

A large, stylized lightbulb graphic in a lighter shade of green, positioned on the left side of the cover. The bulb is partially cut off by the left edge. At the bottom of the bulb, there are three horizontal bars of the same color, representing the base of the bulb.

2010

Yudean Group
Annual Report





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Honorary

Memorabilia



1

COMPANY PROFILE



Yudean Group is a young enterprise with a historic background of one century.

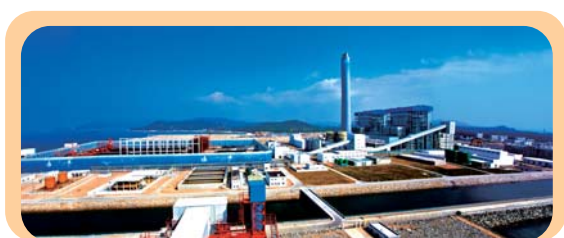
The history of Yudean Group can be traced to 1880s. The first light was lit by the Government House of Guangdong and Guangxi provinces in Guangdong in 1888, and the first China National Bourgeoisie Capital Electric Light Company was established in Guangzhou by patriotic overseas Chinese in 1890. On 8th Aug., 2001, the government of Guangdong Province took the lead in carrying out power system reform in China and established Yudean Group based on the power generation business of the former Guangdong Electric Power Holding Company. The registered capital of the group is RMB 20 billion Yuan with 76% stock equity and 24% stock equity held by Guangdong Provincial Government and China Huaneng Group respectively and with over 14000 employees, being a power generation enterprise with the greatest strength and the largest scale in Guangdong Province.

By the end of 2010, during the final examination period, the total appraisal assets of the group was RMB 116.6 billion Yuan, the installed capacity of the exclusively-invested and holding stock power plants reached up to 21186.7 MW, in which there were 12 power plants whose installed capacity was over 1000

MW class. Now Yudean Group possesses over 90 branches of exclusively-invested, holding stock and participation units with the holding stock of the listed company — Guangdong Electric Power Development Co., Ltd. (GED). The business of the group involves in multiple energy sources including thermal power, hydropower, wind power, nuclear power, LNG power, biomass power and solar energy and so on with the distribution covering eastern, western, northern Guangdong Province as well as pearl river delta region and being extending towards areas outside the province and towards foreign countries actively. The group has kept implementing diversified development strategies actively in recent years and has made breakthroughs in all fields including coal mine, shipping, natural gas, finance, equipment manufacturing, advancing the industry chain to extend to the upstream & downstream of the main business and realizing the effective improvement of the core value. The group achieved excellent grade during the examination of the provincial state-owned assets management responsibility system for nine consecutive years and was listed in the 153rd place among top 500 Chinese enterprises in 2010 and in the 6th place among the power generation enterprises.

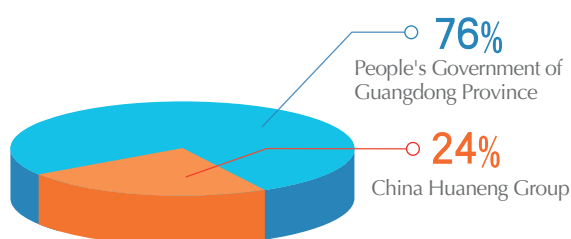
Apart from providing safe, economic and reliable electric power, Yudean Group also implements social responsibility actively and creates green energy attentively so as to realize sustainable development of the company. It carries out clean production in an all-round way during the whole process in each power plant to reduce the emission of the contamination constantly. Currently, the coal-fired units in service of Yudean Group are all equipped with desulfurization facilities, making Yudean Group to become the first power generation enterprise which accomplishes desulfurization operation in all power units in China and reducing the discharge of sulfur dioxide by 290,000 ton every year for Guangdong.

By focusing on the development strategy of “creating a domestic first-class energy group with international competitiveness by concentrating on energy, developing harmoniously with relevant industries, basing in Guangdong Province, facing China and exploring the international market”, Yudean Group will follow the corporate philosophy of “harmony enables cooperation; integrity drives innovation” and the corporate mission of “cultivating virtues and enhancing capability to benefit the country and people” to strive for the realization of new great-leap-forward development.



Pinghai Power Plant

Ownership Structure of Yudean Group



2

TEN MAJOR EVENTS IN YUDEAN GROUP IN 2010

1

The first 1000 MW class unit was put into production

No.1 Unit of Pinghai Power Plant became the first 1000 MW class unit put into production by Yudean Group after passing the trial run of 168 hours successfully on 5th Oct, 2010, which set a new record for the shortest time spent in starting and debugging the 1000 MW class units in China.

As a newly established power plant which plans to build 1000 MW class ultra-supercritical coal-fired generating units among the first batch of enterprises, Pinghai Power Plant adopted advanced technology, scientific design as well as energy-saving and environmentally-friendly facilities. Huge economic benefits and social benefits will be brought to the local city after finishing the construction of the units and putting them into production, which plays an important role in promoting the economic development of Guangdong.

2

Successful Accomplishment of Asia Games Power

In order to ensure the accomplishment of power guarantee mission during Guangzhou Asia Games and Asian Para Games in 2010, Yudean Group formulated an elaborate electricity guarantee plan. With the joint efforts of the personnel of all levels and through the adoption of multiple measures including reasonable arrangement of unit overhaul, elimination of unit defects actively and in time and implementation of various emergency drillings, the power guarantee mission was accomplished smoothly, which made Yudean Group obtain recognition from State Electricity Regulatory Commission and Guangdong Government and receive two awards of "Prominent Contribution Award for Asia Games Power Guarantee" and "Advanced Unit Award for Asia Games Power Guarantee" granted by State Electricity Regulatory Commission.

3

Promoting the development of nuclear power by joining hands with China Guangdong Nuclear Power Group and CLP Holdings Limited (CLP)

The signing ceremony for relevant cooperation agreements for projects including Yangjiang Nuclear Power Project and Taishan Nuclear Power Project was held in Guangzhou on 2nd July, 2010. Representatives from the three parties of China Guangdong Nuclear Power Group, Yudean Group and CLP signed "Cooperation Agreement for Yangjiang Nuclear Power Project"; representatives from China Guangdong Nuclear Power Group and Yudean Group signed "Preliminary Cooperation Agreement for Projects Including Taishan Nuclear Power Project". The cooperation among the three parties this time created a new model for the cooperation between central enterprise and Guangdong and Hong Kong enterprises, which reflects the implementation of the relevant national and Guangdong policies of developing nuclear power and promoting the fast scale development of nuclear electricity in Guangdong, and is also an important measure to carry out "Reform and Development Plan Outline for Pearl River Delta" and deepen the cooperation between Guangdong and Hong Kong.

4

Realization of "Nine Consecutive Excellence" in the Examination of Management Achievement

In 2010, Guangdong State-owned Assets Supervision and Administration Commission publicized the examination result of the management achievement of the provincial enterprises in 2009. Yudean Group was awarded "excellence" grade with a high score by relying on the wonderful accomplishment of the goals including online electricity, good performance in responding to the international financial crisis as well as overall payoff, which was also the ninth time for Yudean Group to win such honor.



5 Winning the Honor of “Guangdong Top Ten Innovation Enterprises”

The awarding ceremony of “Guangdong Top Ten Innovation Enterprises” and “Guangdong Top Ten Innovation Figures” was held on 9th Dec., 2010. By relying on the independent innovation performance in the aspects of green environmental protection, energy conservation and consumption reduction, Yudean Group stood out in 25 candidate enterprises and won the honor of “Guangdong Top Ten Innovation Enterprises”. Pan Li, chairman of the board, attended the awarding ceremony and received a prize.

6 Entering into the top 500 Chinese enterprises again and ranking sixth on the List of National Power Generation Enterprises

On 4th Sep., 2010, the List of Top 500 Chinese Enterprises was announced at the Top 500 Enterprises of China Release Conference & Corporation Summit. Yudean Group entered into this list again with the operating income of RMB 40.7 billion Yuan, ranking 153rd among the “Top 500 Chinese Enterprises” gloriously and 6th in the “List of Power Generation Enterprises”.

7 The financing of medium-term note of RMB 6 billion Yuan has been approved with the successful issuance of the first and second term, collecting a total capital of RMB 3 billion Yuan

National Association of Financial Market Institutional Investors accepted the registration of the three-year medium-term note of RMB 6 billion Yuan issued by Yudean Group on 21st Jan., 2010. After this, Yudean Group launched the first-time medium-term note issuance of RMB 1.2 billion Yuan and the second-time medium-term issuance of RMB 1.8 billion Yuan successfully on 1st March and 14th April respectively, which is the first time for Yudean Group to carry out financing in the open market in the name of group parent company. The third-time issuance plan of RMB 3 billion Yuan will be launched in the first quarter of 2011. The issuance of the medium-term note provided strong capital guarantee to the new round development of Yudean Group.

8 Fresh activists were added into the clean energy field

The largest photovoltaic roof grid-connected power project in Guangdong — Yudean Photovoltaic project for South China University of Technology realized grid-connected power generation for the first time successfully in Station A on 5th Nov., 2010; meanwhile, the first offshore wind power demonstration project in Guangdong — Yudean Xuwen Offshore Wind Power Project is also being promoted actively. So far, the proportion that clean energy takes up in the total installed capacity of Yudean Group has already reached up to 23.29%, which doubled that at the beginning of the establishment. The significant development of the clean energy symbolizes that the core power generation industry of Yudean Group has covered the fields including hydropower, natural gas power, wind power, nuclear power and solar power generation in an all-round way apart from coal fired power.

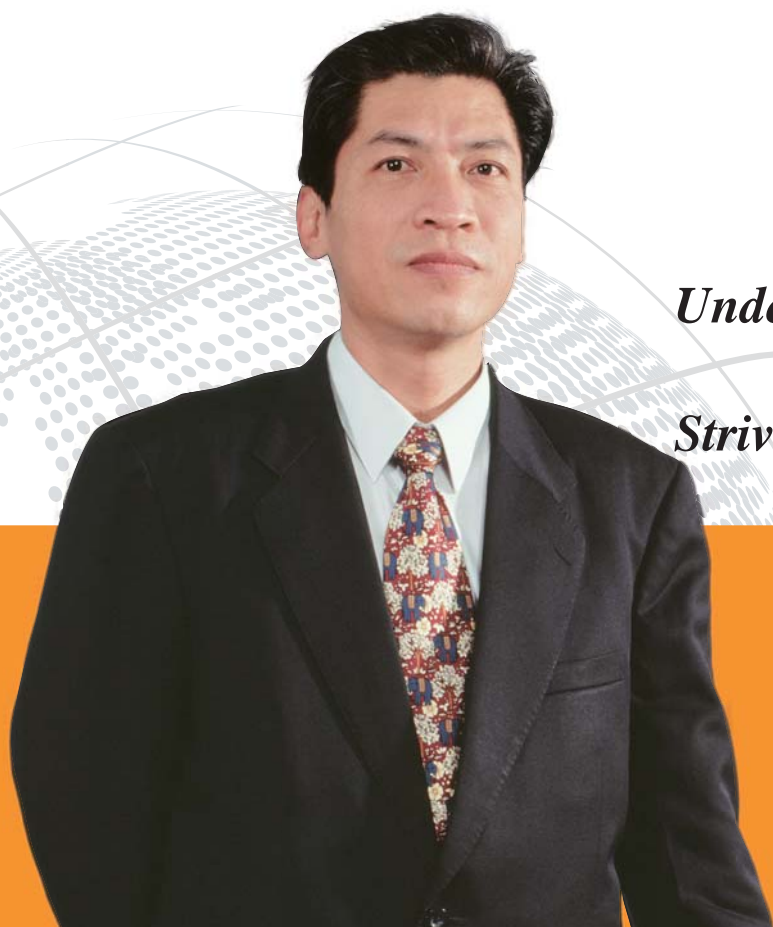
9 The work of formulating criteria for employee stock ownership investment and deepening reform has been accomplished basically

According to the spirit of the documents of the Guangdong Provincial State-owned Assets Supervision and Administration Commission, Yudean Group deployed in an unified way to carry out the work of regulating the employee stock ownership investment and deepening reform in an all-round way in 27 units within the group from the end of July in 2009. All works were carried out by following the laws and regulations strictly to ensure standard operation, process compliance and complete procedure without the occurrence of complaints and the incidents of appealing to the higher authorities for help and group events. By the end of December in 2010, there were 25 system units in Yudean Group accomplishing the work of regulating the employee stock ownership investment and deepening reform.

10 Business management department was established to further enhance business management

A business management department was established in Yudean Group on 30th Dec., 2010. The business management department is a new department established for Yudean Group to further enhance cost management and carry out overall planning for the business management and guidance of diversified businesses including fuel and shipping and is a strategic measure made to carry out the management conception of “Value-oriented Intensivism and Optimization” of Yudean Group, integrate resources and realize the maximization of the group’s benefits. Its main responsibility includes power generation business and operation analysis and diversification business management of fuel and shipping and so on.





Undertaking Responsibilities Bravely Striving for Development

Pan Li, Chairman of the Board, Secretary of the Party Committee of Yudean Group

The year of 2010 was an extraordinary year. Various challenges followed on the neck of another, including slow increase of world economy, sustaining domestic inflationary pressure, continuous upswing of coal price and transportation price, frequent occurrence of extreme climatic condition and tightening of macroeconomic policy. Being in the face of complex external environment, Yudean Group united together with one heart and soul and coped with these challenges actively, improving steadily the business operation benefits, development quality, level of management as well as comprehensive strength and making due contribution to the steady and fast development of social economy in Guangdong.

The year of 2010 was a plowing year. Yudean Group made its greatest endeavors to build firmly safety foundation, accelerate transformation with foresight and focus on the works including optimization of industrial structure, development of new energy sources, diversification development and energy saving and emission reduction, making the safety production continuously keep at the generally steady development state; and it has accomplished successfully important political missions including Guangzhou Asia Games Power Guarantee by joint efforts, which made it receive commendation from the superior unit and the recognition from all social sectors.

The year of 2010 was a harvest year. The controllable installed capacity of Yudean Group scaled new heights. The first 1000 MW class power generating unit has been established and put into operation successfully and major breakthrough has been achieved in the development of strategic new energy sources including nuclear power, wind power, biomass power, solar power and IGCC, promoting the strategy of "Going Out" steadily; 98.186 billion kilowatt-hours of on-grid electricity has been accomplished, demonstrating a 4.1% year-on-year increase and achieving the assessment excellence 20 days in advance; during the final examination, the total assets was RMB 116.6 billion Yuan and the operating income was RMB 43.1 billion Yuan, realizing "nine consecutive excellence" in the annual business performance examination of provincial enterprises; with the growing independent innovation ability of the enterprise, it won the honorary title of "Guangdong Top Ten Innovation Enterprises".

BOARD CHAIRMAN'S ADDRESS

3

The achievement of a series of fruits can neither be separated from the correct guidance and help from the provincial committee and the provincial government as well as relevant departments, nor be separated from the diligent work and strive of the whole Yudean people. I hereby extend respect to leaders at all levels, shareholders as well as all social sectors that care about and support the development of Yudean Group! And I want to express heartfelt thanks to all employees who make selfless dedication to the development of Yudean Group!

As we recall the outstanding past yearningly, we look forward to the future proudly. China will start a second transformation from an economic giant to an economic power in 2011, while Yudean Group will also come across a new opportunity for self-development. We will continue to carry out deeply scientific development outlook, and accelerate development and transformation and internal upgrading. We will carry out overall planning, continue to promote independent innovation, emphasize optimal management, lean management and benchmarking management and strengthen the sustainable development ability of the enterprise with the pioneering spirit of being the first one and the practical work style so as to realize sound and rapid growth.

With the sail being blown strongly under the smooth tide and expanse shore, we carve out the road to make a new history. Being in the face of the first year of carrying out the "The Twelfth Five-Year Plan", let's make unremitting efforts to build an energy group with international competitive ability with vigorous enthusiasm and practical work! Let's greet the 10th anniversary of the establishment of Yudean Group!



CORPORATE GOVERNANCE

Li Zhuoxian, Director, General Manager and Deputy Secretary of the Party Committee of Yudean Group

4

Working Report of the General Manager (Abstract)

Management Structure and Leadership

Wholly-owned, Shareholding and First-class Shareholding Company

Human Resource

Corporate Culture

2010 Review

With efforts made to ram the safety production base, the overall situation of safety production was stable.

Yudean Group kept improving the safety management system in 2010 by organizing activities including "Thorough Inspection on Safety Awareness", safety production month and safety production year and accomplishing power guarantee mission for Guangzhou Asia Games and Asian Para Games successfully. Through enhancing equipment management and scientific and technological innovation, the effect of energy conservation and consumption reduction has been improved significantly, with a batch of major projects including flow path retrofit of 300 MW units and phase II "Blue Sky Project" (denitrifying) entering into the material implementation stage. We compiled carefully Energy Saving and Emission Reduction Planning including in "The Twelfth Five-Year Plans" and discussed actively the countermeasures under low-carbon economy.

Remarkable achievements have been realized in the adjustment of the industrial structure and development space has been further broadened.

In 2010, Yudean Group continued to make innovations on development strategies, adjust the industrial structure, and promote the coordinated development of conventional power supply, strategic new energy and diversification industries, opening a development space for the enterprise. The construction of conventional power supply was advanced continuously; new units of 1,637.5 MW including the first 1000 MW class ultra-supercritical unit of Yudean Group have been put into production officially. Great breakthrough has been achieved in the development of strategic new energy. By cooperating with China Guangdong Nuclear Power Group in the nuclear power development, we obtained the cooperation development right of national class IGCC Power Experimental Platform for the first time. Diverse businesses including clean energy and renewable energy were developed. The diversification blocks develop rapidly; coal mine development showed its effect for the first time; the shipping capability continued to grow rapidly; we participated in the construction of natural gas projects including Guangdong natural gas pipeline network and Zhuhai LNG receiving station. The strategy of "Going Out" was carried out steadily by opening up the overseas market actively, promoting fully overseas projects and improving the international competitiveness.

With the business management work enhanced in an all-round way, management benefits were maintained at excellent level.

As Yudean Group carried out the overall requirements of "Increasing the internal benefits and enhancing the external policies" carefully and made great efforts in aspects of seeking for generating capacity, strengthening management and controlling cost in 2010, the level of business and management has been improved in an overall manner.



Working Report of the General Manager

(Abstract)

Lean Management
Overall Planning
Improve the comprehensive competitiveness of the group in an all-round way

The year of 2010 is the end year of carrying out "The Eleventh Five-Year Plan" and is also a year with much complex foreign and domestic situation. The economy of our country took on a steady and rapid development trend after rising again with the total installed capacity of over 0.95 billion kilowatt in China; however, being affected by the rising of the coal price, over 60% power generation enterprises showed a deficit with struggling business. Being in the face of the continuous challenges from coal market, extreme climate and macropolicy, Yudean Group made its greatest endeavors to build safety foundation firmly, accelerate transformation with foresight, focus on the works including optimization of industrial structure, development of new energy sources, enterprise capital reconstruction and energy saving and emission reduction, improving steadily the corporate management benefit, development quality as well as the management level.

The power generation plan was overfulfilled, realizing the excellence assessment result on the power generation assessment for nine consecutive years; we were actively seeking for the power generation market space within the province and favorable power price policies.

The newly established business management department of Yudean Group further integrated the resources, raised efficiency, strengthened the cooperative effect and realized planning management of diversified businesses including shipping and fuel.

Numerous measures were taken to ensure safe and economic supply of coal, forming integrated supply and demand of coal within the group; new profit points were formed by selling fuel to the external market; sourcing of major mines has been enhanced; capital operation and financing have been carried out actively so as to strengthen the prediction and supervision of cash flow; the financial management base has been rammed gradually and the method of assessing the management performance has been further improved.

New progress has been achieved in the creative management and the management mechanism has been optimized constantly.

As Yudean Group promoted greatly creative management in 2010, the enterprise management level has been improved in an all-round way, and the development base has been strengthened constantly, receiving the title of “Guangdong Top Ten Innovation Enterprises”.

Human resource management has been strengthened by selecting a right and strong “head”, perfecting the pattern of reserved talent echelon formation construction, improving the planning and pertinence of personnel placement, promoting actively and steadily the surplus personnel allocation of 5 enterprises which units closed down, carrying out salary pilots actively, establishing the salary system including administrative management, technical expertise and professional skill so as to facilitate the combination between the salary inspiration effect and the performance management.

The system construction has been improved constantly. By taking “All Things are Rule-based” as a target, we regulated, revised and compiled various rules, systems as well as standards. “Method on the Management of Benchmarking Work of the Production Technology of the Thermal Power Enterprise” was issued; the introduction of the method on safety-health-environmental protection management of the subordinate units has been accomplished and closed-loop management has been realized.

The work of managing enterprise according to rule of law has been deepened continuously. The management of the operation of directorate at all levels has been strengthened. The industrial system construction has been perfected and the work of managing enterprise according to law has been promoted.

Internal audit has been carried out actively and the board of supervisors’ function of controlling and monitoring has been brought into play, which promoted the internal management of the enterprise to become further normative and effective. And most subordinate units have finished the work of formulating criteria for employee stock ownership investment and deepening reform.

Informatization construction has been pushed in an orderly fashion. The accumulated business volume exceeded RMB 1.6 billion Yuan by establishing a sunshine purchasing platform and accomplishing the popularization and application of the business network; trial operation of ERP system has been carried out, hydropower EAM system construction has been pushed and the protection level of network and information security has been improved.

The policy research work showed its initial effect and stage achievements have been obtained in the aspect of subject research, which provided references for making decisions on resolving the major problems during the development course of Yudean Group.

With the overall construction of “Harmonious Yudean” carried out, the soft power has further improved.

In 2010, Yudean Group continued to deepen the construction of “Harmonious Yudean” so as to strengthen the cohesive force and competitiveness of the enterprise constantly by keeping improving soft power.

Construction of learning-oriented party organization and style has been promoted further. The election work for the Party committee and commission for disciplinary inspection of Yudean Group has been accomplished successfully. Learning-oriented party organization construction has been promoted actively, the work of building a fine party culture and keeping its organizations clean has been strengthened and the party disciplines and the government discipline have been neatened.



The picture is Zhanjiang Xuwen Yangqian Wind Power Station

Achievements have been obtained in the aspect of the construction of enterprise culture and spiritual civilization. Propaganda of enterprise culture and brand construction integration work has been strengthened with increasing force of monitoring and controlling public feelings; we emphasized democracy, insisted on the implementation of workers' congress system and the work of making public the affairs of

enterprises, organized labor emulation seriously, cultivated and erected model workers, and carried forward the spirit of model workers. With effective work being carried out on planned fertility and retired affairs, very good results have been achieved in the work of female workers; poverty alleviation activities have been carried out actively, so we were fully recognized by the main leaders of the provincial Party committee.

Challenge and Opportunity

As the first year of carrying out "The Twelfth Five-Year Plan", the year of 2011 will be a year which has heavier pressure in the economic environment with a good many of uncertainties in the aspect of policy. However, the period of carrying out "The Twelfth Five-Year Plan" is a key stage for our country to build a moderately prosperous society in an all-round way and a crucial period to deepen reform and opening and accelerate the transformation of the way of economic development. As for the power generation enterprises which attempt to transform in an all-round way, challenge and opportunity co-exist. Being in the face of a new five-year, analyzing seriously the foreign

and domestic situation plays a key role in bringing a good start and stepping out the first step.



Shanwei Power Plant

The narrowing of the development room for coal fired power and increasing pressure on emission reduction become the bottleneck of the new round development of Yudean Group.

According to the prediction, it will be still difficult to change the power production structure of "concentrating on coal" in our country during the period of the "The Twelfth Five-Year Plan Period". However, according to the energy resources policies in "The Twelfth Five-Year Plan", the development space for coal fired power will be narrowed remarkably and the emphasis of the construction planning of conventional coal-fired power plants will be transferred to the western coal resource-abundant areas.

Meanwhile, the mission of energy conservation and consumption reduction in the power industry will be extremely arduous in the following five years. Guangdong province has passed the application for becoming the first batch of "low carbon pilot province", so Yudean Group will certainly undertake more important responsibilities as the biggest energy group in Guangdong province in realizing the target of energy saving and emission reduction. Under the effect of these factors, not only the approval of the coal fired power projects

will become extremely difficult, but also that the pressure of coal fired power operation will be doubled in the future. How to realize the expansion of the enterprise scale and accomplish the adjustment of the asset structure as well as the value retaining and increment will be a huge challenge.

Yudean Group is facing the challenge brought by the price tendency of the resource and the unbalance of the electricity pricing mechanism to its operation level.

Under the background that the supply and demand of global resource becomes tenser day by day, the tendency of the coal price is not optimistic. As for the inflationary expectation in the future, for one thing, it will aggravate the price rise tendency of resources, and for another thing, it will impair the possibility of implementing coal-power linkage. Under the extrusion at both ends, for the coal power enterprises which step into the low-profit times, huge challenge will be brought to them in the aspect of profit making and even survival. How to digest pressure through grasping market opportunities and strengthening the internal management will be of vital importance.

Benchmarking management needs to be deepened and lean management also needs to be strengthened.

The efficiency of the units is not satisfactory, the performance of the units which are in service in the national index assessment is not outstanding and the safety production base becomes loose to some degree. Therefore, for one thing, a mark post needs to be erected in each link of the economic and technical index of the unit and the management with assessment force needs to be enhanced so as to promote the improvement of the lean management level of the enterprise, for another thing, it is necessary to vigorously advocate the realistic and pragmatic work style, effectively prevent the act of “distorting the benchmark” , create a kind of atmosphere of studying technology intensively and advocating technology, encourage the staff to keep improving in the aspect of technical skill and try to become technical specialists so as to drive the improvement of the efficiency level of the units.

Development and transformation desiderate corresponding human resource guarantee.

With the rapid advance of the strategy of “Going Out” and the development of the diversified businesses related to nuclear power, coal mine, shipping and finance and so on in Yudean Group, “short slab” will appear in aspects of management experience and personnel reserve. It is necessary to emancipate the mind, break the frame and explore to establish a labor employment system and salary system which are in accordance with the characteristics of the industry and can promote effectively the development and growth of the diverse block.



Meixian Power Plant



PV Power Station in Guangzhou Higher Education Mega Center

Severe problems appearing during the management development course need to be resolved promptly through key research.

For some power plants which are in lack of advantages including region and resource with units which are small capacity, high energy consumption and low efficiency, they are facing the dilemma of surviving and developing due to the serious loss in the recent years and narrower space for managing and developing in the future. In addition, there are also problems including ambiguity in overhaul personnel allocation of the thermal power plant, huge team and continuous aging. These problems become increasingly evident during the increasingly fierce market competition, so sufficient courage and wisdom are required to attach importance to them and resolve them.

Although we are facing many obstacles, we should realize clearly that we must formulate “The Twelfth Five-Year Plan” scientifically, promote the transformation of the development ways of the enterprise step by step, and insist on the road of scientific development so as to realize new breakthrough and step up to a new step by grasping the strategic opportunities during the period of “The Twelfth Five-Year Plan”, understanding exactly the development theme during the period of “The Twelfth Five-Year Plan” and basing on the keen awareness and accurate judgments of the new changes and new characteristics of the situation in which the enterprise is staying.

2011 Working Plan

Main Targets	Description
Safety and environmental protection targets	<ul style="list-style-type: none"> Put an end to severe physical injury; put an end to serious accidents related to equipment, fire and traffic; put an end to dam-break accidents and accidents of water submerging workshop; prevent external switch-off accidents which are under the responsibility of our factory, and avoid malicious misoperation accidents, obstacle of category A, occupational health harm accidents, environmental pollution accidents as well as environmental protection administrative punishment incidents.
Business objectives	<ul style="list-style-type: none"> Realization of the business income of RMB 45.8 billion Yuan with a 6.3% year-on-year increase; the total assets during the final assessment is RMB 130.4 billion Yuan, increasing by 11.8%. The controllable on-grid electricity of the power plant is 108 billion kilowatt-hours, in which the on-grid electricity of the consolidated financial statement basis is 105.06 billion kilowatt-hours, demonstrating a 10% year-on-year increase.
Development targets	<ul style="list-style-type: none"> Ensure the realization of putting the units with capacity of 5500 MW into production and acceleration of the promotion of participating into the nuclear power projects. Try to put the whole shipping capacity of the shipping block on the stocks into production before the end of this year, making the controllable shipping capacity of the group reach 2,570,000 deadweight ton.
Target of the construction of the Party conduct and incorrupt administration	<ul style="list-style-type: none"> Nonoccurrence of major cases violating laws and disciplines among the senior executives and the leading groups; no major economic loss caused by defects existing in the system; and nonoccurrence of major events affecting the image of the enterprise.

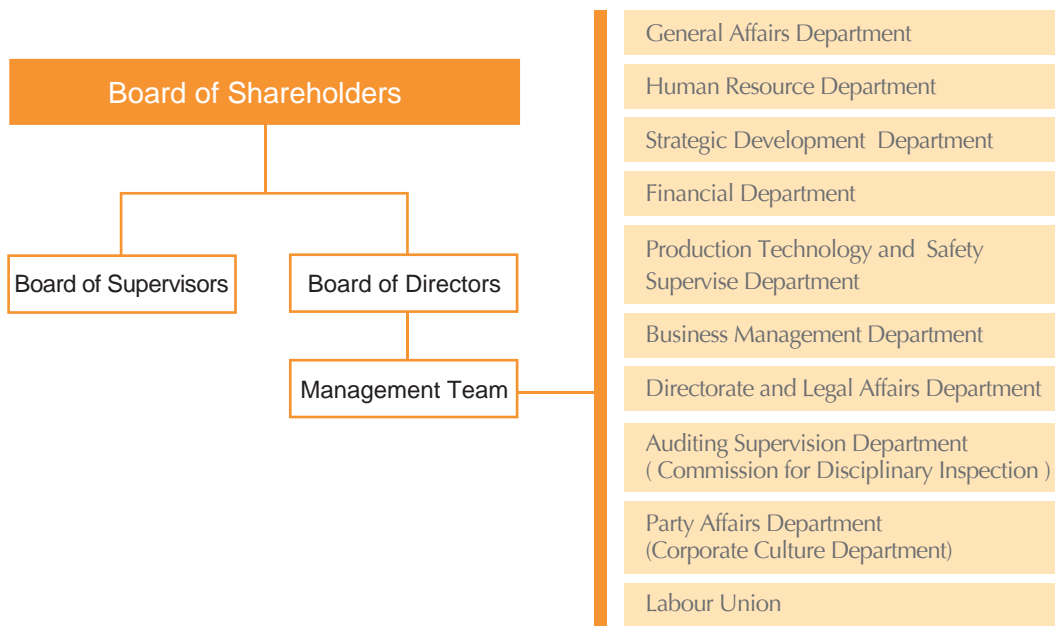
The following works need to be emphasized during 2011:

- To firmly grasp safety production base management and improve technical supervision and innovation ability in an overall manner;
- To attach importance to the strategic new opening, optimize industrial structure and enhance the sustainable development ability;
- To integrate the group resources, strengthen the operating management and improve the profit level of the group;
- To accelerate the construction of the modern human resource management system and provide talent guarantee for the scientific development of the group;
- To strengthen the internal control mechanism and improve the management efficiency of the headquarters of the group;
- To enhance the party building work, bring the function of cultural management into play and improve the soft power of the enterprise.



Management Structure and Leadership

Management Structure of Yudean Group

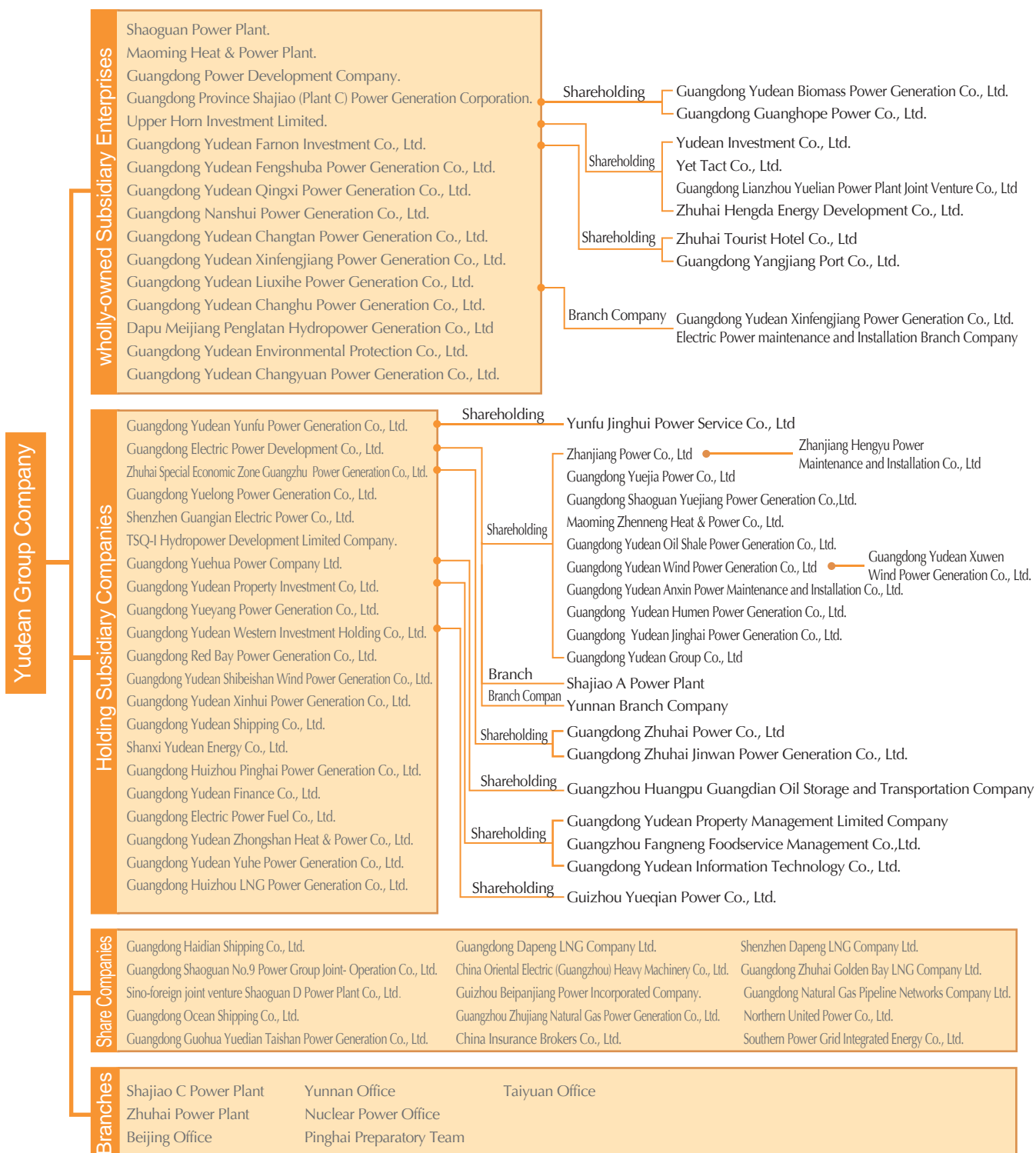


Leadership of Yudean Group

Pan Li	Chairman of the Board, Secretary of the Party Committee
Li Zhuoxian	Director, General Manger, Deputy Party Secretary
Hong Rongkun	Director, Deputy General Manager, Member of the Party Committee
Liu Qian	Director, Deputy General Manager, Member of the Party Committee
Zhong Weimin	Director, Deputy Party Secretary, Secretary of Inspecting Discipline Commission, Labor Union Chairman
Gao Shiqiang	Director, Deputy General Manager, Member of the Party Committee, General Counsel
Kong Huitian	Chief Economist, Member of the Party Committee
Li Mingliang	Deputy General Manager, Member of the Party Committee



Exclusively-invested Enterprise, Holding Enterprise and First Class Share Company of Yudean Group



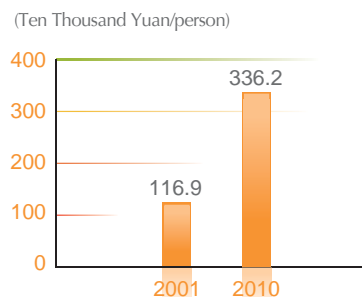


Human Resource

In 2010, the labor productivity of the formally engaged employee on post of Yudean Group reached RMB

3.362 million Yuan
per person

Labor productivity of the formally engaged employee on post

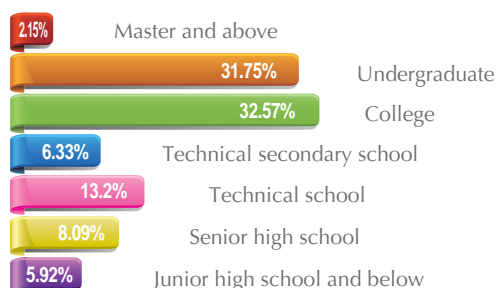


In 2010, Yudean Group completed and perfected the talent cultivation mechanism and training system; it formulated the criterion for recruiting and using work force and deployed effectively human resource so as to realize distribution and allocation of surplus personnel in multiple channels and multiple approaches steadily; it carried out human resource index quantification and benchmarking management so as to accelerate the progress of human resource informatization; it optimized the salary system and perfected the inspiration mechanism; it promoted actively the adjustment of the pattern of Yudean Group in managing and monitoring and the research of the reform solution of the overhaul system; it further enhanced the management of the enterprise pension and internal control system so as to ensure value retaining and increment of the pension and the fund as well as safety and steady management.

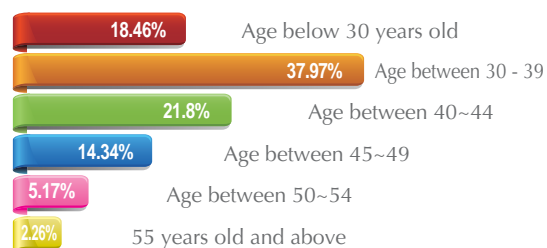
It excavated and cultivated talents with excellent skill through various training activities. The number of people trained during the whole year was 11,144 with the training rate of 93%. There was one person receiving the title of "National Technical Master-hand in Electric Power Industry" and five people receiving the title of "Technical Master-hand in Guangdong Province".

Structure of the Human Resource of Yudean Group in 2010

Education



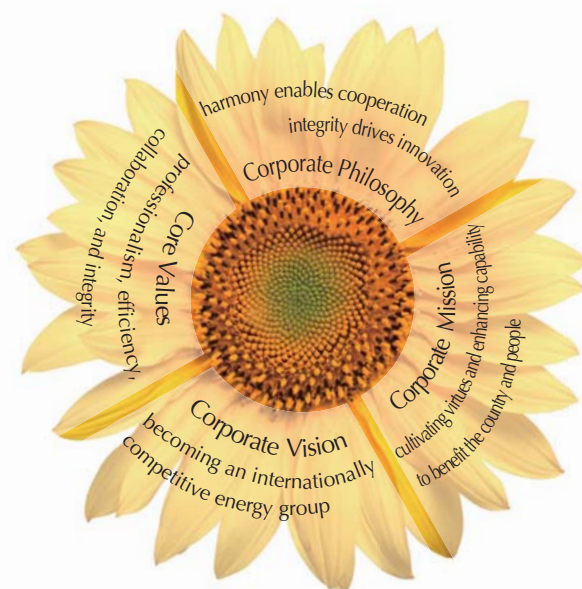
Age distribution





Corporate Culture

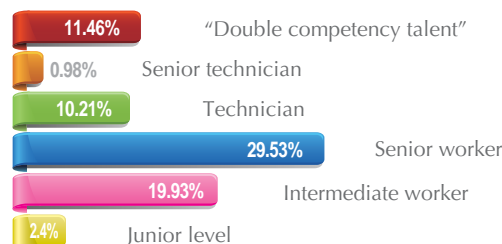
In 2010, Guangdong Yudean Group achieved new progress in building its corporate culture and enriched its soil of business philosophy. A senior management committee and special committees were established to get culture building “integrated into business operation and management”. The work for studying and formulating indicators to evaluate the corporate culture building was started. The group made great efforts to shape a good corporate image by organizing thematic cultural events and entertainment activities. Every line of business in the group was required to put in place a leadership and work mechanism on culture building. Every department enriched its own sub-culture by publicizing the group’s cultural propositions and building plan, and thus diversified the corporate culture.



Structure of professional post:



Structure of Technical Grade



5

Safety Production
Management Condition
Development Construction

COMPANY PERFORMANCE





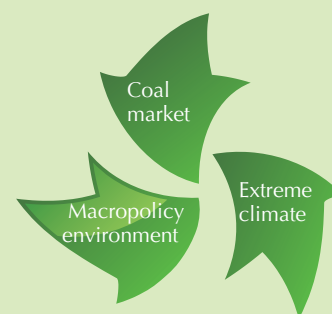
Safety Production

In 2010, the controllable power plant of Yudean Group accomplished

98.186

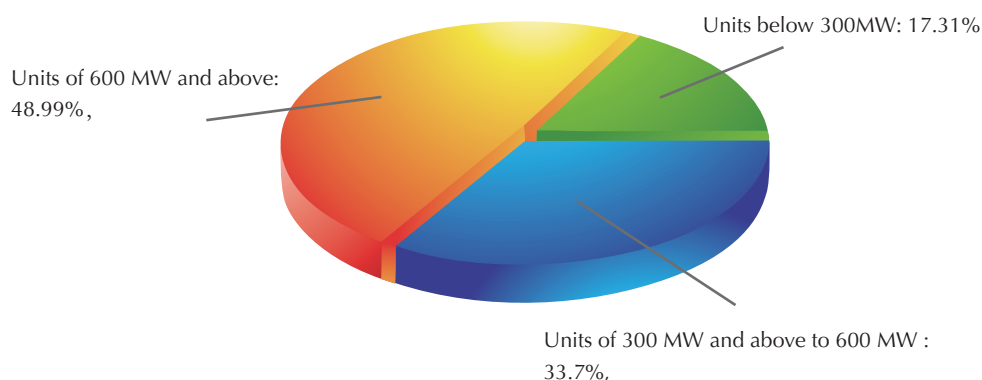
 billion kilowatt-hours
of on-grid electricity.

In 2010, the economy in our country showed a tendency of steady and rapid development after rising again and becoming better with the gradually growth of the demand of power. In particular, the drought in the west of our country during the first half year caused reduction of electric transmission in the west region, rising of the high temperature electrical load by leaps and bounds in summer, high standard for power guarantee for Asia Games and energy saving and emission reduction for environmental protection, which further aggravated the contradiction between supply and demand of electric power in Guangdong. The maximum peak load shifting of the system during the whole year was 3,600,000 kilowatt; and the accumulated quantity of electricity for the peak load shifting was 2.1 billion kilowatt-hours. In addition, Yudean Group continued to face multiple challenges originating from coal market, extreme climate as well as macropolicy environment.



Being in the face of pressure, difficulty and challenge, Yudean Group, with high sense of social responsibility, carried out the safety production responsibility in an all-round way, perfected the safety management system constantly, rammed the safety production base, strengthened the production technical management, explored the potential of the unit for energy saving and emission reduction, increased the power of technological innovation, improved the application level of informatization and ensured safety production by every possible means. It accomplished the power guarantee mission for Guangzhou Asia Games and Asian Para Games successfully. It was awarded special honor of "Outstanding Contribution Award for Power Guarantee for Asia Games" and "Advanced Unit for Power Guarantee for Asia Games" by State Electricity Regulatory Commission.

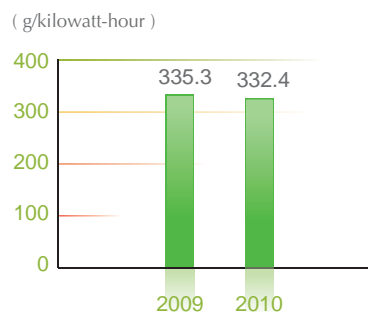
Power Supply Structure



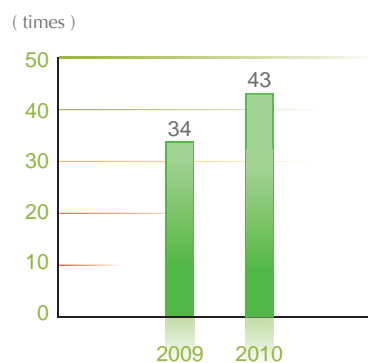
In 2010, the controllable power plant of Yudean Group accomplished the 98.186 billion kilowatt-hours of on-grid energy, demonstrating a 4.1% year-on-year increase, in which: the controllable power plant within the province accomplished 84.233 billion kilowatt-hours of on-grid electricity, demonstrating a 7.4% year-on-year increase and accomplishing 107.6% of the annual plan issued by the provincial National Development and Reform Commission; the controllable power plant outside the province accomplished 13.953 billion kilowatt-hours of on-grid electricity, demonstrating a 12.2% year-on-year decrease and accomplishing 89.4% of the annual plan.

In 2010, there was no fatal accident caused by power production during the whole year in Yudean Group, no common level and above equipment accident, no fire accident or no malicious incident including dam-break and water submerging workshop. Generally speaking, the safety production situation was stable, for which there were 2 minor equipment accidents, 4 obstacles of B category, 43 obstacles of C category in total. Under the joint efforts made by the staff, Yudean Group accomplished major production missions including drought relief, anti-flood & anti-typhoon, coping with the summer peak period, power guarantee for Asia Games as well as clean production with good effect achieved, achieved the excellent value of the assessment index for the on-grid electricity issued by the State-owned Assets Supervision and Administration Commission 20 days in advance and maintained at excellent assessment level for this index for nine consecutive years.

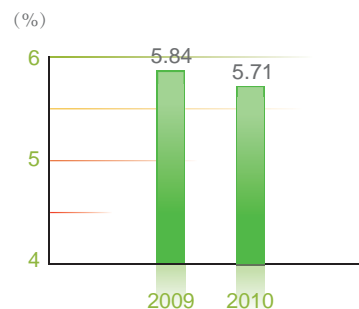
Coal consumption for power supply



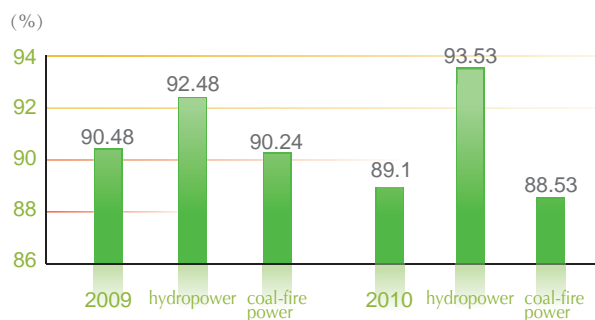
Obstacle of C category and above



The average direct auxiliary power consumption ratio



The average equivalent availability coefficient of the unit





Management Condition

43.1 billion Yuan

In 2010, Yudean Group realized RMB of operation revenue

In 2010, the national demand for power consumption kept increasing rapidly in general, but over 60% power generation enterprises still made a loss due to the influence from the coal price which maintained at a high level and continued to rise. Being in the face of complicated management situation and unstable market environment, Yudean Group adopted effective countermeasures to fulfil the general requirements of “increasing benefit inside and striving for policies outside” and made great efforts in aspects of controlling quantity of electric charge, enhancing management and controlling cost, improving the operation and management level in an all-round way and maintaining excellent grade in the aspect of management benefit.

The generating capacity of the controllable power plant of Yudean Group within the province took up around 21.42% of the power production of the whole province in 2010, demonstrating a 1.02% year-on-year decrease; it took up around 28.6% of the generating capacity of the whole province, demonstrating a 2.95% year-on-year decrease; it took up around 33.04% of the generating capacity of the auto tracking unit of provincial power grid, demonstrating a 4.58% year-on-year decrease.

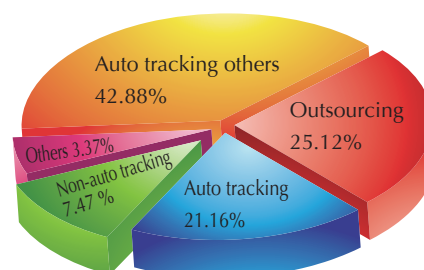
The operation and management work has been further strengthened.

We established the operation and management department, integrated resources in Yudean Group, enhanced the department cooperation, which further improved “electricity, telecom and broadcasting and television installation” and cost management level and realized overall planning management of diversified businesses including shipping and fuel. We achieved excellent grade again in the operation performance assessment and was awarded “excellent” in the annual provincial enterprise operation performance assessment for the 9th year successively and was listed in the first place among the provincial enterprises with a high mark.



The stacker reclaimers are unloading coal

Table for the market share of generating and purchase capacity in Guangdong province

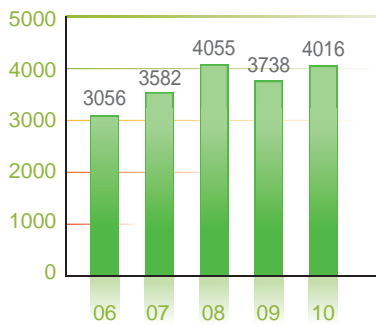


Operation and management of fuel has been further deepened.

In 2010, Yudean Group perfected the second pricing for the purchase and sale of coal constantly and established a scientific, normative and flexible coal operation mechanism, saving around RMB 100 million Yuan for the operation cost. We carried out external operation of fuel actively, forming new points of profit growth. Various measures have been taken to ensure safe and economic supply of coal. The coal supplied during the whole year was 36,250,000 ton, demonstrating a 11% year-on-year increase, in which the purchase of the imported coal took up 23%. We carried out actively the replacement of transport capability so as to improve the transport capability of Yudean Group. We brought the function of “storage reservoir” of Caoheidian stockyard into play and promoted the opening of docks of the power plants along the coast, saving around RMB 60 million Yuan in cost.

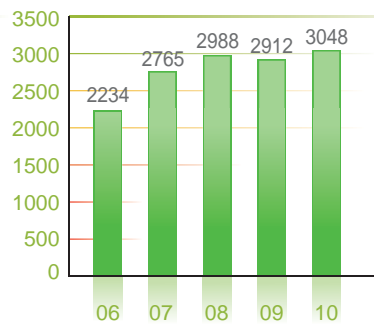
Annual consumption of raw coal

(Ten Thousand Ton)



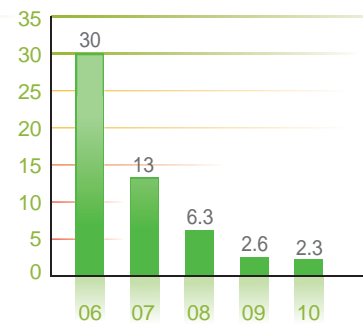
Annual consumption of standard coal

(Ten Thousand Ton)



Annual consumption of fuel

(Ten Thousand Ton)



Management of capital and financial has been further optimized.

We carried out actively capital operation, strengthened the prediction and supervision of cash flow, promoted capital plan management, unified settlement management and enhanced the working force applied to works including capital information report. We actively studied the financing strategy, promoted project financing and broadened financing channels, accomplishing RMB 5.4 billion Yuan in project financing, issuing successfully medium-term note of RMB 3 billion Yuan in total for two times. The financial management base has been rammed gradually, accomplishing the final financial accounting work which needs to be finished in the first year of

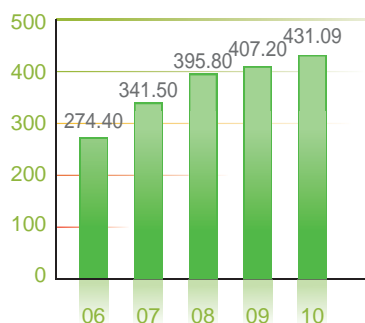
transforming the new accounting standard and receiving the commendation from the provincial commission of finance again. Operation analysis and the operation performance management level have been improved step by step, and the compilation of the "Asset Structure Analysis Report of Yudean Group" was finished.



Qianwan LNG Power Plant

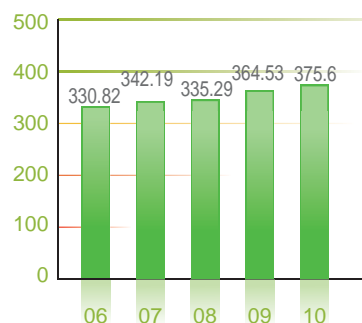
Assessment of business income

(0.1billion Yuan)



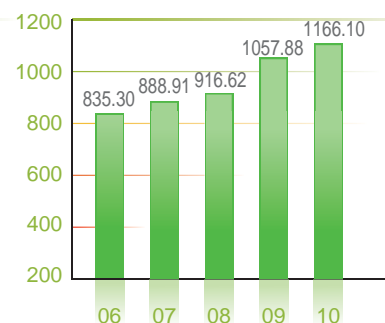
Net assets assessment

(0.1billion Yuan)



Assets assessment

(0.1billion Yuan)





Development & Construction

21186.7^{MW}

In 2010, the total installed capacity of Yudean Group reached

The year of 2010 was the final year of carrying out "The Eleventh Five-Year Plan", Yudean Group tried hard to make innovations on the development strategy and development pattern by adjusting the industrial structure, broadening the development space and promoting harmonious development among conventional power supply, strategic new energy resources and diversified industries, establishing a firm base for starting a new round of growth period. The installed capacity which was newly put into production by Yudean Group in 2010 was 1637.5 MW.

The construction of the routine power supply is pushed continuously.

In 2010, the unit construction of Yudean Group was carried out successfully. The new units with capacity of 1637.5 MW in total including No. 5 and No. 6 Unit of Yunfu Power Plant have been put into production formally, in which No.1 Unit of Pinghai Power Plant filled up the blank that there was no 1000 MW class unit in Yudean Group and created a record in the shortest time spent during the process from starting the entire unit to putting the unit into



The picture is Daya Bay Nuclear Power Station



Ceremony for Starting Construction of Zhanjiang biotic substance power generation project

production among the units of the same class in China. New progress has been obtained in the work of reporting a batch of projects including Maoming "Replace small units with the big one" project for approval, with 1302.5MW in total that had been authorized by our country to establish project proposals and put into construction. Total that had been authorized by our country to establish project proposals and put into construction.

New breakthrough has been obtained in the development of strategic new energy sources.

In July, 2010, Yudean Group signed cooperation agreements for Yangjiang nuclear power and Taishan nuclear power with China Guangdong Nuclear Power Group. It obtained successfully the cooperation and development right for national class IGCC Power Experimental Platform, creating a good platform for improving the independent innovation ability of the enterprise. The photovoltaic grid-connected power station model project of South China University of Technology, the first solar power generation project of Yudean Group symbolizes the breakthrough that Yudean Group made in the field of solar power generation; the construction of Zhanjiang biomass power project has been advanced steadily, and new progress has been achieved in Xuwen coastal wind power model project.

Rapid and Optimization Development of Diversification Block.

The investment and cooperation of a batch of coal mine projects in Inner Mongolia, Shanxi, Australia and Indonesia and so on has been advanced actively and the effect of coal mine development showed up for the first time. The projects which have produced coal realized 2.7705 million tons of rights and interests yield and the annual rights and interests yield may reach 6.75 million tons after fully attaining the production goals; the shipping capability continued to increase rapidly, and to be exactly, 8 new ships with 505,000 deadweight ton in total were accepted in 2010, and deadweight ton of 1.975 million was realized by the end of 2010.

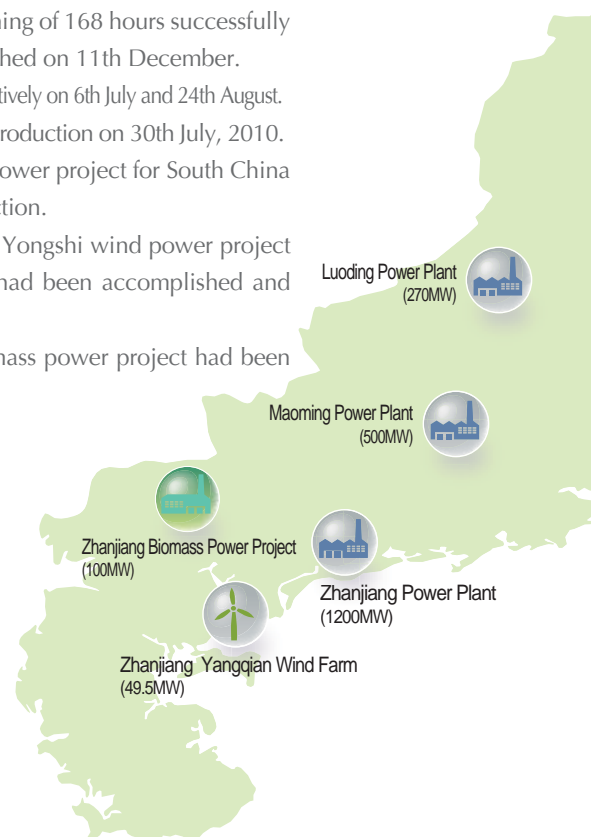
Demonstrating a 34% year-on-year increase. In addition, Yudean Group signed a strategic cooperation agreement with Changjiang Shipping Group through negotiation, which was good for strengthening the shipping industry; new development has been achieved in the coal logistics and a cooperation frame agreement has been signed for the project of Zhuhai preservation and transportation center; Bohe coal port project was advanced continuously ; we increased the investment made to the public utilities block and participated actively into the construction of natural gas projects including Guangdong natural gas pipe network and Zhuhai LNG receiving station.

Condition for the construction and production of power supply projects of Yudean Group in 2010

- On 5th Oct., 2010, No. 1 Unit of Pinghai Power Plant passed the commissioning of 168 hours successfully and the ignition and pipe-blowing of the boiler of No. 2 Unit was accomplished on 11th December.
- No. 5 and No. 6 Unit of Yunfu C Power Plant passed the commissioning of 168 hours respectively on 6th July and 24th August.
- Zhanjiang Yangqian wind power project was built up completely and put into production on 30th July, 2010.
- Huagong Station of Guangdong Yudean solar photovoltaic grid-connected power project for South China University of Technology has been provided with conditions for grid-connection.
- By the end of December in 2010, 98% of the entire leveling engineering of Yongshi wind power project had been accomplished; 78.9% of the principal architecture engineering had been accomplished and 41% of the installation engineering had been accomplished.
- By the end of December in 2010, 82% of the civil work of Zhanjiang biomass power project had been accomplished and 49% of the installation work had been accomplished.



"No. 1 Yudean" ship is about to get alongside



Distribution figure of the controllable power plants of Yudean Group



Power generation projects which had been put into production in 2010

- No. 1 Unit of Pinghai Power Plant (1×1000MW)
- Yunfu C Power Plant (2×300MW)
- Zhanjiang Yangqian wind power plant (Part blower fans were 37.5MW in total)



It is predicted to put the following into production in 2011

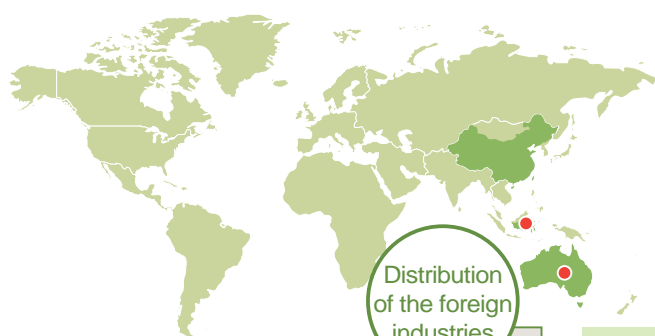
- No. 2 Unit of Pinghai Power Plant (1×1000MW)
- Zhanjiang biomass power project (2×50MW)
- Photovoltaic grid-connected power project of South China University of Technology (3MW)

Steady Implementation of the Strategy "Going Out"

We made efforts to open the overseas market and improve the international competitiveness of the enterprise. We fully pushed the development work of the power market in East Asia including Indonesia; the first phase of the shareholding Australia Narrabri project has been put into production and has begun to supply coal to Yudean Group; we were actively seeking for investment opportunities in the western region including Guizhou; we participated in "China Electrical Power & Technology Exhibition" held in Indonesia and the 6th China Xinjiang-kashgar Central Asia and South Asia Commodities Fair to show the brand of Yudean Group.



Australia Narrabri Coal Mine



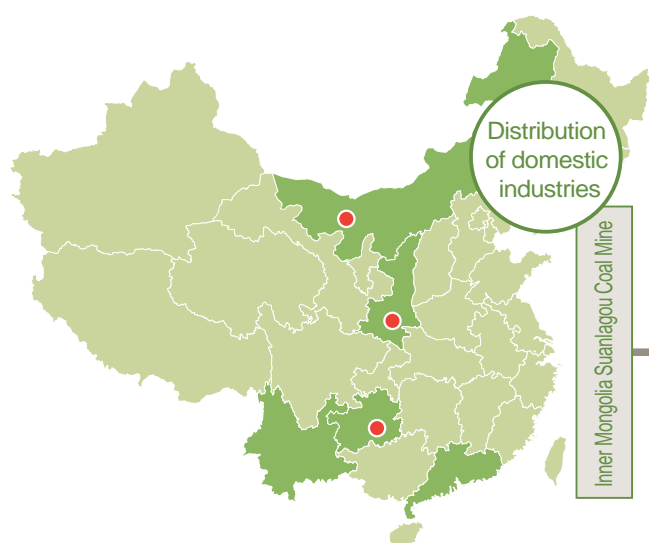
Distribution
of the foreign
industries

Indonesia DBP Coal Mine

- Site: Xikumayi County, Kalimantan
- Benefit: Mining area is 45.95 square kilometers; the total geologic reserve is about 53 million ton.
- Benefit: The design scale for the first phase is 1 million ton/year; the total scale is 2 million ton/year. It is predicted that the first phase will be put into production by 2011.

Australia Narrabri Coal Mine

- Site: Gannada Basin, New South Wales
- Reserves: Mining area is 71.39 square kilometers; the shaft geologic reserve is 545.59 million ton, in which the workable reserve is 236.2 million ton.
- Benefit: The total design scale is 7 million ton/year. Currently 1.5 million ton/year of the first phase has been put into production. It is predicted that it can be put into production completely by 2012.



Lianzhou Power Plant

Distribution
of domestic
industries

Inner Mongolia Suanlagou Coal Mine

- Site: Zhunger County, Erdos City, Inner Mongolia
- Reserves: Mining area is 49.8086 square kilometers; the geologic reserves is 1.42 billion ton; the workable reserve is about 540 million ton.
- Benefit: The design yearly output is 12 million ton. Currently, this project has been built up completely and put into production.

Shanxi Huoerxihne Coal Mine

- Site: Changzhi County, Changzhi City, Shanxi Province
- Reserves: Mining area is 71.39 square kilometers, the reserve of the shaft geology is 545.59 million ton; the workable reserve is 236.20 million ton.
- Benefit: It is predicted to be built up in 2011 with an annual production capacity of 3 million ton coal after it is put into production.

Guizhou Xiangshui Coal Mine

- Site: Pan County, Liupanshui City, Guizhou Province
- Benefit: The design yearly output is 4 million ton/year; the annual output of coal was about 1 million ton in 2010.

Guizhou Mayi Coal Mine

- Site: Pan County, Guizhou Province
- Benefit: The design scale for the first phase is 2.4 million ton/year; the total design scale is 8.4 million ton/year. It is predicted that the first phase will be put into production by 2013

6

Generating Capacity

Asia Games Power Guarantee

Green Yudean

Poverty-alleviation and Financial Aid Provided to Students

Ratepaying

Commonweal

CORPORATE CITIZEN





Generating Capacity

In 2010, the accumulated generating capacity of the controllable power plant of Yudean Group was

104.58

 billion kilowatt-hours

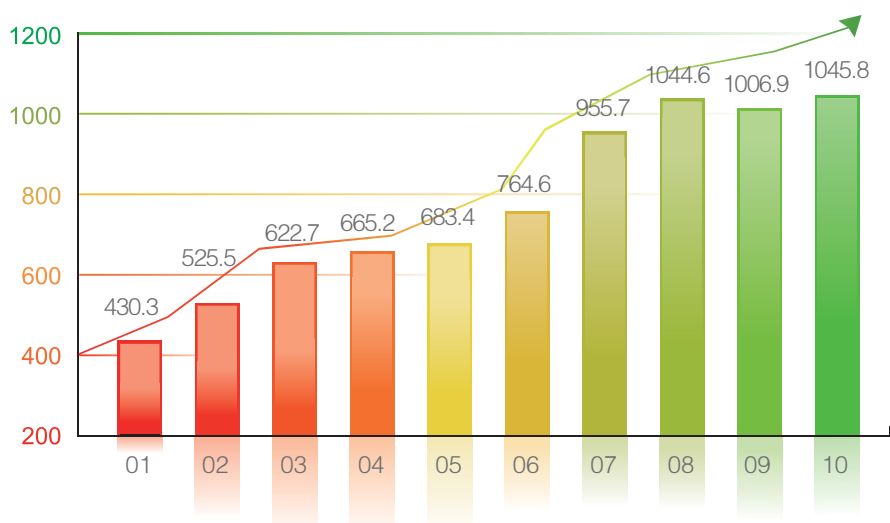
The accumulated generating capacity of Yudean Group is 774.77 billion kilowatt-hours since its establishment, making huge contributions to guarantee the power supply of Guangdong Province and promoting the economic development of the whole province.



Main Control Room in Power Plant

The generating capacity over the years

(0.1 billion kilowatt-hours)





Asia Games Power Guarantee

In 2010, during the Asia Games, the capacity of the thermal power units which could be supplied for the system to dispatch within Yudean Group in Guangdong province was nearly

17000^{MW}

Yudean Group paid much attention to the power guarantee work during Guangzhou Asia Games in 2010. During the Asia Games, the capacity of the thermal power unit which was nearly 16000 MW and the hydropower generating unit which was nearly 1000 MW could be supplied for the system to dispatch within the entire group in Guangdong province, which ultimately guaranteed safety and steadiness of the capacity of the unit that could be dispatched and the power grid during Guangzhou Asia Games.

During Guangzhou Asia Games and Asian Para Games Power Guarantee Summarizing and Commending Meeting held by State Electricity Regulatory Commission, Yudean Group was awarded two special honors of “Prominent Contribution Award for Asia

Games Power Guarantee” and “Advanced Unit Award for Asia Games Power Guarantee”, and Jinwan Power Plant and Shanwei Power Plant received the award of “Advanced Unit for Asia Games Power Guarantee”.



Supplementary Pictures



Supplementary Pictures



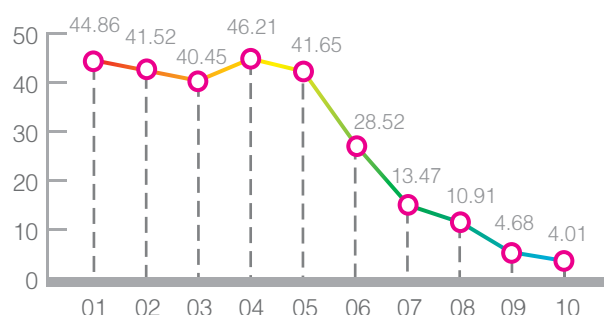
Green Yudean

Yudean Group actively explored the countermeasures under the low carbon economy and cooperated with Chinese Research Academy of Environmental Sciences in the work of "Research on the Environmental Impact of Electric Power Development in Guangdong Province" in 2010. We continued to carry out the registration application of CDM project. Zhanjiang Xuwen Yangqian Wind Power Project became the fourth CDM project which has been registered successfully; "Carbon Dioxide Emission Reduction" of 278,000 ton, the first phase of CDM project of Qianwan LNG Power Plant, was signed and issued by U.N., becoming the first natural gas power generation project which obtained CDM benefits in Yudean Group. The coal-fired units which were in service in Yudean Group were all equipped with desulfurization facilities, which could reduce the emission of sulfur dioxide for 290,000 ton every year, taking up over 50% of the emission reduction of the entire province. The installed capacity was doubled, but the total annual emission was less than 1/4 of that in 2002, realizing truly "Increasing Output and Reducing Pollutant".

After accomplishing the first phase of "Blue Sky Project" and becoming the first power generation enterprise which realized desulfurization in an all-round way within the group in China, Yudean Group vigorously pushed the second phase of "Blue Sky Project" and started the work of rebuilding denitration of the coal-fired units which were in service. Thus, the desulfurization project and the denitration project of the newly built unit were promoted according to the requirements of synchronized construction in an orderly fashion. The first stage of SNCR denitration project of No. 5 and No. 6 Unit in Huangpu Power Plant was built up and put into production in June, 2010, while an engineering contract has been signed for the second stage of SNCR denitration project. In May 2010, 15 coal-fired power plants (within the province) in the system of Yudean Group were all awarded the grade title of high-integrity enterprise (that is, Green Brand Enterprise) from provincial environmental protection bureau. The newly established environmental protection company was engaged into the planning and management of gypsum and coal ash generated during the power generation process, realizing making waste profitable.

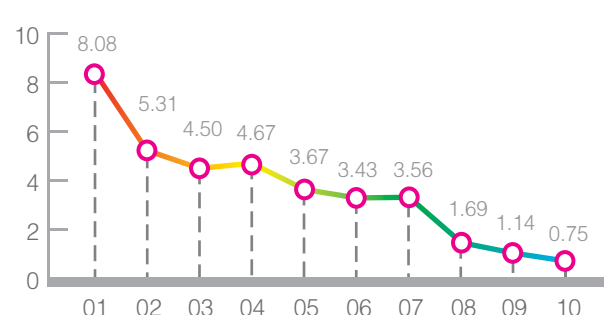
Statistic for sulfur dioxide emission

(kg/ten thousand kilowatt-hours)



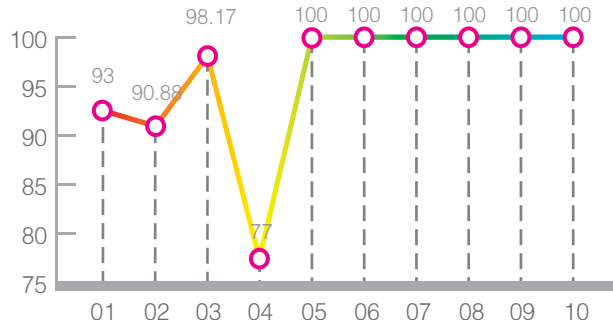
Statistic for smoke emission

(kg/ten thousand kilowatt-hours)



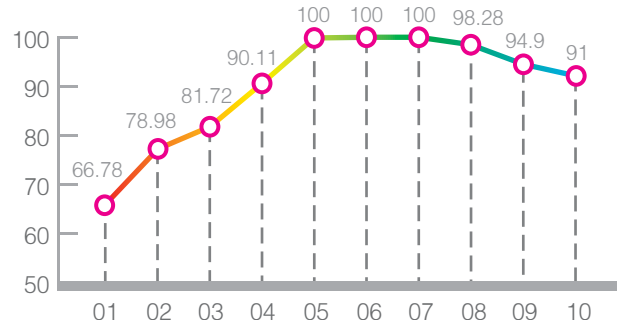
Standard reached discharge rate for wastewater

(%)



Comprehensive utility factor for ash

(%)





Poverty-alleviation and Financial Aid Provided to Students

Up to 2010, the amount of various assistant funds invested by Yudean Group has exceeded RMB

23.4765

 million Yuan

In 2010, Yudean Group continued to carry out poverty-alleviation development program of “Plan Reaching to the Household and Responsibility Reaching to Individuals”, actively provided assistance to Dongkeng Village, Dongkeng Town, Luhe County, Shanwei City by implementing livelihood projects including building water conservancy projects, rebuilding dilapidated houses, safe drinking water and assisting poor students and lagging teaching. Up to now, the amount of various assistant funds invested by Yudean Group has exceeded RMB 23.4765 million Yuan, achieving remarkable effect in the poverty-alleviation work and receiving sufficient recognition from Wang Yang, member of Political Bureau of the Central Committee of the CPC and secretary of the provincial Party committee.



Group photo between Panli (in the middle), chairman of the board of Yudean Group, and provincial leaders, taken when he participated in the ceremony of “Guangdong Poverty Alleviation Day” on 30th June, 2010.



Representatives of Yudean Group are visiting the Hope Primary School

Yudean Group positively responded to the call from provincial committee of the Communist Party of China and provincial government in June, 2010 by mobilizing the headquarter of Yudean Group and each unit within the system to participate into the activity of “Guangdong Poverty Alleviation Day” and donating a poverty alleviation fund of RMB 12 million Yuan, and fulfilling the enterprise mission of “Strong Sense of Responsibilities and Professional Skill, and Bringing Benefits to both the Country and the People” by practical actions.

According to incomplete statistics, since its establishment, the number of dropout students receiving donation from each unit and individuals within the system of Yudean Group has reached up to several hundreds, 4 hope primary schools have been built up and 15 poverty villages have received financial assistance provided by Yudean Group, contributing its share to the education cause in the poor area.

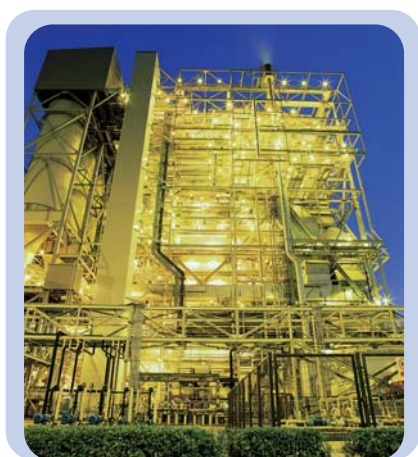


Ratepaying

5.049 billion Yuan

In 2010, the total tax paid by Yudean Group was RMB

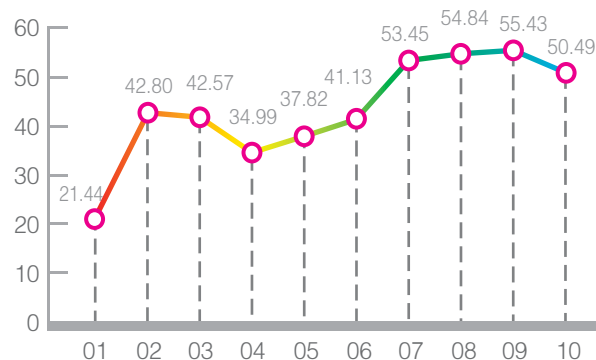
Since its establishment in 2001, the total tax paid by Yudean Group was RMB 43.496 billion Yuan.



Boiler of Zhuhai Power Plant

Summary for the tax paid

(0.1 billion Yuan)



Commonweal

In 2010, Yudean Group donated a disaster relief fund of RMB 2 million Yuan in total to two provinces of Yunnan and Guizhou which suffered from a worst drought of a severity seldom seen in history to support the work carried out to combat drought and provide disaster relief. It participated upon invitation into two phases of "Hotline for People's Sound" programme which was under synchronal living broadcast with Guangdong People's Broadcasting Station News Channel and Zhujiang Economic Broadcasting Station. In addition, Yudean Group actively organized various commonweal activities, for example, organizing staff to visit the home of respect for the aged, helping single-parent families, helping poor orphans, donating books to promote learning, building through the joint efforts of the army and the masses as well as forest planting, which

promulgated the spirit of "Contributing Love to the Society and Warming the World with True Feelings" and reflected the image of "Becoming a Good Enterprise Citizen and Undertaking the Social Responsibilities" of Yudean Group.



Youth volunteers of Yudean Group are carrying out the commonweal consulting

7

HONORARY AWARDS

January

- Five employees of Yudean Group won the prize of the second session “Nanyue Technical Expert”.
- Huizhou LNG Power Plant won “Outstanding Organization Award” of the tenth session Guangdong sports festival activity, while Meixian Power Plant, Lianzhou Power Plant, Xinfengjiang Hydropower Plant and Maoming Power Plant won the honorary title of “Advanced Unit Award”.

February

- Huilai Power Plant won the title of “Guangdong Civilized Unit”
- Shajiao A Power Plant, Huangpu Power Plant, Zhuhai Power Plant and Lianzhou Power Plant were given with the title of “Guangdong Energy-saving Advanced Unit”.

March

- Shajiao A Power Plant was given with the title of “Guangdong Excellent Enterprise” and “Best High-integrity Enterprise” in 2009, while the chemical instrument team of this plant was given the title of “User Satisfaction Service Star Team in National Power Industry.”
- Deng An, former General Manager of Yudean Group, received the title of “2009 Guangdong Top Ten Economically Influential Figures”.

April

- Two comrades of Yudean Group were awarded the honorable title of “National Model Worker”, and three comrades were awarded “Guangdong May 1st Labor Medal”.
- Zhanjiang Power Plant was selected as one of the “2010-2012 Guangdong One-stop Service Key Enterprises”.

May

- Yudean Group won the title of “the Fourth Employee Sports Sportsmanship Award of Guangdong”.
- All 15 Coal-fired power plants within Yudean Group (within the province) won the grade title of high-integrity enterprise.
- Shajiao C Power Plant was awarded the title of “Guangdong High-integrity and Demonstration Enterprise” for five consecutive years.
- No. 2 Unit of Zhuhai Power Plant won national thermal power 600MW class unit energy efficiency benchmark and the first prize in the competition.
- The archives work of Jinwan Power Generation Company passed the national secondary certification on the enterprise comprehensive archives management work.

June

- Zhanjiang Power Plant was awarded the title of “Model Unit” in the activity of “Establishing A Learning-Oriented Organization, and Becoming a Knowledgeable Employee” in Guangdong Province.
- Yunfu Power Plant, Maoming Power Plant and Huilai Power Plant were awarded the honor of “2009 National ‘Ankang Cup’ Competition Excellent Enterprises”.

July

- Huangpu Power Plant and Zhanjiang Power Plant was awarded the honorary title of “National Model Home of Workers”.

August

- Zhanjiang Wind Power Generation Company was awarded 2009 “Guangdong Top Ten Engineering Labor Competition Model Collective” and “Guangdong May 1st Labor Honorary Certificate”.

September

- The scene play Surpassing of Yudean Group won the third prize in the reading achievement (language arts) performance competition of “State-owned Enterprise Literary Family” held by Guangdong Provincial State-owned Assets Supervision and Administration Commission.

October

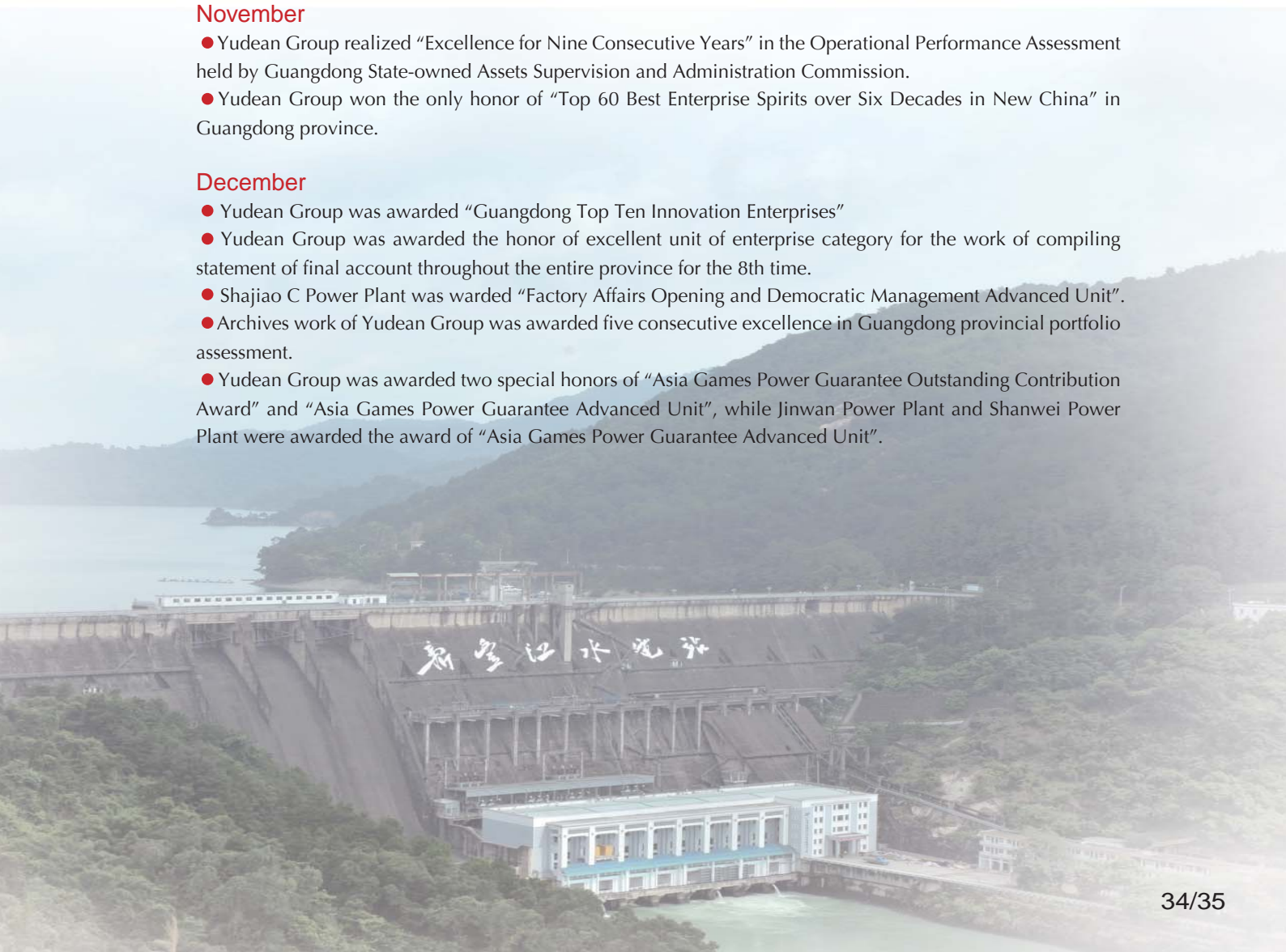
- Yudean Group was awarded the honorary title of “National Software Legalization Work Model Unit” from the State Council.

November

- Yudean Group realized “Excellence for Nine Consecutive Years” in the Operational Performance Assessment held by Guangdong State-owned Assets Supervision and Administration Commission.
- Yudean Group won the only honor of “Top 60 Best Enterprise Spirits over Six Decades in New China” in Guangdong province.

December

- Yudean Group was awarded “Guangdong Top Ten Innovation Enterprises”
- Yudean Group was awarded the honor of excellent unit of enterprise category for the work of compiling statement of final account throughout the entire province for the 8th time.
- Shajiao C Power Plant was awarded “Factory Affairs Opening and Democratic Management Advanced Unit”.
- Archives work of Yudean Group was awarded five consecutive excellence in Guangdong provincial portfolio assessment.
- Yudean Group was awarded two special honors of “Asia Games Power Guarantee Outstanding Contribution Award” and “Asia Games Power Guarantee Advanced Unit”, while Jinwan Power Plant and Shanwei Power Plant were awarded the award of “Asia Games Power Guarantee Advanced Unit”.



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MEMORABILIA

January

6 th January	Yudean Group held 2010 Safety Production Work Conference.
13 th January	Group signed a cooperation agreement concerning grid-connected photovoltaic power station model project with Sun Yat-Sen University
20 th January	Yudean Group held the Third Session of Second Workers' Congress and 2010 Working Conference.

February

In February	Shajiao A Power Plant and Shajiao C Power Plant passed 2009 national energy saving target responsibility assessment respectively with high scores.
3 rd February	Yudean Group held 2010 fuel working conference.
5 th February	Organization Department of Guangdong Provincial Committee of the Communist Party of China went to Yudean Group to announce the appointment notice, appointing Li Zhuoxian as director, general manager and deputy party secretary of Yudean Group. Due to age reason, Deng An did not undertake the duty of director, general manger and deputy party secretary of Yudean Group any longer.
8 th February	Environmental Protection Company of Yudean Group was established.

March

1 st March	The initial medium-term note of RMB 1.2 billion Yuan of Yudean Group was issued publicly in the market among banks.
3 rd March	Wen Guohui, director of Guangdong State-owned Assets Supervision and Administration Commission lead the inspection team to arrive in Yudean Group to check and promote the work of building a system of punishing and preventing corruption.
18 th March	Yudean Group held Regulating Employee Share Holding Investment and Deepening Reform Working Conference.

March

- 23rd March Yudean Group held 2010 Discipline Inspection and Supervision Working Conference.
- 5th March Zhanjiang Xuwen Yangqian Wind Power CDM project, the fourth CDM project of Yudean Group was registered successfully in U.N.
- 22nd March District heating project of Zhuhai GaoLan Port Economic Zone was put into production.
- 25th March Wang Yeping, vice-chairman of state electricity regulatory commission, led a team to arrive in Yudean Group to survey.
- 26th March Construction of the first phase 2×50MW direct - fired biomass generating units of Zhanjiang biomass power generation project of Yudean Group was started.
- 30th March Bohe Coal and Power Co., Ltd. was founded.

April

- 9th April Yudean Group donated the fund of drought relief to Guizhou and Yunnan.
- 14th April The second phase medium-term note of RMB 1.8 billion Yuan of Yudean Group was issued publicly in the market among banks.
- 28th April Yudean Group was highly affirmed for its work carried out in 2009 during the first Stockholders' Conference of Yudean Group.
- 26th April Yudean Group held video telephony/conference on "Anti-flood & anti-typhoon, coping with the summer peak period and safe power generation for guaranteeing Asia Games"

May

- 10th May Zhu Mingguo, member of the Standing Committee of CPC Guangdong Provincial Committee and secretary of Guangdong Provincial Committee for Discipline Inspection of CPC went to Jinghai Power Plant to inspect and guide work.
- 12th May Yudean Group held 2010 Poverty-alleviation Working Conference.
- 18th May ERP financial system of Yudean Group passed the pilot run successfully.
- 26th May Yudean Group participated in "China Electric Power & Technology Exhibition".
- 31st May The delegation of Yudean Group went to Indonesia and Australia to negotiate on coal business.
- In May 15 coal-fired power plants (within the province) of Yudean Group were all awarded the grade title of high-integrity enterprise.

June

- 22nd June Yudean Group held the 89th Anniversary of the Foundation of CPC and Symposium on the work of Basic Party Branch.
- 28th June Yudean Group participated in the 6th China Xinjiang-kashgar Central Asia and South Asia Commodities Fair for the first time.
- 30th June Yudean Group actively participated in Guangdong poverty alleviation activities and donated RMB 12 million Yuan of poverty alleviation fund at the "Guandong Poverty Alleviation Day Launching Ceremony" which was attended by Wang Yang, Guangdong Party Secretary, and Huang Huahua, Governor of Guangdong Province.

July

2 nd July	Signing ceremony of cooperation agreements including Yangjiang Nuclear Power Project and Taishan Nuclear Power Project was held in Guangzhou, which symbolized that Yudean Group started to march into Yangjiang and Taishan nuclear power projects.
6 th July	Yudean Group put the first smokeless bypass 300MW circulating fluidized bed coal-fired unit into production in Guangdong.
12 th July	Finance Company of Yudean Group purchased Tianxin Company.
15 th July	Yudean Group held Midyear Management Working Conference.
22 nd July	Yudean Group signed a supplementary agreement to the long-term agreement for the 5-year (2010-2014) demand and supply of coal with China Coal Energy Company Limited.

August

5 th August	Yudean Group held mobilization meeting for disciplinary education and learning month activity.
12 th August	Yudean Group turned into the first domestic large electric power enterprise which issued the tag price of purchasing coal.
24 th August	Two units of 300MW circulating fluidized bed sets of the third phase project of Yunfu Power Plant were built up and put into production.
24 th August	Yudean Group participated in the program of "Hotline for People's Sound", a special program of broadcasting station, to hear about the people's sound.

September

2 nd September	Yudean Group signed a strategic cooperation agreement with China Changjiang National Shipping Corporation in Wuhan.
3 rd September	Yudean Group organized units and the broad Party members within the group to actively study the spirit of the Seventh Conference of the 10th Session of Guangdong Provincial Party Committee.
4 th September	Yudean Group was selected again into the Top 500 Chinese Enterprises with a business income of RMB 40.7 billion Yuan by ranking 153rd in this list, and ranking 6th among the power generation enterprises.
29 th September	Yudean Group held telephone and video conference for "National Day and Asia Games Power Guarantee" safety production work.
27 th September	Pan Li, chairman of the board of Yudean Group, was appointed as one of the 21 consultants of decision-making consultation for Guangdong Provincial Government as the only representative of the power generation enterprise.
27 th September	Yudean Group held symposium for formulating criterion for employee stock ownership investment and deepening reform work.

October

5 th October	The first 1000 MW class unit of Yudean Group was put into production formally, which provided strong power protection for Asia Games safety power guarantee and supply.
22 nd October	Organization Department of Guangdong Provincial Committee of the Communist Party of China held provincial poverty alleviation development "Plan Reaching to the Household, Responsibility Reaching to Individuals" cadre residing in the village symposium with sufficient affirmation obtained from Wang Yang on the poverty alleviation work carried out by Yudean Group.
29 th October	Guangdong State-owned Assets Supervision and Administration Commission went to Yudean Group to announce the appointment notice to appoint Li Mingliang as the deputy general manager of Yudean Group.
In October	Yudean Group realized "Nine Consecutive Excellence" in the operation performance assessment since its establishment in 2001.
15 th October	"Carbon Dioxide Emission Reduction" of 278,000 ton, the first phase of CDM project of Shenzhen Qianwan LNG Power Plant, was signed and issued by U.N., becoming the first natural gas power generation project which obtained CDM benefits in Yudean Group.
20 th October	The construction of the first engineering of Guangdong Zhuhai LNG receiving station project which Yudean Group held shares was started.

November

November	Huang Huahua, vice secretary of Guangdong Provincial Committee of CPC gave praise to Yudean Group for its fast development, good management status and outstanding contributions after knowing the results of the audit carried out by provincial audit department to Yudean Group on 2008 financial balance status, and expected Yudean Group to become more powerful constantly.
10 th November	Shi Yubo, vice-president of State Electricity Regulatory Commission arrived in Yudean Group to inspect the work of Asia Games Power Guarantee.

December

8 th December	Yudean Group participated in the 6th Economy and Technology Cooperation Fair between Pearl River Delta Region and the Mountain Area, East and West Parts of Guangdong and signed an agreement for offshore wind power project.
10 th December	Yudean Group provided fund for China Southern Power Grid Integrated Energy Company.
29 th December	The construction of Xuwen Yongshi Wind Power Project of Yudean Group was started.
30 th December	Business Management Department was established in Yudean Group.
30 th December	The first ship of coal of Australia Narrabri Coal Mine of Yudean Group arrived in the port.



2010
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