential tapping effect of leverage, so as to make the distribution of benefits and wages more targeted. Meanwhile, by making full use of the financial data comprehensive management platform, SDIC Power shall closely follow up the implementation of the labor cost budget of each enterprise, do a good job of information statistics and analysis, and in particular, find out and analyze causes to any significant increase or decrease of labor cost. With regard to the salary distribution, SDIC Power shall avoid equalitarianism, widen the distribution gap moderately, reflect the value of the job, and give the priority to the key technical jobs and the production line employees, so as to motivate the enthusiasm of employees of various enterprises and use the salary as a guide and incentive.

(III) Training plan

"√ Applicable" "□ Not applicable"

In 2020, the training work closely focused on SDIC Power's development strategy and annual key training plan. From the perspective of business needs and talent development, various special trainings were organized and

carried out. Affected by the COVID-19 epidemic, the training progress in the first half of the year was hindered. SDIC Power actively explored the training mode under the new situation, organized online training, and carried out face-to-face courses under the premise of meeting the requirements of epidemic prevention and control, so as to actively promote the matching between the talents reserve and SDIC Power's strategy.

Firstly, the Company innovated training model, using live online training, held two international talent micro-course training which lasted for seven months. The courses invited internal and external lecturers with years of practical experience in overseas projects to teach and impart lessons, focusing on topics such as overseas project investment, overseas HR management, cross-border legal and compliance matters and international finance and taxation. Two international live broadcast training sessions were conducted for a total of 467 members, which accelerated the integration of staff with international business and laid a talent foundation for the rapid expansion of future international projects.

Secondly, the Company continued to pay attention to employees' English application ability, carried out "English face-to-face off-job training", "Business English face-to-face" and online English training courses. For the first time, the "English face-to-face off-job training" held a special financial course in three months, and set up the financial and accounting English course. A total of six financial backbones were selected to participate in the training. Business English face-to-face professors employ foreign professors to teach accurately according to students ' English level. All English courses run through the whole year, with a total of 97 training sessions, providing multiple English learning channels for employees and improving the practical application and communication ability of business English for employees.

Thirdly, the 2020 induction trainings for new employees were organized. Trainings were carried out from the aspects of SDIC Power's development process, development strategy, business profile, employee promotion and development channels, all kinds of information management systems, code of conduct and professional ethics education, etc., so that the new employees could have a more comprehensive and in-depth understanding of production, operation and management of SDIC Power.

Fourthly, SDIC Power organized and carried out trainings on archives management and confidentiality management, actively participated in all kinds of trainings held by superiors and outsiders, promoted the online learning platform and WeChat public account resources in the Company and enterprises, and made full use of fragmented time to improve the overall professional quality of employees.

(IV) Labor outsourcing

" Applicable " " Not applicable "

VII. Other

" Applicable " " Not applicable "

Section IX Corporate Governance

Overview

As a public company listed in both domestic and overseas, the Company has been operating business in a standard manner and in strict compliance with the requirements set forth in the laws, regulations and regulatory documents of the PRC and the overseas jurisdiction where the shares of the Company are listed, and has made continuous efforts to maintain and enhance the good image of the Company in the market.

The Company is principally governed by the general meeting of its shareholders (the “general meeting”), the Board of Directors, the Supervisory Committee and senior management. A brief description of the general meeting, the Board of Directors, the Supervisory Committee and senior management of the Company is set out below.

General Meeting

The general meeting is the governing authority of the Company. General meetings include annual general meetings and extraordinary general meetings. An annual general meeting is required to be called once a year, within six months following the end of the previous fiscal year. An extraordinary general meeting is required to be called within two months from the date of the occurrence of any of the following circumstances:

- the number of Directors is fewer than six;
- the losses of the Company that have not been made up reach one third of its total share capital;
- shareholders that hold, individually or collectively, 10% or more of the shares of the Company request to hold such a meeting;
- the Board of Directors considers it necessary;
- the Supervisory Committee proposes to hold such a meeting; or
- other circumstances as provided by relevant laws, administrative regulations, departmental rules or the Articles of Association.

Board of Directors

The Board of Directors is responsible for the general management of the Company and is accountable to the general meeting. Board meetings include routine board meetings and extraordinary board meetings. A routine board meeting is required to be called semi-annually. An extraordinary board meeting may be called upon demand.

Supervisory Committee

The Supervisory Committee is responsible for overseeing the Company’s general management and is accountable to the general meeting.

Diversity

The Company believes that the increasing diversity of the administrative, management and supervisory bodies is one of the key factors that help support its strategic objectives and maintain sustainable development. At present, the Company’s administrative, management and supervisory bodies are diversified in terms of gender, region and professional background: The Supervisory Committee includes 1 female supervisor and 2 male

supervisors. Among the 9 directors of the Board of Directors, the 3 independent directors are respectively from the power industry, legal compliance, accounting and auditing fields, with various academic backgrounds and professional advantages.

I. Description of corporate Governance

"√ Applicable" "□ Not applicable"

In the reporting period, SDIC Power has continuously improved the governance structure of legal person and standardized operation of SDIC Power based on requirements of laws and regulations, such as *Company Law*, *Securities Law*, *Guidelines for Articles of Association of Chinese Listed Companies* and *Code of Governance for Chinese Listed Companies*. SDIC Power is fully subject to Code of Governance for Chinese Listed Companies (the relevant code is set out on http://www.csac.gov.cn/pub/zjpublic/zjh/201809/t20180930_344906.htm) and combined with actual situation of SDIC Power. Directors and supervisors of SDIC Power have been diligent and responsible. Manager level and other senior management personnel have carried out their duties according to laws. Legal rights and interests of SDIC Power and shareholders have been effectively maintained.

(I) Strengthen the system construction. In the reporting period, SDIC Power amended *Articles of Association*, *Rules of Procedure of the General Meeting of Shareholders*, *Rules of Procedure of the Board of Directors* and *Rules of Procedure of the Board of Supervisors*, to further comply with the relevant policy requirements of the CSRC and the Shanghai Stock Exchange and protect the interests of SDIC Power's shareholders.

(II) Legally and effectively implement the function of "one meeting and two boards" (general meeting of shareholders, board of directors and board of supervisors) and management level. SDIC Power established general meeting of shareholders, board of directors and board of supervisors. Strategy Committee, Audit Committee, Nomination Committee, and Compensation and Assessment Committee were established under the board of directors. System of "one meeting and two boards" and management level has been complete. In reporting period, SDIC Power operated based on laws, studied and knew securities and futures laws, administrative regulations, rules and normative documents, well implemented decision-making and supervision function, persisted in the "openness, fairness and justice" principle, make full use of the status of general meeting of stockholders as the highest decision-making body and paid attention to protection of lawful right and interests of shareholders. In the reporting period, SDIC Power totally held 4 general meetings of shareholders, 15 meetings of board of directors, 9 meetings of board of supervisors and 15 specialized committee meetings of board of directors. Operation of "one meeting and two boards" and management level met relevant regulations of *Articles of Association* and supervision regulations and management decision conformed to interests of all shareholders.

(III) Legally disclose information. SDIC Power established *Management System of Information Disclosure Matters* and *Management Method of Internal Report of Major Information*. The investment enterprises appointed information disclosure liaison person to ensure prompt transmission, collection and effective management of major information in SDIC Power. SDIC Power established the Accountability System for Major Error in Annual Report. Preparation of annual report was in the charge of the secretary of board of directors. In preparation of annual report, Audit Committee, independent directors, directors, supervisors and senior management personnel fully performed their duties. Authenticity, accuracy and integrity of disclosed information were ensured through specifying responsibilities and strictly reviewing. During the reporting period, SDIC Power made 4 regular reporting disclosures and 52 provisional announcement disclosures. The information disclosure was based on the

compliance with regulatory requirements, met the needs of investors, fully and objectively reflected the true value of SDIC Power.

(IV) Manage the relationships with the investors properly. SDIC Power further enhanced the publicity of corporate value, attached much importance to the management of relationship with the investors, increased exchanges with investors in various forms, and received more than 300 organizations and individual investors for surveying. Through reverse roadshow, performance explanation meeting, strategy exchange meeting, investor hotline and SSE E-interaction and other forms and platforms, the seamless connection with the capital market and the dual-way communication with the investors were realized.

(V) Manage the Registration of Insiders. During the reporting period, the Company completed the registration and reporting of insiders with periodic reports and major issues according to *Insider Information Confidential System*. There was no insider trading.

Whether there is major difference between the corporate governance and requirements of CSRC; if any, describe the reason.

" Applicable" " Not applicable"

(VI) The Board's broader assessment of the Company's ongoing viability. The Board's viability statement, set out on page 83, is for the period of twelve months. This time period was chosen as most of the Company's subsidiaries currently have a twelve month planning period for their respective business plans. The Board will consider in the future the business plans for all members of the Group.

II. Brief introduction to general meeting of shareholders

Session	Date of holding	Query index of resolution published at the designated website	Date of disclosure of the resolution
Annual General Meeting of shareholders 2019	Jun. 18, 2020	Refer to the bulletins released on the website of Shanghai Stock Exchange www.sse.com.cn , Bulletin No.: 2020-020	Jun. 19, 2020
First interim general meeting of shareholders in 2020	Jul. 28, 2020	Announcement No.: 2020-031	Jul. 29, 2020
Second interim general meeting of shareholders in 2020	Aug. 11, 2020	Announcement No.: 2020-033	Aug. 12, 2020
Third interim general meeting of shareholders in 2020	Sep. 25, 2020	Announcement No.: 2020-036	Sep. 26, 2020

Description of general meeting of shareholders

" Applicable" " Not applicable"

III. Performance of directors

(I) Attendance of directors in meeting of board of directors and general meeting of shareholders

Director Name	Whether an independent director or not	Attendance in the meeting of board of directors						Attendance in the general meeting of shareholders
		Number of meetings of board	Number Of personal attendan	Number of attendance s via communic	Number Of attendan ces by	Numbe r of absenc es	Whether failed to attend personally	

		of directors to be attended during this year	ces	ation channel	entrust ment	Freque ncy	for two consecutiv e times	shareholders
Zhu Jiwei	No	15	15	14	0	0	No	4
Luo Shaoxia ng	No	15	15	14	0	0	No	3
Zhang Wenping	No	0	0	0	0	0	No	0
Jiang Hua	No	11	11	10	0	0	No	0
Zeng Ming	Yes	15	15	14	0	0	No	0
Shao Lvwei	Yes	15	15	14	0	0	No	1
Yu Yingmin	Yes	15	15	14	0	0	No	1
Zhang Yuanling	No	15	15	14	0	0	No	2
Zhan Pingyu an	No	15	15	14	0	0	No	0
Gao Hai	No	0	0	0	0	0	No	0
Li Jun	No	5	5	4	0	0	No	0

Description of failure to attend personally for two consecutive times

" Applicable " " Not applicable "

Number of meetings of board of directors held in the year	15
Including: Number of field meetings	1
Number of meetings convened via communication channel	14
Number of meetings convened on site and via communication channel	0

(II) Objection from independent directors on related issues of SDIC Power

" Applicable " " Not applicable "

(III) Other

" Applicable " " Not applicable "

IV. Important opinions and suggestions made by special committees under the board of directors in performance of responsibilities in reporting period; if there was any objection, specific information shall be disclosed.

" Applicable " " Not applicable "

V. Description of risks of SDIC Power identified by the Board of Supervisors

" Applicable " " Not applicable "

VI. Description of failure to ensure the independency and independent operation with respect to the businesses, personnel, assets, organizations and finance of SDIC Power and its controlling shareholders

" Applicable " " Not applicable "

Solutions, work schedule and follow-up work plan of SDIC Power in case of horizontal competition

" Applicable" " Not applicable"

VII. Establishment and implementation of assessment and incentive mechanisms for senior management personnel in reporting period

" Applicable" " Not applicable"

SDIC Power promotes the professional manager system pilot reform to constantly energize the enterprise. SDIC Power signs "Labor Contract", "Employment Contract", "Annual Performance Contract" and "Contract on Performance in Term of Office", and defines the market-based and contract-based management mode. With respect to incentives, the professional manager incentive mechanism is based on the examination and assessment, and is correlated with the job responsibilities and working performance. The short-term incentive is combined with the middle and long-term incentives, and the spiritual motivation is combined with the material motivation. Meanwhile, the "five-in-one" supervision & restraint system is developed to strengthen the supervision and binding on the professional manager.

VIII. Whether the self-evaluation report of internal control was disclosed

" Applicable" " Not applicable"

The Chinese version of internal self-evaluation report and the annual report were disclosed at the same time. See the bulletin on website of Shanghai Stock Exchange on that date.

Description of major defects of internal control in the reporting period

" Applicable" " Not applicable"

According to the identification of major defects in the company's internal control over financial reporting, there are no major defects in the internal control over financial reporting on the base date of the internal control evaluation report. The board of Directors believes that the company has maintained effective internal control over financial reporting in all major aspects in accordance with the requirements of the enterprise's internal control standard system and relevant regulations.

IX. Description of internal control audit report

" Applicable" " Not applicable"

SDIC Power engaged BDO China Shu Lun Pan Certified Public Accountants LLP (special general partnership) to audit the effectiveness of internal control of financial statements in 2020. BDO China Shu Lun Pan Certified Public Accountants LLP issued standard unqualified audit report for internal control which was disclosed with the Chinese version annual report at the same time. See the bulletin on website of Shanghai Stock Exchange on that date.

Whether the internal control audit report was disclosed: Yes

Type of internal control audit report: standard unqualified audit opinion

X. Viability Statement

Viability Statement

The directors have assessed the prospects of the Company for twelve months from 31 December 2020, and confirm that they have a reasonable expectation that the Group will continue in operation and meet its liabilities as they fall due over the period of their assessment.

At 31 of December 2020, a portion of the funding requirements of the Group for the capital expenditures was satisfied by short-term borrowings. At 31 of December 2020 the Group had a net current liability of approximately 15,619.7m (2019: RMB9,799.3m). The Group has significant undrawn credit facilities, subject to certain conditions, amounting to approximately RMB182,756m (2019:RMB145,858m), the Group could re-finance and or restructure certain short-term loans and borrowings into long-term borrowings and will also consider alternative sources of financing, where applicable. The directors of the company are of the opinion that the Group will be able to meet its liabilities and other financial commitments as and when they fall due within the next 12 months. Therefore, the consolidated financial statements have been prepared on a going concern basis.

A period of twelve months from 31 December 2020 has been chosen as this is the timeframe currently adopted by the Board as its strategic and financial planning horizon. This assessment of viability has been made with reference to the Group's current position and future prospects, its strategy, the market outlook, the financing and the principal risk and management thereof.

The strategy and principal risks of the Group are reviewed by the directors and when the prospects of each business are discussed; assumptions are made regarding entering into new business, about future growth rates of the existing businesses and about the acceptable performance of existing businesses. This review considers the Group's growth potential, its cash flows, financing options and the potential impacts these risks would have on the Group's business model, future performance, solvency or liquidity over the assessment period. It also takes into account business development, and any potential merger and acquisition transactions.

Going Concern

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the consolidated financial statements. The directors have reported in the annual and half-yearly consolidated financial statements that the business is a going concern, with supporting assumptions qualifications as necessary.

XI. Other

" Applicable" " Not applicable"

Section X Corporate Bonds

"√ Applicable" "□ Not applicable"

I. Overview of the corporate bonds

Unit:10,000 Yuan Currency: RMB

Name of bond	Abbreviation	Code	Date of issuance	Due date	Balance of bond	Interest rate (%)	Method of repayment of principal and interest	Place of trading
Corporate bond in 2016 of SDIC Power Holdings Co., Ltd. (first issue)	16 SDIC Power	136793	Oct. 26, 2016	Oct. 27, 2021	70,000	3.10	Repayment of interest on a yearly basis, repayment of the full principal at maturity, and repayment of final interest with the principal.	Shanghai Stock Exchange
Corporate bond in 2016 of SDIC Power Holdings Co., Ltd. (second issue)	16 SDIC Holding	136838	Nov. 17, 2016	Nov. 18, 2021	50,000	3.32	Repayment of interest on a yearly basis, repayment of the full principal at maturity, and repayment of final interest with the principal.	Shanghai Stock Exchange
SDIC Power Holdings Co., Ltd. publicly issued renewable corporate bonds to qualified investors in 2018 (first issue)	18 Power Y1	143953	From Mar. 14, 2018 to Mar. 15, 2018	Mar. 15, 2021	50,000	5.50	Repayment of interest on a yearly basis, repayment of the full principal at maturity, and repayment of final interest with the principal.	Shanghai Stock Exchange
SDIC Power Holdings Co., Ltd. publicly issued renewable corporate bonds to qualified investors in	18 Power Y2	143973	From May 8, 2018 to May 9, 2018	May 9, 2021	150,000	5.23	Repayment of interest on a yearly basis, repayment of the full principal at maturity, and repayment of final interest with the	Shanghai Stock Exchange

2018 (second issue)							principal.	
SDIC Power Holdings Co., Ltd. publicly issued renewable corporate bonds to qualified investors in 2018 (third issue)	18 Power Y3	143994	From Jul. 17, 2018 to Jul. 18, 2018	Jul. 18, 2021	200,000	4.98	Repayment of interest on a yearly basis, repayment of the full principal at maturity, and repayment of final interest with the principal.	Shanghai Stock Exchange
SDIC Power Holdings Co., Ltd. publicly issued corporate bonds to qualified investors in 2019 (first issue)	19 SDIC Power	155457	From Jun.11, 2019 to Jun.12, 2019	Jun.12, 2029	120,000	4.59	Repayment of interest on a yearly basis, repayment of the full principal at maturity, and repayment of final interest with the principal.	Shanghai Stock Exchange
SDIC Power Holdings Co., Ltd. publicly issued renewable corporate bonds to qualified investors in 2020 (first issue)	2020 Power Y1	163599	Jun.4,2020	Jun.4, 2023	50,000	3.40	Repayment of interest on a yearly basis, repayment of the full principal at maturity, and repayment of final interest with the principal.	Shanghai Stock Exchange
SDIC Power Holdings Co., Ltd. publicly issued renewable corporate bonds to qualified investors in 2020 (second issue)	2020 Power Y2	175432	Nov. 30, 2020	Nov. 30, 2022	120,000	4.06	Repayment of interest on a yearly basis, repayment of the full principal at maturity, and repayment of final interest with the principal.	Shanghai Stock Exchange

Repayment of interests of the corporate bonds

"√ Applicable " "□ Not applicable "

Up to the end of the reporting period, the principals and interests of corporate bonds were repaid as scheduled, and no default occurred.

Additional information on corporate bonds

" Applicable" " Not applicable"

II. Contact person and contact method of the trustee and contact method of credit rating agency of corporate bonds

Trustee of corporate bonds	Description	CITIC Securities Co., Ltd.
	Office address	North Building, Times Square Excellence (Phase II), No. 8, Zhongxin 3rd Road, Futian District, Shenzhen, Guangdong
	Associate	Zhou Weifan
	Contact Tel:	010-60833607
Credit rating agency	Description	China Chengxin Securities Rating Co., Ltd.
	Office address	Anji building, No. 760 South Xizang Road, Shanghai

Additional information:

" Applicable" " Not applicable"

III. Utilization of the fund raised by issuance of the corporate bonds

" Applicable" " Not applicable"

1. According to *Prospectus for Public Issuance of 2016 Corporate Bonds (First Issue) (to Qualified Investors)* disclosed on Oct. 24, 2016 by SDIC Power, bonds of the current issue are used for debt restructuring, and the raised funds have been used up for this purpose by the end of the reporting period.

2. According to *Prospectus for Public Issuance of 2016 Corporate Bonds (Second Issue) (to Qualified Investors)* disclosed on Nov. 15, 2016 by SDIC Power, bonds of the current issue are used for debt restructuring after deducting the issuing expenses, and the raised funds have been used up for this purpose by the end of the reporting period.

3. According to *Prospectus for Public Issuance of 2018 Renewable Corporate Bonds (First Issue) to Qualified Investors* disclosed on Mar. 12, 2018 by SDIC Power, bonds of the current issue are used to supplement the working capital after deducting the issuing expenses, and the raised funds have been used up for this purpose by the end of the reporting period.

4. According to *Prospectus for Public Issuance of 2018 Renewable Corporate Bonds (Second Issue) to Qualified Investors* disclosed on May 4, 2018 by SDIC Power, bonds of the current issue are used to repay the loans from financial institutions, restructure debts and supplement the working capital after deducting the issuing expenses, and the raised funds have been used up for this purpose by the end of the reporting period.

5. According to *Prospectus for Public Issuance of 2018 Renewable Corporate Bonds (Third Issue) to Qualified Investors* disclosed on Jul. 13, 2018 by SDIC Power, bonds of the current issue are used to repay the loans from financial institutions, restructure debts and supplement the working capital after deducting the issuing expenses, and the raised funds have been used up for this purpose by the end of the reporting period.

6. According to *Prospectus for Public Issuance of 2019 Corporate Bonds (First Issue) to Qualified Investors* disclosed on Jun. 6, 2019 by SDIC Power, bonds of the current issue are used to repay the loans from financial institutions, restructure debts, supplement the working capital or used for other purposes allowed by law after

deducting the issuing expenses, and the raised funds have been used up for this purpose by the end of the reporting period.

7. According to *Prospectus for Public Issuance of 2020 Renewable Corporate Bonds (First Issue) to Qualified Investors* disclosed on Jun. 1, 2020 by SDIC Power, bonds of the current issue are used to repay the loans from financial institutions, restructure debts, supplement the working capital or used for other purposes allowed by law after deducting the issuing expenses, and the raised funds have been used up for this purpose by the end of the reporting period.

8. According to *Prospectus for Public Issuance of 2020 Renewable Corporate Bonds (Second Issue) to Qualified Investors* disclosed on Nov. 25, 2020 by SDIC Power, bonds of the current issue are used to repay the loans from financial institutions, restructure debts, supplement the working capital or used for other purposes allowed by law after deducting the issuing expenses, funds raised at the end of the reporting period were used for this purpose, and the balance was 663.53 million yuan.

IV. Rating of corporate bonds

" Applicable" " Not applicable"

Since the listing of the corporate bonds mentioned above, based on the credit rating report and the rating result letter issued by China Chengxin Securities Rating Co., Ltd., the corporate credit rating of SDIC Power was AAA, the credit rating of the current bonds was AAA and the rating outlook was stable.

V. Credit enhancement mechanism, repayment plan and other situations related to the corporate bond in the reporting period

" Applicable" " Not applicable"

Credit enhancement mechanism, repayment plan and repayment supporting measures during the reporting period are consistent with the provisions of the prospectus and related commitments. Nothing has been changed.

VI. Meetings convened by holders of corporate bonds

" Applicable" " Not applicable"

VII. Performance of trustee of corporate bonds

" Applicable" " Not applicable"

The entrusted bond manager of SDIC Power is CITIC Securities Co., Ltd., and the entrusted bond manager released "Entrusted Bond Manager's Report on Bonds of SDIC Power (2019)" on the website of Shanghai Stock Exchange on Jun. 29, 2020.

VIII. Accounting data and financial indicators of SDIC Power in recent two years by the end of the reporting period

" Applicable" " Not applicable"

Unit: Million Yuan Currency: RMB

Main index	2020	2019	Increase or decrease, (%)	Reason
EBITDA	23,144.3	22,671.8	2.08	
Liquidity ratio	0.57	0.72	-20.83	Resulting from off-balance

				sheet assets for sale held in current period
Asset-liability ratio (%)	63.94%	66.91%	Decreased by 2.97 percent p oints	
Total debt ratio of EBITDA	15.82%	15.08%	Increased by 0.74 percent points	
Interest coverage ratio	2.86	2.47	15.93	
Cash interest coverage ratio	4.89	4.54	7.70	
EBITDA interest coverage ratio	4.17	3.72	12.01	
Loan repayment rate (%)	100	100	-	
Interest coverage (%)	100	100	-	

IX. Interest repayment and honor of other bonds and debt financing instruments of SDIC Power

"√ Applicable " "□ Not applicable "

By the end of report period, principals and interests of financing instruments of other debentures and debts of the company have been repaid on schedule, and no anticipatory breach is found.

X. Bank credit of SDIC Power in the reporting period

"√ Applicable " "□ Not applicable "

By the end of report period, total credit extension obtained by the company from banks is 317.3 billion Yuan, of which 134.5 billion Yuan has been used.

XI. Performance of commitments or undertakings specified in the bond raising statement of SDIC Power in the reporting period

"√ Applicable " "□ Not applicable "

For corporate bonds “16 SDIC Power”, “16 SDIC Control”, “18 Power Y1”, “18 Power Y2”, “18 Power Y3”, “19 SDIC Power”, “2020 Power Y1”and “2020 Power Y2”, SDIC Power has performed commitments or undertakings specified in the corporate bond prospectus in the reporting period.

XII. Major events occurred in SDIC Power and their impacts on the operation conditions and solvency of SDIC Power

"□ Applicable " "√ Not applicable "

Section XI Financial Report

For the Consolidated Financial Statements together with Independent Auditor's Report For the year ended 31 December 2020, please refer to the attached pages (from F-1 to F-129).