



中国三峡  
China Three Gorges Corporation



BEIJING 2022™

北京2022年冬奥会官方合作伙伴  
Official Partner of the Olympic Winter Games Beijing 2022

# 2020 Annual Report

China Three Gorges Corporation





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## Corporate Information

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English Name: China Three Gorges Corporation

Abbreviation: CTG

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scan the above  
QR code for more  
information)



WeChat account

三峡小微  
(CTG Official,  
scan the above  
QR code for more  
information)



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# Chairman and President's Message



Lei Mingshan, Board Chairman

雷鸣山



Han Jun, Director of the Board, President

韩君

CTG received the greatest compliment and recognition in 2020 when Chinese President Xi Jinping issued instructions for the Wudongde Hydropower Station as it put its first units into operation, a milestone reached following President Xi's inspection in April 2018 of the Three Gorges Project, when he delivered a key address. We are proud to provide numerous benefits for the Chinese people. We have thoroughly embraced President Xi Jinping's instructions and are striving to achieve high-quality development with the guidance of the CPC's Central Committee.

**This year we achieved excellent results in different business sectors.** The Three Gorges Project won the National Science and Technology Progress Awards' special prize, it was officially certified complete, and it set a new world record for annual power output. CTG major projects, including construction of the Wudongde and Baihetan hydropower plants progressed smoothly, with the former putting eight units into operation and racking up new achievements as a top-quality project. Regarding new energy, we commissioned record-making installed capacity over the year, while China Three Gorges Renewables (Group) Co.,Ltd. made substantial progress towards its IPO. These efforts ushered in a new stage of growth. The Yangtze River protection initiative achieved several breakthroughs

with the CTG water governance model being widely replicated. As our footprint spreads across the provinces and cities along the Yangtze River, environmental protection efforts in the Yangtze economic zone are accelerating, ensuring the implementation of government's instructions and winning industry recognition and boosting the company's reputation.

Our international business achieved solid progress toward meeting its long-term goals. The settlement of shares in Luz Del Sur, a Peruvian electric power distribution company, was completed successfully, and China Yangtze Power Co.,Ltd. successfully listed its global depository receipts (GDR). CTG also made notable achievements in deepening reform. We are now the official partner of the 2022 Olympic and Paralympics Winter Games in Beijing. We will use clean energy to power the Winter Olympics while developing CTG as a leading global company with the Winter Games as a strong boost.

We started off the year with several serious challenges, but wrapped it up with remarkable results. All of CTG's economic indicators reached historical highs and we made valuable contributions across six areas: employment, basic living needs, operations of CTG's market entities, food and energy security, industrial and supply

The year 2020 saw many unprecedented events in China, including complicated global challenges, obstacles to development and domestic reform, and most notably the COVID-19 pandemic. However, under the strong leadership of the CPC Central Committee with President Xi Jinping at its core, the Chinese people rose to these challenges, culminating in successes that drew worldwide attention.

chains, and the functioning of government. The company also contributed to the stability in six respects including foreign trade, and foreign and domestic investment.

**Guided by government instructions, CTG successfully tackled the COVID-19 pandemic and serious flooding in 2020.** For example, in Hubei, CTG spared no effort to ensure the stable supply of power, gas and heating across the province during the pandemic. Through donations and assisting with supplies, CTG contributed to the success of defending Hubei and Wuhan against the pandemic. When the pandemic hit the rest of the world, CTG's employees fought on the front-line of pandemic control and supported the local economy. Guided by the CPC's Central Committee, we helped the country successfully quell the pandemic, thereby showcasing CTG's mission, its sense of responsibility and its patriotism.

The Three Gorges Reservoir cascade reservoirs fulfilled their crucial flood control role through the year, tackling the largest flood peak since the reservoir was built. The national pillar project prevented flooding in the Yangtze River's middle and lower reaches, thereby protecting the lives and property of people living there.

**CTG accelerated its efforts to combat poverty in China through targeted strategies.** We fulfilled our political and social responsibilities as a central state-owned enterprise (SOE) by aligning with the CPC Central Committee's poverty alleviation policies through education, and consumer market and industry engagement. For example, CTG helped lift four impoverished counties (i.e. Wushan and Fengjie in Chongqing, Wan'an in Jiangxi and Bairin Left Banner in Inner Mongolia), and three ethnic minority groups in Yunnan and Liangshan Yi Autonomous Prefecture in Sichuan out of poverty. As a result, the company's poverty alleviation efforts were graded

excellent by the central authorities. CTG will continue to build on its poverty alleviation successes and leverage the opportunities presented by the rural revitalization program to support high-quality development across the region that CTG is helping.

**Many of our staff and entities stood out with unforgettable and touching deeds as CTG forged ahead.** For example, the following were recognized with accolades for their achievements: Yang Peng, Outstanding Individual in COVID-19 Pandemic Control and Excellent National CPC Member; Wang Kexiang and Li Guangyao, National Model Workers; Hubei Energy Group's Ezhou Power Plant, Outstanding SOE Member in COVID-19 Pandemic Control; Huyan Yanan, Zhang Jun and Yang Zongli, Outstanding Central SOE Individuals in COVID-19 Pandemic Control; and the most-respected Three Gorges employee Qin Dongping, who perished in the line of duty. We attribute our success and bright future to the courage and contribution of all CTG's employees, represented by these outstanding individuals and groups.

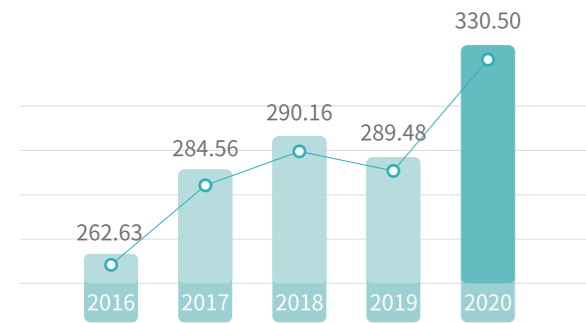
On the occasion of the CPC's 100th anniversary in 2021, CTG will reach a series of milestones — Baihetan hydropower plant will put its first units into operation and Wudongde hydropower plant will put all its units into operation. As we usher in a new phase of development, CTG will be more united than ever under the strong leadership of the CPC Central Committee with President Xi Jinping at its core, and it will implement the coordinated development of clean energy and the protection of the Yangtze River's ecosystem. We will get off to a good start in the first year of the current 14th Five-year Plan, celebrate the 100th anniversary of CPC with extraordinary achievements, and contribute to building a modern socialist China and achieving national rejuvenation.



# 2020 Key Performance Indicators

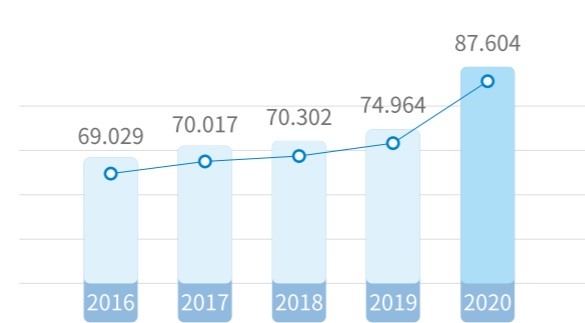
## Electricity Generation

(in TWh)



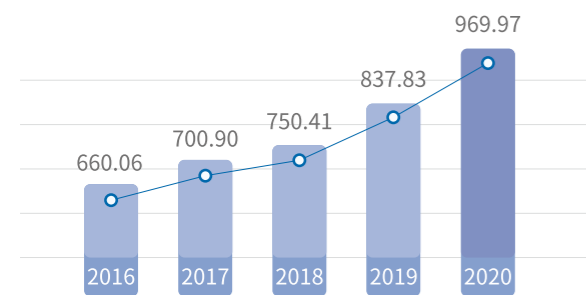
## Installed Capacity

(in GW)



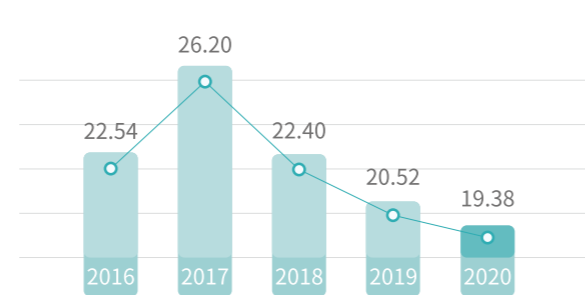
## Total Assets

(in RMB billion)



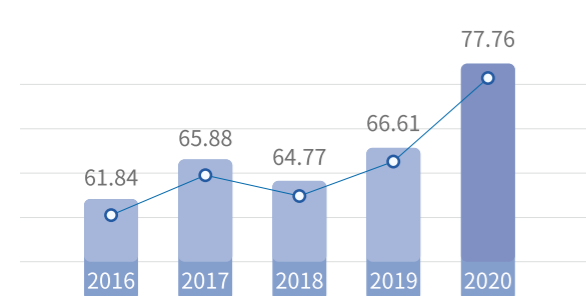
## Total Tax Paid

(in RMB billion)



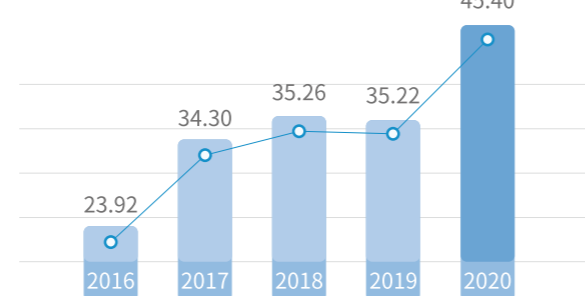
## EBITDA

(in RMB billion)



## Net Profit

(in RMB billion)



# Company Profile

China Three Gorges Project Corporation was founded on September 27, 1993, with the approval of the State Council. On September 27, 2009, it was renamed China Three Gorges Corporation (CTG). Following a corporate restructuring, CTG became a solely state-owned company on December 28, 2017. CTG's strategic development positioning is as follows:

- Actively support major national strategies, such as development of the Yangtze River Economic Belt, and the Belt and Road Initiative;
- Integrate CTG more deeply into the Yangtze River Economic Belt and play a key role in protecting the Yangtze River;
- Promote sustainable development;
- Lead clean energy industry upgrading and innovation; and
- Deepen reform to become a world-leading transnational clean energy group with strong innovation capabilities and global competitiveness.

CTG's principal business comprises:

- Project construction and management;
- Power production and power plant operation;
- River basin cascade scheduling and its comprehensive management;
- International investment and project contracting;
- Ecology and environmental protection;
- New energy development, such as wind power and solar energy;
- Capital operation and financial business; and
- Asset management and supporting construction services.

Having rapidly developed over the past two decades, CTG has grown to become the

largest clean energy group in China and the world's biggest hydropower development and operation enterprise.

At the end of 2020, CTG's installed capacity had reached 87.604GW, of which 95% was from clean energy sources. Meanwhile, its consolidated installed hydropower capacity comprised 15% of China's total installed hydropower capacity. Total assets reached RMB 969.97 billion. CTG ranked high among state-owned enterprises in terms of profit before income tax, net profit attributable to the parent company, the profit-to-cost ratio, labor productivity, per capita profit, per capita tax payment and other financial indicators.

CTG is responsible for the construction and operation of the Three Gorges Project. After more than two decades of hard work, the project's construction works were certified as complete in November, 2020. CTG is also responsible for the development, construction and operation of a cascade of four world-class large hydropower plants-Xiluodu, Xiangjiaba, Wudongde and Baihetan - on the lower reaches of the Jinsha River. CTG is also active in developing new energy businesses, such as wind power and solar energy, as part of its efforts to expand new energy and is committed to becoming a leading developer of offshore wind farms.

According to central government guidance on its strategic development, CTG will take up responsibility for sewage treatment and play a leading role in concerted efforts to protect the Yangtze River in the Yangtze River Economic Belt. Meanwhile, CTG has accelerated its drive to internationalize and take its upgraded model of the entire hydropower industry chain to overseas markets. By the end of 2020, CTG's investments and contracting business covered more than 40

countries and regions across Europe, the Americas, Africa and Southeast Asia.

In the spirit of serving the country and its people, respecting life and nature, humbly blazing new trails, pursuing win-win partnerships with an open and inclusive mindset, and maintaining good faith and professional ethics, CTG has spared no effort in building power stations that stimulate the local economy, improve the local environment and benefit resettled residents. Additionally, CTG steadfastly fulfills its social responsibilities. As well as its achievements in flood control, water resource preservation, energy conservation, emissions reductions and ecological protection, CTG creates ecological, social and economic benefits through engineering and scientific innovations achieved in the quest to develop clean energy.

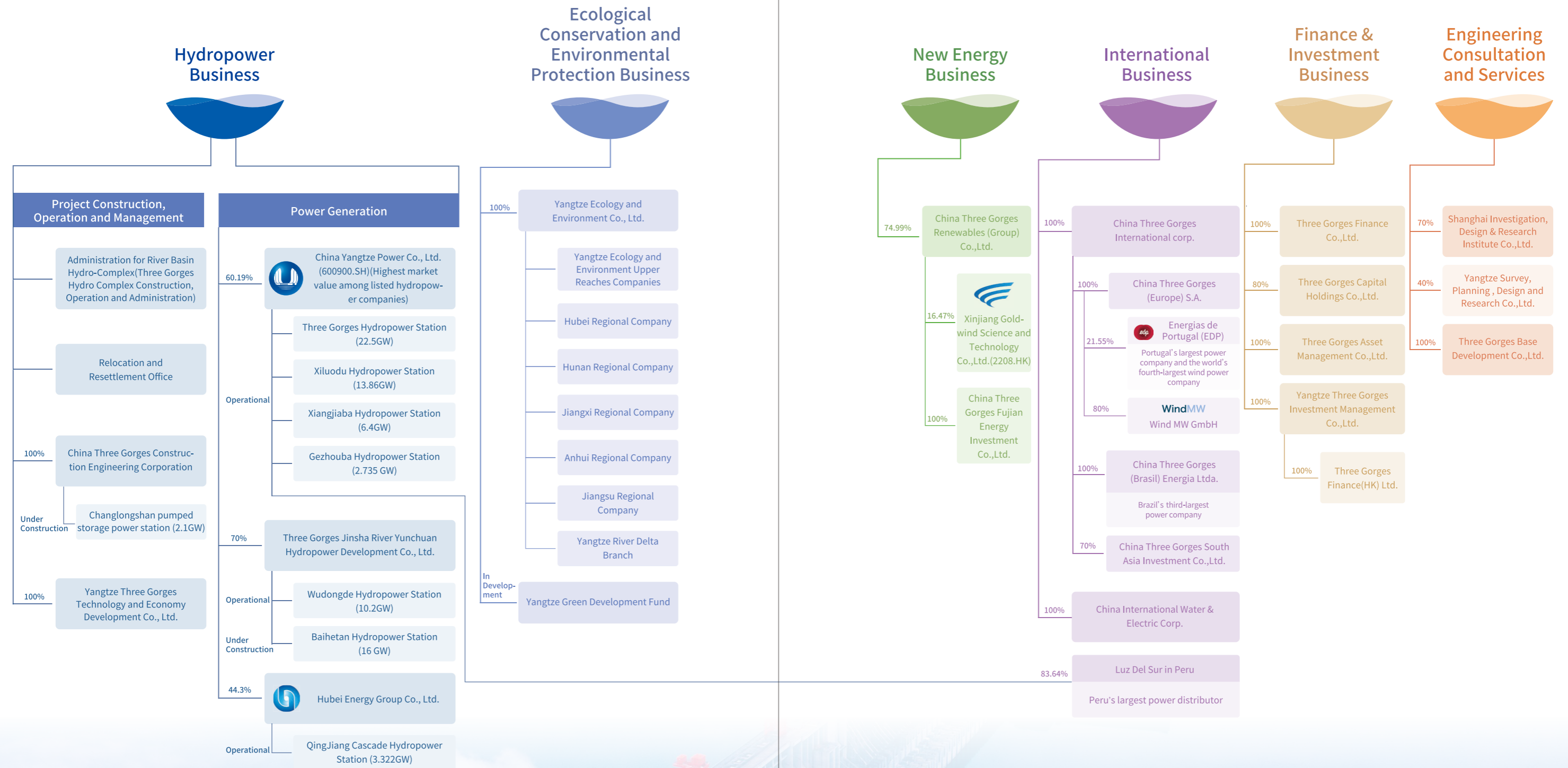
At the same time, CTG has led social-public welfare projects, including initiatives focused on targeted poverty alleviation, local-level assistance programs, community co-development initiatives, and aid to Xinjiang and Tibet. CTG's development of hydropower results in material benefits for resettled populations and the environment, and boosts local economic and social progress. The company's achievements are benefiting more and more people.

CTG wholly owns or has a controlling interest in several subsidiaries, including China Three Gorges Construction Engineering Corporation; China Yangtze Power Co.,Ltd. (a listed company); China Three Gorges International Corporation; Yangtze Ecology and Environment Co.,Ltd.; China Three Gorges Renewables (Group) Co.,Ltd.; Hubei Energy Group Co.,Ltd. (a listed company); China International Water & Electric Corp.; and Three Gorges Capital Holdings Co.,Ltd.





## Business Units





## Directors of the Board



**Lei Mingshan**  
Board Chairman



**Han Jun**  
Director



**Wang Yilin**  
Outside Director



**Xia Dawei**  
Outside Director



**Qu Dazhuang**  
Outside Director



**Mi Shuhua**  
Outside Director



**He Guangbei**  
Outside Director



**Cai Yongzhong**  
Staff Director

## CTG Executive Team



**Lei Mingshan**  
Board Chairman



**Han Jun**  
Board Director, President



**Wang Liangyou**  
Executive Vice President



**Fan Xiaxia**  
Executive Vice President



**Zhang Dingming**  
Executive Vice President



**Chen Ruiwu**  
Head of Discipline Inspection Group



**Zeng Yi**  
Chief Financial Officer



**Lv Tingyan**  
Executive Vice President



## Development Strategy

### Strategic Positioning

CTG is strategically positioned to:

- Support major national strategies, such as development of the Yangtze River Economic Belt, and the Belt and Road Initiative;
- Integrate more deeply into the Yangtze River Economic Belt and play a key role in protecting the Yangtze River;
- Promote sustainable development in the region;
- Take the lead in promoting clean energy industry innovation; and
- Deepen reform to become a world-leading transnational clean energy group with strong innovation capabilities and global competitiveness.

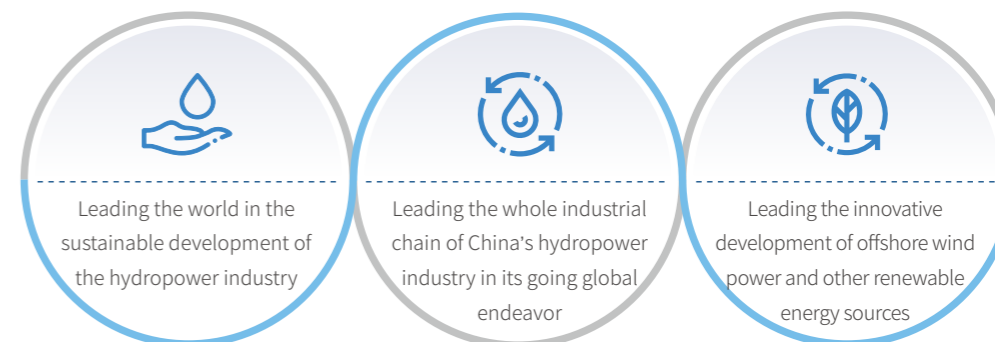
### Development Philosophy

CTG will remain true to the spirit of President Xi Jinping's speeches and our founding mission as well as focus on high-quality development and implementing the new national energy security strategy. The company will also contribute to other national goals, including achieving peak emissions and carbon neutrality on schedule, through developing clean energy and protecting the Yangtze River.

### Our Vision

CTG grounds its efforts in the new development stage, applies the new development philosophy, serves and integrates itself into the new development pattern, promotes high-quality development and implement our Two-tracked Approach for advancing clean energy development and the ecological conservation of the Yangtze River. We will make unwavering efforts to enhance our quality and size, and aim to become one of the world's top clean energy corporations and one of China's leading ecological conservation companies by 2035.

## Three Priorities



## Four corridors



## Five Transformations



## Six Roles





# Business Development

**01**


**Gezhouba Hydropower Station**

Installed Capacity (in GW): **2.735**

2020 Electricity Production (in TWh): **18.567**

Year of Commissioning: **1981**

Designed Water Level (in m): **66.5**



**02**

**Three Gorges Water Conservancy Complex**

Installed Capacity (in GW): **22.5**

2020 Electricity Production (in TWh): **111.802**

Year of Commissioning: **2003**

Designed Water Level (in m): **175**



**03**


**Xiangjiaba Hydropower Station**

Installed Capacity (in GW): **6.4**

2020 Electricity Production (in TWh): **33.148**

Year of Commissioning: **2012**

Designed Water Level (in m): **380**



# Development and Operation of Large Hydropower Projects

**04**


**Xiluodu Hydropower Station**

Installed Capacity (in GW): **13.86**

2020 Electricity Production (in TWh): **63.413**

Year of Commissioning: **2013**

Designed Water Level (in m): **600**




**05**

**Baihetan Hydropower Station**

Installed Capacity (in GW): **16**

Year of Commissioning: **2021**

Designed Water Level (in m): **825**



**06**


**Wudongde Hydropower Station**

Installed Capacity (in GW): **10.2**

2020 Electricity Production (in TWh): **13.429**

Year of Commissioning: **2020**

Designed Water Level (in m): **975**



**07**

**Gaobazhou Hydropower Station**

Installed Capacity (in GW): **0.27**

2020 Electricity Production (in TWh): **1.145**

Year of Commissioning: **1999**

Designed Water Level (in m): **80**



**08**


**Geheyan Hydropower Station**

Installed Capacity (in GW): **1.212**

2020 Electricity Production (in TWh): **3.823**

Year of Commissioning: **1993**

Designed Water Level (in m): **200**



**09**


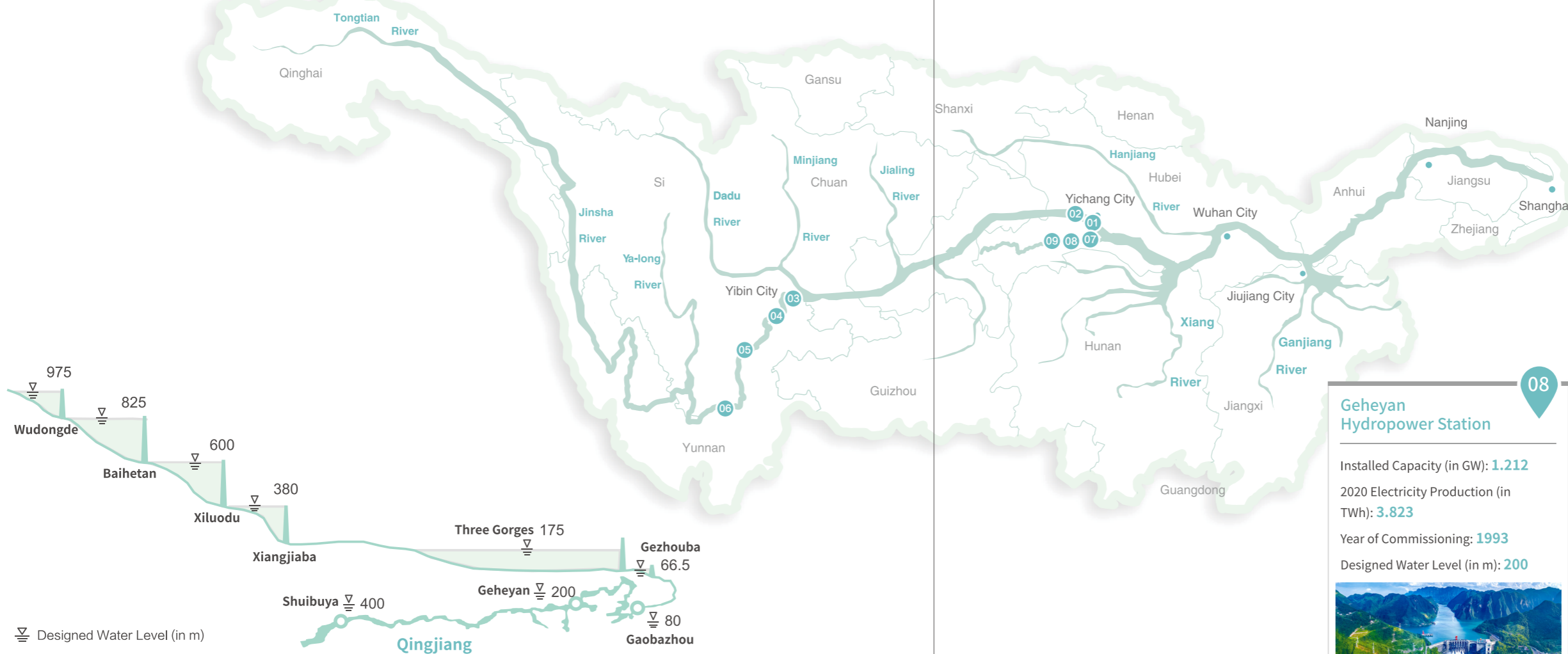
**Shuibuya Hydropower Station**

Installed Capacity (in GW): **1.84**

2020 Electricity Production (in TWh): **4.977**

Year of Commissioning: **2007**

Designed Water Level (in m): **400**



## Large Hydropower Projects in Operation

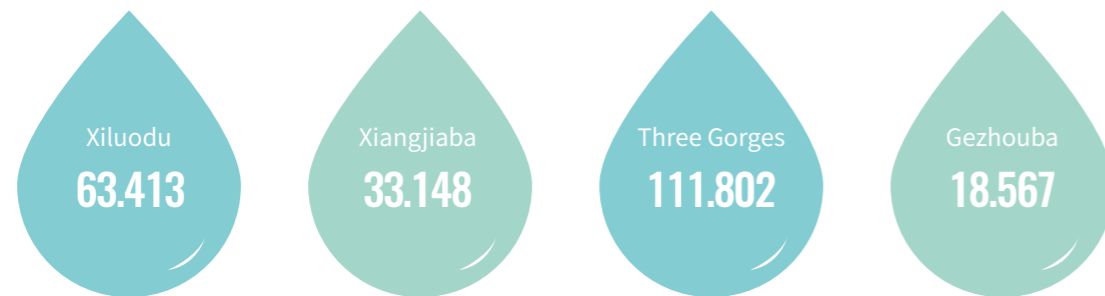
CTG's largest hydropower facilities are industrial pillars in China's economy and provide a huge source of energy for national and social development, in addition to being a major contributor to the Chinese dream of national rejuvenation. CTG runs nine hydropower plants (in operation or under construction) along the main stretch of the Yangtze River and its tributary, Qing River, with a combined installed capacity of 75GW.

As of 2020, five reservoirs operated by CTG support a combined flood-control capacity of 28.7 billion cubic meters for the upper and middle reaches of the Yangtze River, accounting for 50% of the operation's total flood control capacity. They ensure safety, the energy supply and environmental protection of the Yangtze River Economic Belt.

CTG manages and operates four cascade hydropower stations along the main stream of the Yangtze River. The Xiluodu, Xiangjiaba, Three Gorges and Gezhouba hydropower plants generated 226.93TWh of clean electricity in 2020, and a total of 2,700TWh of electricity since they went into operation, which is the equivalent to the power produced by burning 760 million tons of coal. The power generated in 2020 reduced emissions by 1.94 billion tons of carbon dioxide and 20.366 million tons of sulfur dioxide, showcasing the enormous energy-saving benefits provided by the clean energy corridor in the Yangtze River basin. The cascade hydropower stations made valuable contributions to China's goal of reaching peak emissions and carbon neutrality.

Total electricity generated by four cascade hydropower stations in 2020

226.93 TWh



The four cascade hydropower plants generated 226.93TWh of clean electricity in 2020, equivalent to the power produced by burning 69.53 million tons of coal, reduced China's emissions by 190.17 million tons of carbon dioxide, 42,400 tons of sulfur dioxide, and 44,200 tons of nitrogen oxide.



President Xi Jinping delivered an important speech as he inspected the Three Gorges Project in April 24, 2018. He acknowledged the TGP as an exemplary project that demonstrated the superiority of China's rising prosperity, and spoke highly of its historical and current significance in relation to the country's Two Centenaries Goals. Xi's visit is a milestone event in TGP's history.



"The Three Gorges Project is a national pillar project. It is inspiring to witness this feat created by all the workers through their independent and dedicated efforts. The completion and operation of the Three Gorges Project is a dream of generations of Chinese come true and an important symbol of the development of China since the period of reform and opening up. It showcases socialism's ability to concentrate resources to conduct major projects and embodies the wisdom and creativity of the Chinese people as well as the prosperity of the country."

— From President Xi Jinping's speech during his inspection of TGP on April 24, 2018

The Three Gorges Project performed well in 2020. The comprehensive benefits of flood control, shipping, power generation and water resources utilization have been brought into full play. All indicators including water quality, sedimentation, geological and seismic activities are within the normal range. The ship locks and ship lift operated in an efficient and safe manner. The Ministry of Water Resources and National Development and Reform Commission announced on November 1, 2020, that the Three Gorges Project completed all procedures for overall completion acceptance.



## Flood Control and Water Replenishment



The Three Gorges Project flood water discharge review

In 2020, the Three Gorges Reservoir has fully played its role in flood control, successfully responded to nine floods with peak flow exceeding 35,000m<sup>3</sup>/s, five of which had a peak flow of above 50,000m<sup>3</sup>/s, and the biggest of which reached 75,000m<sup>3</sup>/s, a record high since the reservoir was built. The Three Gorges Reservoir retained floods with a capacity of 29.5 billion m<sup>3</sup>, equivalent to 245 East Lakes. Apart from the enormous flood control benefits, during the draw-down period, the fresh water reservoir replenished the downstream stretches with 22.924 billion m<sup>3</sup> of water over 164 days.

## Providing Clean Energy



The Three Gorges Hydropower Station ran at full capacity during the pandemic to maintain power supply

In 2020, the Three Gorges Hydropower Station's power units ran smoothly and generated 111.802TWh of electricity, refreshing the world record for annual power generation at a single power plant, and signaling the global preeminence of China's hydropower ecosystem. Through the coordinated operations of the cascade reservoirs, optimal regulation of medium/small floods and elimination of floating debris to ensure the quality of the water head, we put hydropower to good use, increased output by around 6.1TWh and increased the benefits generated by TGP.

## Improving Shipping Conditions



Three Gorges Ship Lift

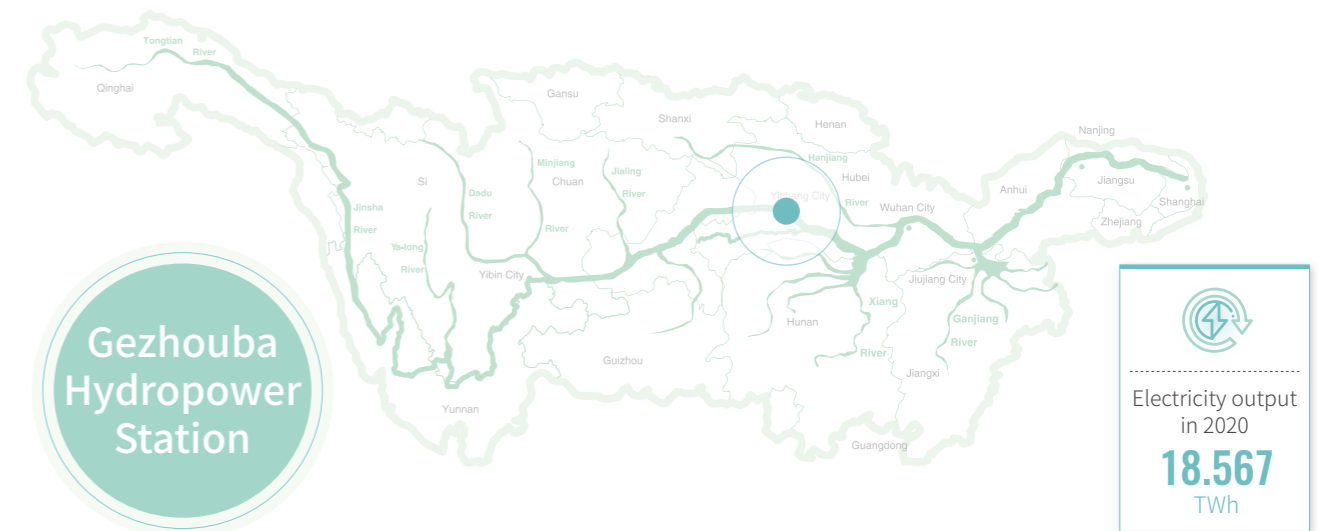
The ship locks and ship lift operated around the clock during the pandemic in 2020. The ship locks operated 9,798 times and carried 39,446 ships of various kinds with 137 million tons of cargo. The equipment operated in optimal condition. The ship lift operated 2,318 times in 2020, and carried 1,579 ships of various kinds, 30,849 passengers and 760,900 tons of cargo. The Three Gorges ship locks and ship lift facilitated smooth navigation throughout 2020. Through the joint dispatching operation, the navigation benefits of the Three Gorges Project are further expanded.

## Environmental Protection



2020 Chinese sturgeon release ceremony

Water quality in the reservoir area was generally good, as evidenced by the mostly Grade II-III water-quality readings taken from monitoring stations in the mainstream sections. In addition, an historical high level of floating debris (377,000m<sup>3</sup>) was cleared before it reached the dam and was disposed of responsibly. The reservoir bank remains safe and stable. TGP conducted joint scheduled operations with Xiluodu and Xiangjiaba cascade reservoirs to protect the river's ecology in late May 2020, generating remarkable results. The fish species laid as many as 501 million eggs in the Yidu section of the Yangtze River.



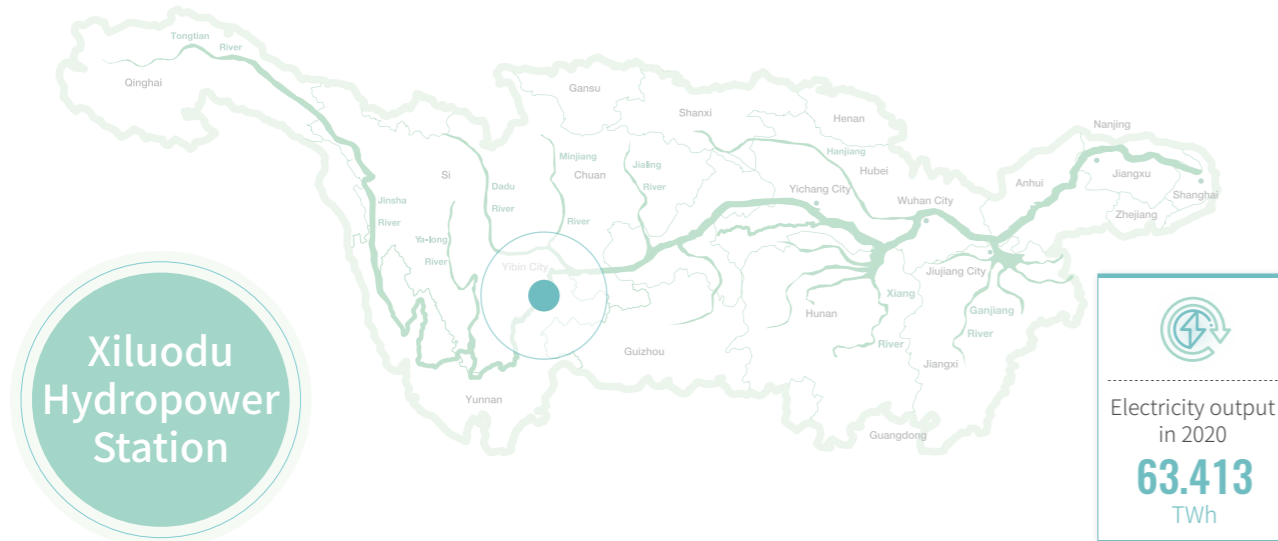
Gezhouba Hydropower Complex is located about 2.3km downstream of the Yangtze River's Nanjin Pass in Yichang, Hubei. Lying 38km downstream of TGP, it is the shipping cascade of the Three Gorges Hydropower Complex. Gezhouba Hydropower complex regulates the water flow and generates considerable power by utilizing the fall in water levels. It is the first large-scale hydropower complex to be built on the main section of the Yangtze River, and the largest run-of-

the-river hydropower plant, with a low water head and high flow. Construction of Gezhouba Hydropower Station commenced in May 1971 and was completed in December 1988. In 2020, Gezhouba achieved annual output of more than 18.567 TWh, setting a new record while maintaining a leading position in the industry on all key power unit indicators.



Gezhouba Hydropower Station



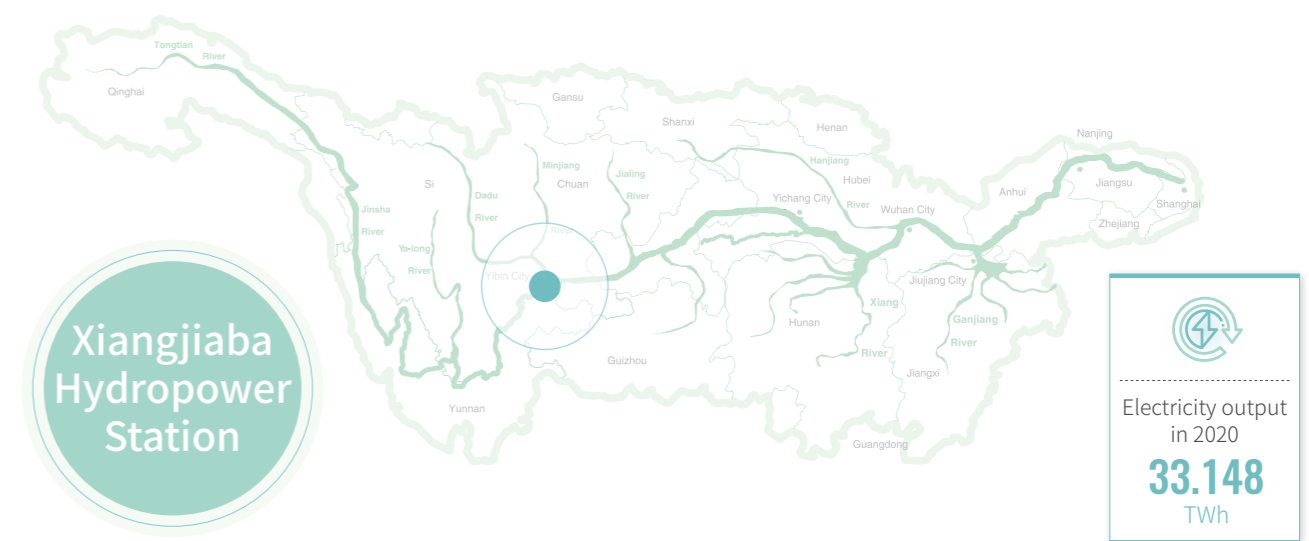


Xiluodu Hydropower Station is the world's fourth largest hydropower plant and one of the backbone power sources for transmitting electricity from the western areas to East China. In addition to its main power generation function, it also provides the comprehensive benefits of silt retention, flood control and better downstream navigation.

It comprises 18 units of 770MW turbine generator, with a total installed capacity of 13.86GW. Xiluodu Hydropower Station generates an annual average of 61.99TWh of power. At the normal impoundment level, it can support a reservoir capacity of 11.57

billion m<sup>3</sup>, including 4.65 billion m<sup>3</sup> for flood control purposes.

Xiluodu Hydropower Station commenced construction in 2005, the river was diverted in 2007. The first batch of generating units were commissioned in July 2013, and the last unit was connected to the grid for power generation on June 30, 2014. In September 2016, Xiluodu Hydropower Station won the FIDIC Outstanding Project of the Year Award.



Xiangjiaba Hydropower Station is China's fifth-largest hydropower station and the last section of the cascade development on the lower main channel of the Jinsha River. At the intersection of Yunnan and Sichuan provinces, it's a major source of electricity for eastern China. In addition to its main power generation function, it also provides the comprehensive benefits of silt retention, flood control, better downstream navigation, improved irrigation and regulation of the Xiluodu Hydropower Station.

Construction of Xiangjiaba Hydropower Station began in 2006, the river was diverted in 2008. Impoundment began on October 10, 2012. The first generating unit was commissioned on November 5, 2012, and the final one on July 10, 2014. In 2016, the hydropower station passed post-completion safety assessments. In 2017, the

Xiangjiaba ship lift completed its first full-scale trial operation. Its maximum hoisting height is a world-record 114.2 meters, and its lifting capacity is about 1,000 tons. With the Xiangjiaba ship lift's trial in 2018, the shipping industry along the Jinsha River entered a new era. After trial operations were completed, the Xiangjiaba ship lift was awarded fire control certification and passed a safety assessment in 2019.

Xiangjiaba Hydropower Station lifted the rotor of its No. 5 power unit out of the pit in November 2020, marking the smooth completion of the first step in maintaining the world's first 800 MW hydraulic generator, a Level-A maintenance project, laying the ground for subsequent maintenance.





## Large Hydropower Projects Under Construction

CTG's projects focus on excellence, innovation, integrity and green development and serve people's needs. Furthermore, CTG is dedicated to making the Wudongde and Baihetan hydropower stations exemplary projects that reflect the company's ethos, responsibilities, and high standards. As a firm believer that lucid waters and lush mountains are invaluable assets, CTG aims to develop green, exemplary, harmonious and innovative projects that lead China's pumped storage hydropower stations to a new level of success.

### Total Installed Capacities of Large Hydropower Projects Under Construction



Wudongde Hydropower Station

10.2 GW



Baihetan Hydropower Station

16 GW

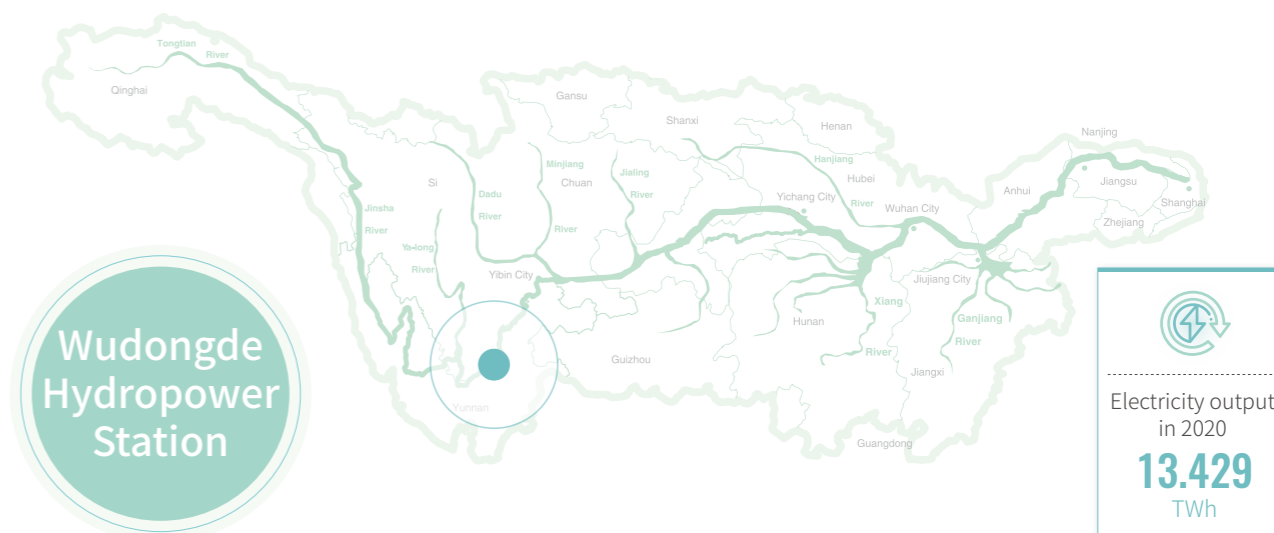


Changlongshan Pumped Storage Power Station

2.1 GW

“Wudongde Hydropower Station is a major national project for Electric Power Transmission from West to East. We must work harder to adhere to new development concepts, develop new cutting-edge technologies and complete the follow-up construction works to high standards, and build Wudongde Hydropower Station into a project of excellence. We must also tap into and protect the water resources at Jinsha River in a scientific way with ecology as our priority to benefit the people.”

— From General Secretary of the Chinese Communist Party, President of People's Republic of China and Chairman of the Central Military Commission Xi Jinping's important remarks on the occasion of Wudongde Hydropower Station putting its first units into operation



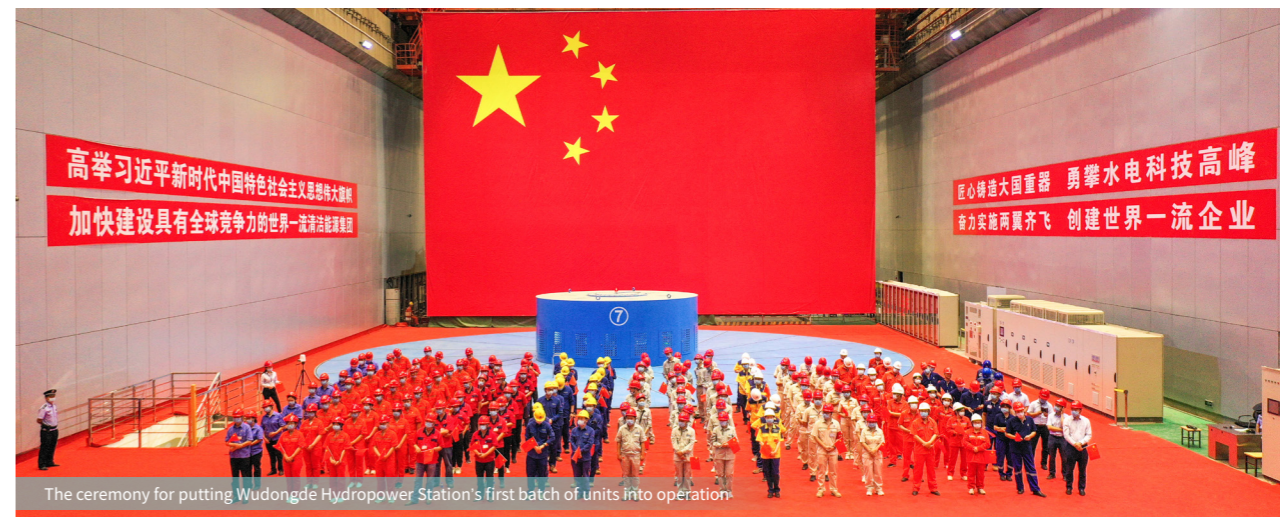
Located on the lower main channel of the Jinsha River, at the intersection of Yunnan and Sichuan provinces, Wudongde Hydropower Station is the seventh largest hydropower station in the world. It is a major supplier of electricity to eastern China, and key project to the large-scale development of China's western region. It also a major support and landmark project in China's 13th Five-year plan. Wudongde Hydropower Station is a significant component of the national drive to reconfigure China's energy industry through saving energy and reducing emissions, propel the economic development of western China, and promote social and economic progress. In addition to its main power generation function, it also provides benefits in the form of flood control, improved shipping conditions and promote local economic and social development.

Wudongde Hydropower Station is designed to be equipped with 12 generators, each with a generating capacity of 850MW. Total installed capacity will be 10.2GW with an estimated annual output of 38.91TWh.

Preparatory work for Wudongde Hydropower Station began in 2011, and construction of the main section commenced in December 2015, following approval of the pertinent national authorities. All units are expected to be put into service in June, 2021.

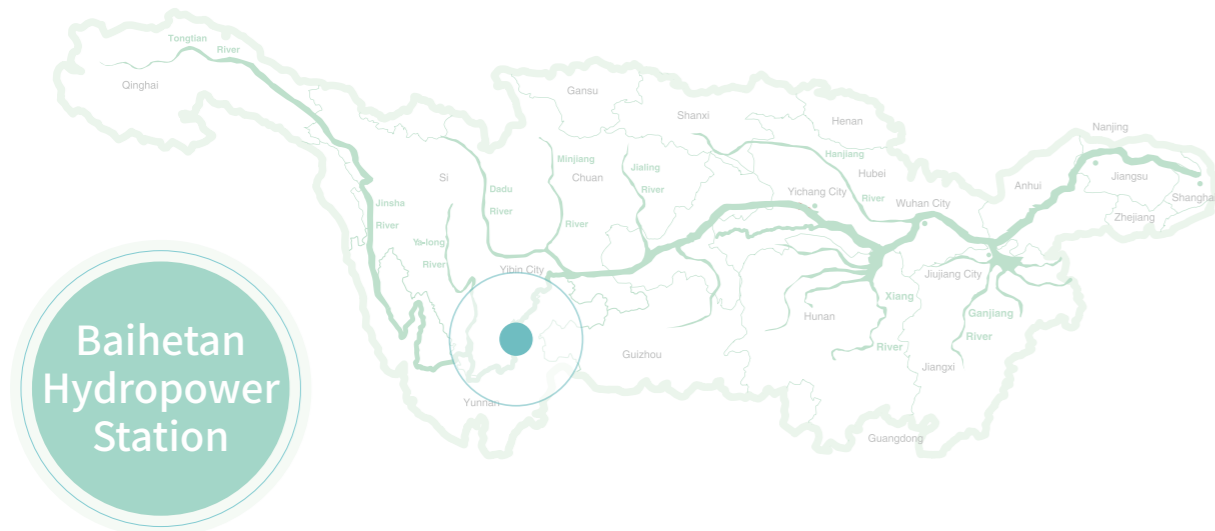
With all concrete placement poured to the top, the construction of the main body was completed in 2020, setting a world record for commissioning eight 850MW mega generators within half a year. The commissioned units are currently operating in good conditions.

CTG received the greatest compliment and recognition in 2020 when President Xi Jinping issued instructions to Wudongde Hydropower Station as it put its first batch of units into operation, a milestone reached since he inspected the Three Gorges Project in April 2018, when he delivered the key address. Guided by his remarks, we are proud to pledge allegiance to the CPC and provide numerous benefits for the Chinese people.



The ceremony for putting Wudongde Hydropower Station's first batch of units into operation



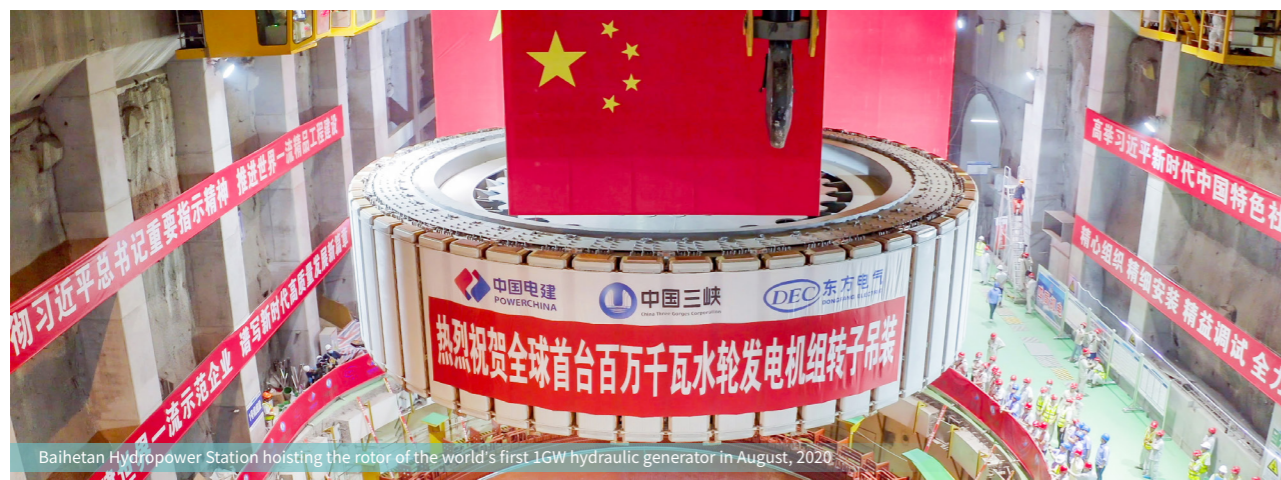


Baihetan Hydropower Station, on the second section of the four-section cascade on the lower reaches of Jinsha River, is the fourth large hydropower station to pass the 10GW mile-stone in China, following the TGP, Xiluodu and Wudongde hydropower stations. It is the world's largest hydropower plant under construction, with the second largest installed capacity. It is also one of the key electricity sources for eastern China. Once completed, the hydropower station will not only perform its main function of power generation, but also prevent floods, promote local economic and social progress, and lift the resettled local population out of poverty. Silt retention, downstream navigational improvement and the formation of a navigational course in the reservoir area can also be expected.

Baihetan Hydropower Station, with an installed capacity of 16GW, guarantees an output of 5.47GW and generates an average 62.443TWh of power annually. With an 825m normal impoundment level, the hydropower station supports a total storage capacity of 20.627 billion m<sup>3</sup> and a regulation storage capacity of 10.436 billion m<sup>3</sup>. It has a flood control capacity of 7.5 billion m<sup>3</sup>.

Building work on the main part started on August 3, 2017, upon approval of the State Council, which ushered in a new "GW-level unit" era for the world's hydropower sector and marked China as a world-leading producer of ultra-large hydropower generators. Several new world records have been broken: single-unit capacity reached 1GW for the first time; the world's best earthquake-proof performance among 300m-plus dams; the world's largest cylindrical tail race surge tank; the world's largest free-flow discharging section; and the world's first application of low-heat cement across the entire 300m-plus dam. It also outperforms the vast majority of engineering works in terms of technical complexity.

The first dam section of Baihetan Hydropower Station was poured to the top in 2020. It also hoisted the rotor of the world's first 1GW hydraulic generator, laying the ground for the plant's scheduled commissioning of the first units in July 2021 and signaling that China leads the world in engineering for the 300-meter tall double-curvature arch dam.



Baihetan Hydropower Station hoisting the rotor of the world's first 1GW hydraulic generator in August, 2020



Changlongshan Pumped Storage Power Station, which operates on a daily regulation cycle, was the second pumped storage power station CTG built. Located in Tianhuangping Town, Anji County, Huzhou City, Zhejiang Province, near the load center of the East China power grid, the station will play a key role in optimizing the power supply structure and power grid operation in eastern China, leading to greater economic efficiency, stability and safety. It is also of great significance for driving the local economy and creating jobs, as well as promoting steady growth, structural adjustments, and higher living standards.

Changlongshan Pumped Storage Power Station will comprise six 350MW reversible pump-turbine generating units, and with a total installed capacity of 2,100MW, will rank third largest among all pumped storage power plants in China. In addition, a 710m rated waterhead means that it will be the power station with the highest

water head in China, and the second highest in the world. The station officially commenced construction in 2015.

In 2017, the river was diverted, and engineering works for the main part of Changlongshan Pumped Storage Power Station began, with the pilot hole in the first deviated well of the water channeling system being drilled in one go. Changlongshan Pumped Storage Power Station filled the dams on the upper and lower reservoirs in 2019, and the first water tunnel was excavated and expanded and installation of the underground powerhouse and concrete pouring began.

The completion of penstock installation along the first water channeling system was a milestone in the construction of Changlongshan Pumped Storage Power Station. The development and construction of Changlongshan Pumped Storage Power Station marks a new achievement in terms of the design, construction and equipment manufacturing of pumped storage power stations in China.



A bird's eye view of Changlongshan Pumped Storage Power Station comprising its upper and lower reservoirs



## Ecological Conservation and Environmental Protection

CTG studied and implemented the important instructions given by President Xi Jinping to undertake a new mission and tasks. CTG has spared no effort to develop the Yangtze River Economic Belt while actively exploring new ways of sustainable development, deepening corporate reform, spearheading new green development models and contributing to the development of the Yangtze River Economic Belt.



### The Innovative CTG Model

Water governance for the Yangtze River should tackle the pollutants in the river, address the root cause of pollution on the river bank and focus on the network of pipelines. CTG advocates a scientific, systematic and comprehensive model of water governance. The CTG model has achieved positive results and attained widespread recognition in the urban sewage treatment industry.



## Scientific Concepts of Water Governance





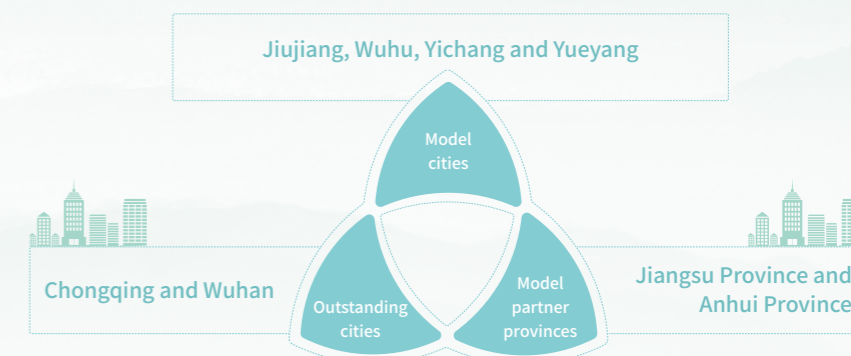
## Improvement of Coordinated Operations

CTG continued to collaborate with the relevant ministries and commissions of the state government, provinces and cities along the Yangtze River to shape the system of water governance in 2020, which guided the operations of CTG's five major platforms and facilitated the protection and restoration of the Yangtze River's ecosystem.



## Project Exemplars

CTG tailored policies for individual cities and created exemplar projects for them and partner provinces. Meanwhile, CTG summarized its experience in water governance to generate a replicable and scalable experience.



## Water Governance Impact

CTG signed 109 partnership agreements with local governments to protect the Yangtze River, expanding its business across all of the 11 provinces/cities along the river. It invested a total of RMB 137.5 billion in projects underway by the end of 2020. The combined sewage treatment capacity of operational plants and plants under construction amounts to 3.58 million m<sup>3</sup> per day, with 17,000km of pipelines serving an urban area of 18,000km<sup>2</sup> and benefiting 20 million people. The first batch of pilot projects were completed, delivering the initial results from urban sewage treatment. Meanwhile, CTG's footprint continued to expand in key provinces in terms of the ratio of prefecture-level cities covered by CTG, e.g. Chongqing (62%), Hubei (88%), Anhui (30%) and Jiangsu (46%).

CTG founded a joint venture for the construction of an ecological island in Guangyang, Chongqing, initiated the establishment of the developers' alliance for the Yangtze River Delta integrated green development demonstration area, was appointed the first rotating executive member, and hosted major events like a developers' conference. The CTG-invested pedestrian bridge in the demonstration area, Yuandang Bridge, connects Qingpu in Shanghai and Wujiang in Suzhou, and is providing many social benefits. CTG also launched and participated in a water governance program covering the Chishui River basin.



## Ecological and Environmental Protection

CTG accelerated green development in 2020, continuously providing clean energy while strictly implementing various environmental protection initiatives. It balanced the development of hydropower and environmental protection to facilitate green development.

### Xi Jinping's Thoughts on Ecological Civilization

A deep historical perspective - Good ecology represents the prosperity of civilization

A scientific perspective on nature - Humankind must harmoniously co-exist with nature

A green development perspective - Lucid waters and lush mountains are invaluable assets

A fundamental perspective on people's livelihoods - A good ecology and environment are the most beneficial for people's livelihoods and well-being

A holistic view - Mountains, water, forests, lakes, and grassland are a common community of life

Rigorous rule of law - The ecology and environment shall be protected by the most stringent system

Engagement of all citizens - The nationwide participation in building a beautiful China

A global win-win perspective - Joint action on building the global ecological civilization

## Adhering to the Green Development Concept

In developing cascade hydropower along the Yangtze River, CTG adheres to the concept of green development, which balances energy development and ecological benefits and conducts engineering works, ecological protection and environment restoration throughout the construction process of hydropower stations, generating ecological benefits. CTG's Xiluodu and Xiangjiaba projects were both named National Soil and Water Conservation Ecological Civilization Project by the Ministry of Water Resources. The fish aggregation and transfer system and the environmental protection program of reservoir tail area at Wudongde Hydropower Station were completed and put into operation in 2020. Phase I of the Heishui River ecological restoration project was also completed.



## Protecting rare terrestrial plants

CTG is committed to the coordinated development of hydropower and protection of the Yangtze River. It implements policies for green development and the concept of building a beautiful China. It has promulgated a list of responsibilities for environmental protection. CTG effectively protected 1,181 rare endemic plant species in the Yangtze River Basin, such as *Adiantum reniforme* var. *Sinense* and *Myricaria laxiflora* in 2020.



## Protecting rare aquatic animals

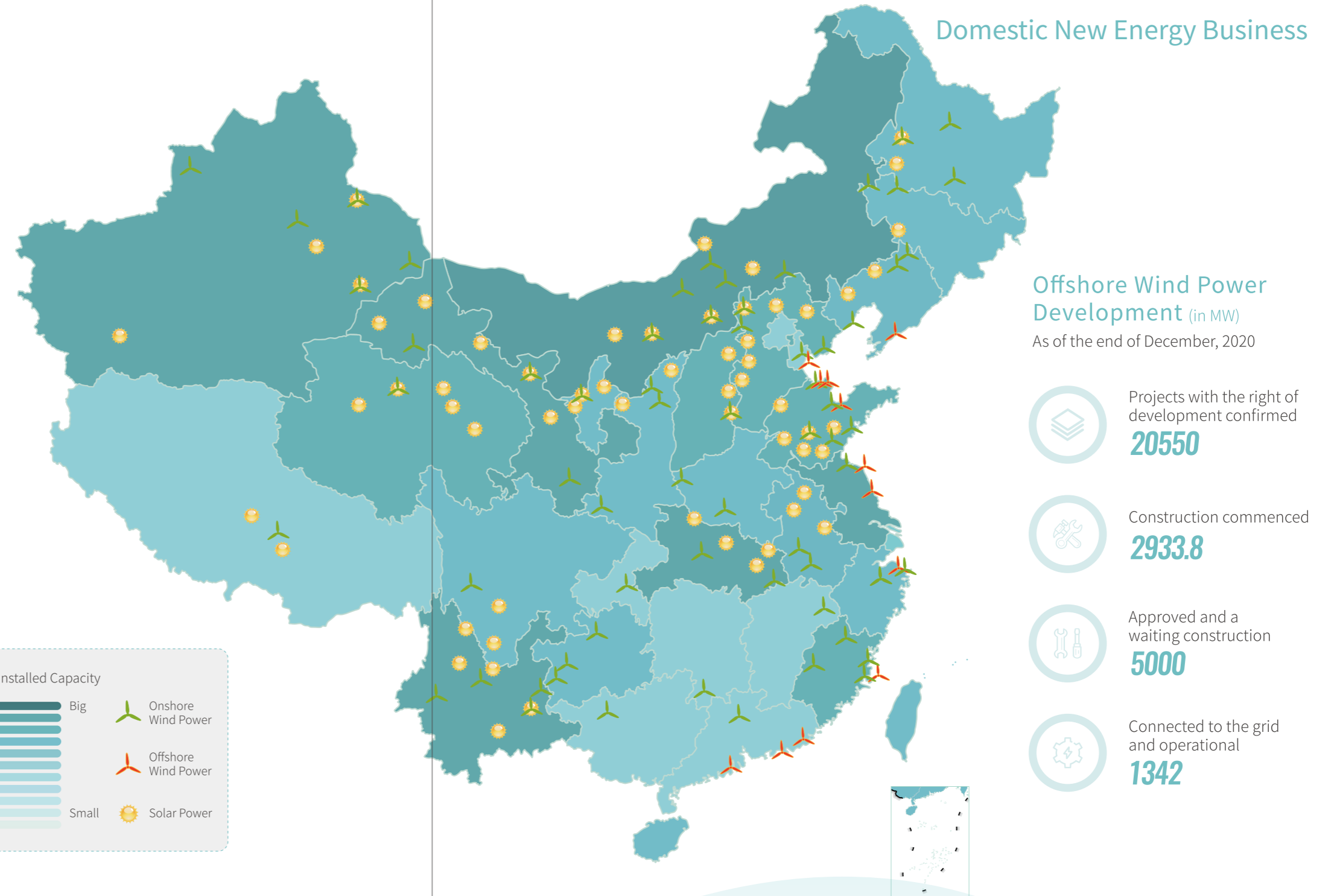
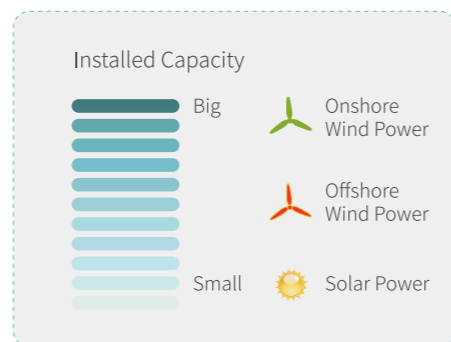
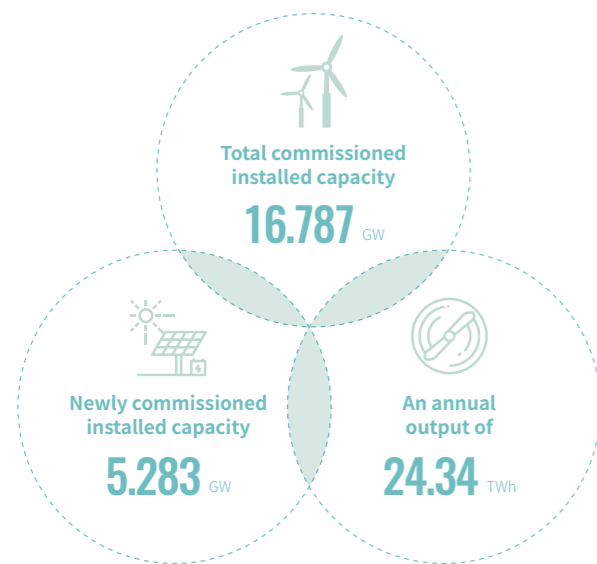
CTG has continued to invest heavily in the protection of rare and endemic fish in the Yangtze River, deploying its massive technical capabilities and capital to that end. It signed a strategic partnership agreement with the Ministry of Agriculture and Rural Affairs, inaugurating the Yichang Chinese Sturgeons Conservation Base. The Yangtze River Rare Fish Conservation Center was put into operation in 2020. A record-breaking number (880,000) of rare and endemic fish including Chinese sturgeons were released in 2020.





## Domestic New Energy Development

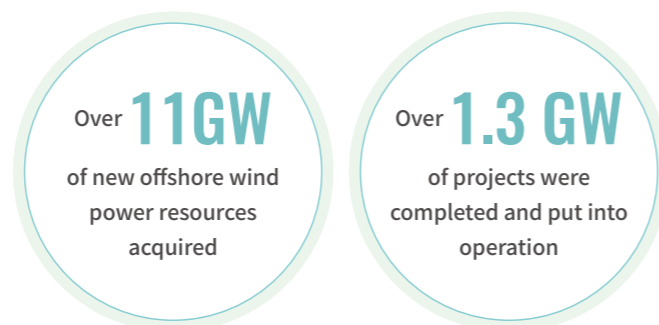
CTG further optimized its new energy business through improving quality and efficiency in 2020, and expanded its footprint to 31 provinces, autonomous regions, and municipalities directly under the Central Government. Newly commissioned installed capacity in 2020 came close to 5.28GW, taking total installed capacity to near 17GW, which generated an historical high of 24.34TWh of power. New energy projects, affordable grid connectivity and competitive configuration amounted to 51GW. The availability of new energy equipment exceeded 98% while the curtailment of wind power/PV power and power rationing continued to ease off. China Three Gorges Renewables, CTG's alternative energy arm, obtained approval for an IPO on December 17, 2020, a milestone for listing on the stock exchange.





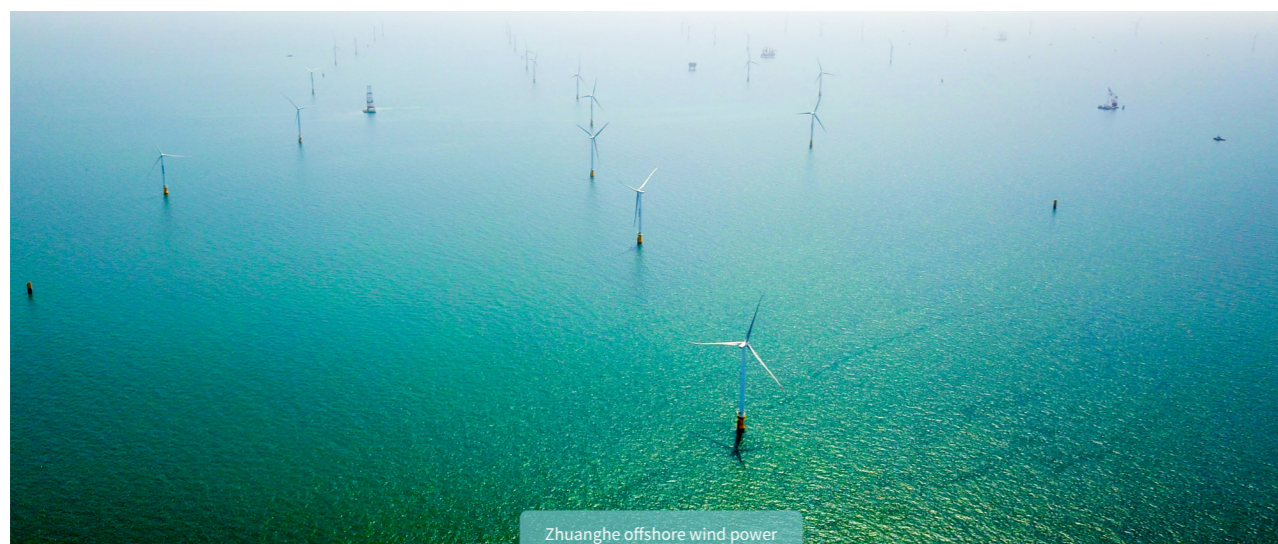
## Offshore Wind Power Development

To execute CTG's strategy of leading China's offshore wind power business, CTG plans to expand in coastal areas like Fujian, Guangdong, Jiangsu, Liaoning, Tianjin, Shandong and Zhejiang, and shape the clustered and scaled development of offshore wind power. CTG acquired over 11GW new offshore wind power in 2020, accumulated over 20GW in its resource reserve, completed and put into operation over 1.3GW of projects, all of which affirmed CTG's leading role in domestic offshore wind power sector.



### Northeast China's first offshore wind farm connected to the grid at full capacity

Zhuanghe offshore wind power project (Phase III) in Dalian, operated by CTG's alternative energy arm China Three Gorges Renewables, was connected to the grid at full capacity on November 25, 2020, making it the first fully completed offshore wind farm in northeast China. The largest offshore wind power project in the north and the highest-latitude farm in the country.



Zhuanghe offshore wind power project in Dalian, Liaoning Province



### Yangjiang wind farm installed China's first jacket foundation for the inclined pile rock-socketed station in South China Sea

China's first jacket foundation of booster station with four inclined socketed piles, exceeding 40m height and weighing 1,700 tons, was installed in CTG's Yangjiang wind farm in Guangdong Province (Phase II) on November 21, 2020. This marks this project's second technological breakthrough in offshore wind power engineering after it was installed with China's first large-diameter four-pile jacket foundation.



The penetration of four steel pipe piles completed

### China's first 10MW single-unit wind turbine generator in Xinghua Bay offshore wind farm (Phase II) connected to the grid

China's first 10MW single-unit wind turbine generator in Xinghua Bay offshore wind farm (Phase II), Fujian Province was connected to the grid on July, 2020, opening a new chapter in China's offshore wind development, marking the beginning of big turbines featuring double-digit capacity.



The hoisting of its 10<sup>th</sup> wind turbine generator was completed in Xinghua Bay offshore wind farm (Phase II)



## Onshore Wind Power Development

CTG has been expanding its onshore wind power business, building on the advantages of large-scale wind power development in Inner Mongolia and Xinjiang and optimizing its strategy with a focus on central, eastern and southern region and ultra-high voltage facilities. Operational onshore wind power initiatives have been spread across 26 provinces, districts and cities, including Inner Mongolia, Xinjiang and Yunnan, with a combined installed capacity of nearly 8,300MW by the end of 2020.

The onshore wind power initiatives in operation are spread across **26** provinces, districts and cities

An accumulated installed capacity of nearly **8,300** MW

- Projects connected to the grid:
- Qingshui Baituo 60MW wind farm in Gansu
  - Runlai Phase II in Shandong
  - Baokang in Hebei
  - Binzhou Phase I in Shandong
  - First units of Tian'e Jiaolian Mountain wind farm in Guangxi
  - Juye Phase I in Shandong

The first wind turbine generator of Pinnan project in Fujian was hoisted

Minqing Shanglian wind farm in Fujian fully connected to the grid



All the wind turbine generators of Pingnan project in Guangxi were hoisted

Bu'erjin wind power project in Xinjiang connected to the grid

The world's largest generation-grid-load-storage demonstration project — Wulan Chabu's 3,000MW project commenced construction



Burqin Wind Farm in Xinjiang Autonomous Region



Jiaolianling Wind Farm in Tian'e, Guangxi Zhuang Autonomous Region



## Photovoltaic Business

CTG worked hard to diversify its photovoltaic business through developing large-scale, concentrated PV power projects and distributed PV+ power generation. By connecting the dots, we established a basic roadmap for PV development in China, which covers 22 provinces, districts and cities including Qinghai, Hubei, Hebei, Sichuan and Shandong, with total installed capacity over 7,000 MW by the end of 2020.

July 2020

The 100MW PV forerunner project in Sihong, Jiangsu Province, progressed smoothly and was connected to the grid, breaking new ground for CTG as its first onshore PV project in the Province. This project is a comprehensive base demonstrating advanced PV technologies, and animal husbandry and agriculture adapted to local conditions.



Sihong Husbandry-Solar Complementary Project in Jiangsu Province

July 2020

The 200MW PV project (Phase I) in Litong, Ningxia Province was connected to the grid. It topped the 2019 bidding list of PV projects in Ningxia Province in terms of single unit capacity and confirmed electricity price.



Litong photovoltaic Project (Phase I) in Ningxia Autonomous Region

October 2020

The smart PV storage and charging demonstration project, funded and constructed by Three Gorges Electric Energy, a subsidiary of CTG, passed checks and was put into operation. It is the first smart energy project commissioned by Three Gorges Electric Energy.



Three Gorges Electric Energy's first PV storage and charging demonstration project was put into operation

## International Investment and Operations

To build a world-class clean energy multinational group in line with the company's "going global" strategy, and the Belt and Road Initiative, CTG focused on coordinated planning, collaboration and sharing, advocating peace, cooperation, openness, inclusiveness and mutual benefits in the spirit of the ancient Silk Road. CTG engaged in global cleanenergy investment and development to promote the high-quality development of CTG's international business in 2020.

By the end of 2020, CTG's business covered 50 countries and regions around the globe, with overseas operation revenue reaching RMB 21.48 billion and total profit RMB 8.02 billion, up 70.9% year-over-year. Its net profit was RMB 6.41 billion, up by 105.8% from last year, and its overseas assets amounted to RMB 170.14 billion.



## Overseas Investment

April 2020

Listed CTG subsidiary, China Yangtze Power Co., Ltd (CYPC) announced that it has successfully completed the acquisition of an 83.64% stake in Luz Del Sur (LDS), the largest power distributor in Peru, for a purchase price of US\$ 3.59 billion, according to the Share Purchase Agreement.



Closing the stake acquisition deal

September 2020

CYPC received LDS' dividend payment of PEN 142 million (or US\$ 40 million), the first dividend payment since the stake acquisition and the first for 2020.



Luz Del Sur S.A.



## Overseas Hydropower Station Operations

### April 2020

CTG's wind power project (Phase II) in Pakistan reaped dividends for the first time, becoming the first of CTG's green-field investment projects under the Belt and Road Initiative that received dividends, marking as a milestone.



CTG's wind power project (Phase II) in Pakistan

### September 2020

Flags flapped in the wind at Nam Kong 1 Hydropower Station in Laos on September 10, welcoming project stakeholders to witness the diversion tunnel gate being lowered to start impoundment, a solid step toward completion and connecting to the grid.



The water inlet of the diversion tunnel at Nam Kong 1 Hydropower Station in Laos

### 2020

Meerwind offshore wind farm in Germany generated 1.28 billion kWh of electricity throughout the year, setting a new annual record since it went into operation. The expertise of the Meerwind management was fully recognized by the industry.



Meerwind offshore wind farm in Germany

### Brazil Ilha Solteria Hydropower Plant

Installed capacity: 3,444MW

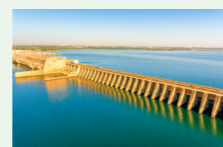
13,480GWh of electricity was generated in 2020



### Brazil Jupia Hydropower Plant

Installed capacity: 1,551MW

7,830GWh of electricity was generated in 2020



### Laos Nam Lik 2 Hydropower Station

Installed capacity: 180MW

290GWh of electricity was generated in 2020



### Pakistan Wind Power Project

Installed capacity: 149MW

310GWh of electricity was generated in 2020



### Germany Meerwind Offshore Wind Project

Installed capacity: 288MW

1,280GWh of electricity was generated in 2020



### Kaleta Hydropower Plant

Installed capacity: 240MW

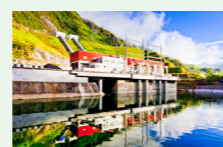
870GWh of electricity was generated in 2020



### Chaglla Hydropower Station

Installed capacity: 456MW

1,880GWh of electricity was generated in 2020



## International Contracting

### July 2020

China International Water & Electric Corps (CWE) Mengkuang Dam Expansion Project obtained the final defect remediation certificate signed by the owner, finishing the project's handover. The project is a crucial part of Penang's water supply program and is intended to significantly alleviate the water shortages in the city during dry season.



Malaysian Mengkuang Dam after impoundment

### August 2020

The Santa Elena Hydraulic Engineering Project in Ecuador, undertaken by CWE, was handed over to its owner after the final acceptance agreement was signed. To empower the infrastructure construction in Ecuador, CWE adopted advanced technologies and design concepts to enhance equipment efficiency and reduce energy consumption. Through close collaboration with the design company and suppliers, CWE delivered perfect results.



Newly built penstock of Santa Elena water conservancy project in Ecuador

### November 2020

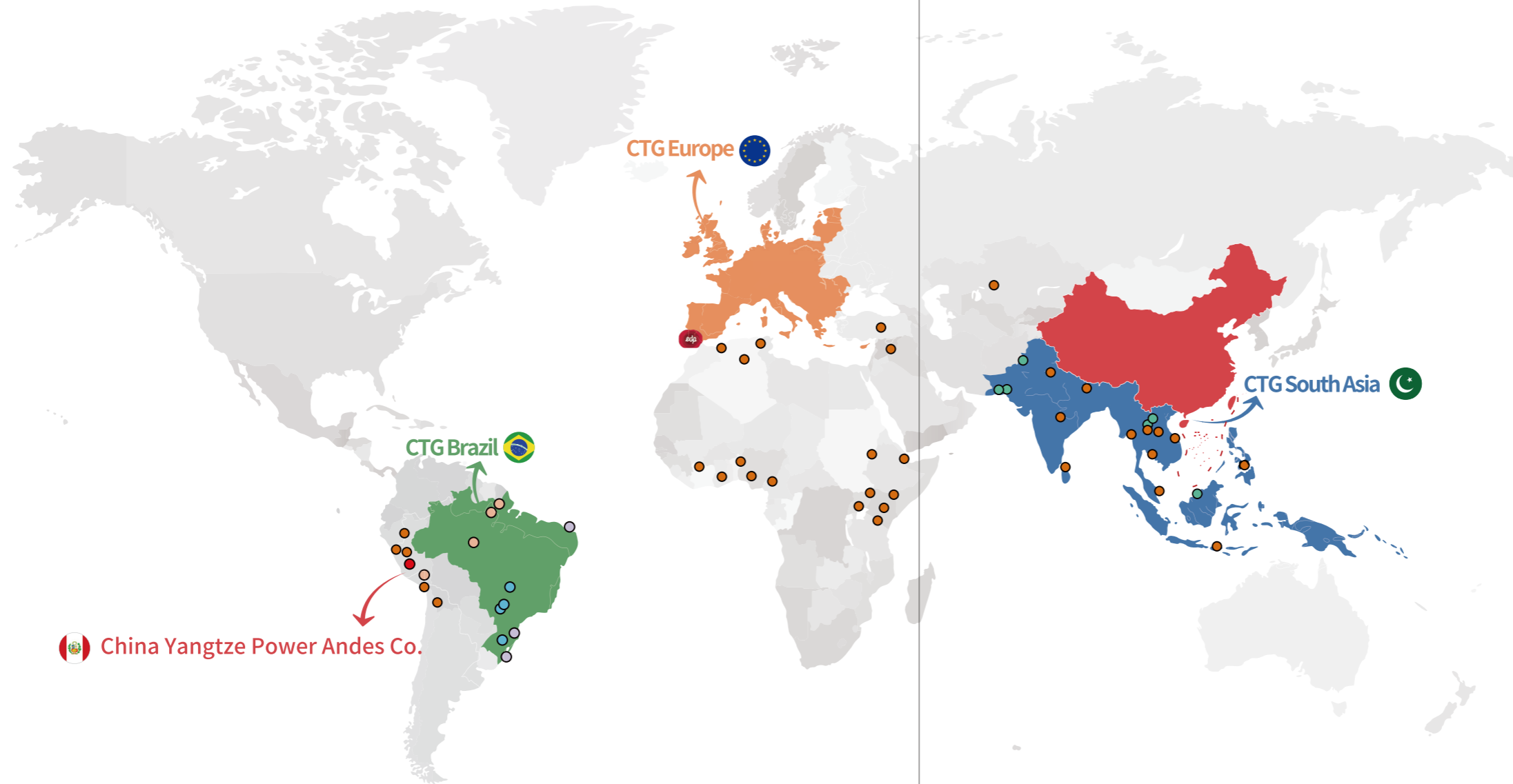
The Souapiti Hydropower Complex Project in Guinea, undertaken by CWE, connected two power units to the grid. It is the largest hydropower complex project in West Africa, with the region's highest dam and the largest storage capacity and installed capacity. It not only helps to solve the shortage of power supply in Guinea, but also provides supplies for nearby countries.



Souapiti Hydropower Complex Project in Guinea



## Global Business Presence



- Hydropower Projects with CTG as Holder of Controlling Equity
- Hydropower Projects in Partnership with EDP
- Wind Power Projects in Partnership with EDP
- International Contracting
- International Power Distribution and Sales Projects

CTG's international contracting business extends to Asia, Africa, Europe and the Americas. Projects under construction are located mainly in Guinea, Ghana, Sudan, Malaysia, the Philippines and Ecuador.

**China Yangtze Power Andes Co.**



### CTG Brazil

Brazil is the key market for CTG Brazil, which is the country's second-largest private power producer and largest private hydropower company.



### China Yangtze Power Andes Co.

Yangtze Andes Holding Co., Ltd., a subsidiary of China Yangtze Power Co., Ltd. is the holding company of LDS, the largest power distributor in Peru.



### CTG Europe

Focusing on the European market, CTG Europe invests in Europe and North America and serves as EDP's single largest shareholder. It joined forces with EDP to establish Hydro-Global with the intent of co-developing small and medium-sized hydropower units, with a focus on the Peruvian market.



### CTG South Asia

CTG South Asia is in charge of investment in South Asia with a focus on Pakistan as a key market. Many of CTG's South Asia projects have been incorporated into the framework of the China-Pakistan Economic Corridor.



## International Exchange and Cooperation

With the aim of becoming a world-class multinational clean energy group, CTG improved and expanded its international exchanges in 2020. CTG embraced leading global concepts, tools and best practices to enhance the management of its overseas operations while making solid progress on clean energy development in countries under the Belt and Road Initiative. Furthermore, CTG played a leading role in the industry by attending important international conferences and improved its global impact as an international company.

September 2020

The Belt and Road Clean Energy Development Forum, jointly held by Qinghai government, CTG and other organizations, kicked off in Xining, Qinghai Province. The theme of the forum this year is Energy Revolution, Clean Demonstration, Joint Construction and Shared Benefits, and Special District with Green Power. It aligns with CTG's mission and vision in implementing the Belt and Road Initiative.



Lei Mingshan, CTG Chairman, delivering a speech at the forum's opening ceremony

September 2020

The International Forum for Tackling the Climate and Environmental Crisis was held by Global Energy Interconnection Development and Cooperation Organization (GEIDCO) in Beijing. Participants from international organizations, research institutions, companies and financial institutions were invited to join on site or via video call to confront the problems facing the current human development model as exposed by the COVID-19 pandemic and discuss topics such as clean energy development, low-carbon energy transition and cross-regional energy connectivity.



Then President of CTG, Wang Lin speaks at international forum on tackling climate and environmental crisis

December 2020

The 17th China-ASEAN Expo (CAEXPO) was held at the Nanning International Convention and Exhibition Center. CWE was invited to attend the opening ceremony and economic and trade promotion events. With China continuing to open up and the economic and trade partnership between China and ASEAN flourishing, CWE proactively advocated the Belt and Road Initiative and conducted in-depth discussions with companies from ASEAN at CAEXPO, sharing the experience and results in development and exploring new opportunities.



China International Water & Electric Corp. (CWE) booth at the 17th China-ASEAN Exposition

November 2020

CTG held an online open day event at the Chaglla hydroelectric power plant in Peru, where it released CTG's Responsibility Report in Peru. The theme of the event was safeguarding life through green hydropower. Through video live streaming, the audience enjoyed scenes of Peru, visited the Chaglla Hydroelectric Power Plant near Huallaga River and learned about CTG's progress in developing clean energy, integrating with the local community and protecting the environment.



CTG holds an online open day event at the Chaglla hydropower plant in Peru, where it releases its Responsibility Report for the country



## Investment and Finance

CTG established its financial business management leading group and Funds and Financial Management Center in 2020 to ensure CTG's prudent financial development. CTG annual capital gains reached RMB 14.23 billion, up 62.2% year-over-year and setting a new record in terms of the total amount and its ratio to total profit.

### The successful issuance of pandemic-control bonds by China Yangtze Power Co.,Ltd.

China Yangtze Power Co.,Ltd. (CYPC) successfully issued RMB 2.5 billion of series 1 medium-term notes (pandemic-control bonds) in March 2020 with a maturity of three years and a coupon rate of 2.95%, hitting an historically low rate among corporate medium-term notes of the same maturity and a new low in the inter-bank market for pandemic control medium-term notes in the same period. The notes were oversubscribed 3.1 times, and attracted RMB 7.8 billion in funds.

### CYPC issues GDRs

China Yangtze Power Co.,Ltd. (CYPC) issued its first GDR (global depositary receipt) on the London Stock Exchange via Shanghai-London Stock Connect in September 2020, raising a total of US\$1.963 billion. It is the first Chinese company in the real economy to issue a GDR and also the first to receive the London Stock Exchange's Green Economy Mark.

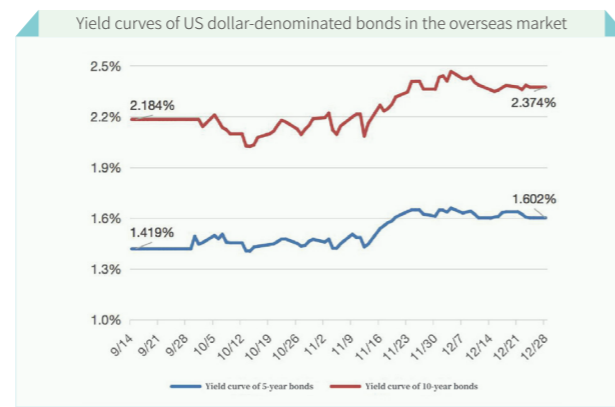
Raising about US\$ **1.963** billion in funds

### Yangtze River Protection Index published

The CSI Yangtze River Protection Index was initiated on July 28, 2020, and launched on August 19. Focusing on the national strategy of Yangtze River Economic Belt, it fills a gap in the Chinese capital market. It is also a crucial component of CTG's new model of engaging the whole of society for win-win results.

### CTG issued US\$1 billion in US dollar-denominated bonds in the overseas market

CTG issued US\$ 1 billion of US dollar-denominated bond in the overseas market in September 2020, including a five-year, US\$ 500 million bond with a coupon rate of 1.3%, and a 10-year, US\$ 500 million bond with a coupon rate of 2.15%, both reaching the record low yield for CTG's US dollar-denominated bonds with the same maturity and hitting the historical low coupon of US dollar-denominated bonds issued by Chinese companies with the same maturity under Rule 144A. US investors were allocated around 50% of the entire issuance, making it this year's most-subscribed Chinese company US dollar-denominated bond issuance for US investors this year.



### CTG entered a strategic partnership agreement with Shanghai Stock Exchange

CTG entered a strategic partnership agreement with Shanghai Stock Exchange (SSE) on September 29, 2020. CTG Chairman Lei Mingshan held talks with Cai Jianchun, general manager of Shanghai Stock Exchange on further collaboration before signing the agreement.



### Three Gorges Capital Holdings Co.,Ltd. issued its first private placement bond

Three Gorges Capital Holdings issued its first RMB 2 billion 3-year private placement bond with a coupon rate of 4.20% on November 2, 2020. It is the company's debut bond issuance in the capital market and a successful attempt to enhance its recognition in the market.

三峡资本控股有限责任公司2020年非公开发行公司债券(第一期)

债券简称	信用评级	期限	发行规模	票面利率
20三资01	AAA	3年	20亿元	4.2%

Three Gorges Capital Holdings issued its first private placement bond

### CYPC Recognized with China Securities Golden Bauhinia Awards

CYPC won the Best Investor Relations by a Listed Company accolade at the 10<sup>th</sup> China Securities Golden Bauhinia Awards ceremony on December 3, 2020, during Hong Kong International Financial Week (IFW). Since it went public in 2003, CYPC has operated in compliance with regulations and pursued sustainable development with a focus on discovering and creating unique value for the company. It has continued to maintain high-quality investor relations through various methods, including a high dividend payout ratio, standard disclosure of information, inviting investors to conduct field investigations, promoting the company in going global and enhancing communication.





# Financial Indicators

## Main Financial Indicators

Main Financial Indicators					
Item	2016	2017	2018	2019	2020
Total assets(RMB billion)	660.06	700.90	750.41	837.83	969.97
Equity attributable to parent company (RMB billion)	268.95	279.29	290.27	305.24	335.91
Operating revenue (RMB billion)	78.31	90.00	93.94	99.26	111.70
Net profit (RMB billion)	23.92	34.30	35.26	35.22	45.40
Ratio of costs and expenses to revenue (%)	62.6	64.0	65.3	66.1	61.7
EBITDA (RMB billion)	61.84	65.88	64.77	66.61	77.76
Return on owner's equity (%)	7.3	9.5	9.2	8.6	10.1
Interest-bearing net debt (RMB billion)	191.23	223.73	246.85	301.00	378.35
EBITDA interest coverage (X)	6.0	6.2	5.3	5.1	5.4
Interest-bearing net debt / EBITDA (X)	3.1	3.4	3.8	4.5	4.9
Total interest-bearing liabilities / Total assets (%)	36.0	37.0	38.4	41.2	42.9
Asset liability ratio (%)	46.9	47.0	47.3	49.6	50.8

## Financial Statements

**Consolidated Balance Sheet**  
December 31, 2020

Unit: RMB

Item	Note VIII	As at December 31, 2020	As at December 31, 2019
<b>Current assets:</b>			
Cash at bank and on hand	1	38,206,893,951.03	44,502,215,100.32
△ Settlement reserve			
△ Due from banks and other financial institutions			
☆ Financial assets held for trading			
Financial assets at fair value through profit or loss	2	3,172,217,875.51	4,258,641,412.70
Derivative financial assets			
Notes receivable	3	692,234,594.36	408,929,953.49
Accounts receivable	4	24,738,418,438.69	21,956,092,778.86
☆ Receivables financing			
Advances to suppliers	5	8,507,965,092.52	5,780,999,182.41
△ Premiums receivable			
△ Reinsurance premium receivable			
△ Reserve receivable for reinsurance contract			
Other receivables	6	2,554,670,805.68	2,146,351,038.46
Including: Dividends receivable		142,368,636.36	204,140,195.77
△ Financial assets purchased under agreements to resell			
Inventories	7	1,391,495,826.91	1,195,428,505.20
Including: Raw materials		526,251,015.07	593,266,975.88
Merchandise stocks (finished goods)		133,465,688.50	58,885,817.45
☆ Contractual assets			
Held-for-sale assets			
Non-current assets due within one year	8	3,606,099,215.63	1,259,462,146.00
Other current assets	9	4,945,930,072.95	2,264,946,699.69
<b>Total current assets</b>		<b>87,815,925,873.28</b>	<b>83,773,066,817.13</b>
<b>Non-current assets:</b>			
△ Loans and advances		477,750,000.00	481,184,520.00
☆ Debt investment			
Available-for-sale financial assets	10	36,208,715,603.28	55,166,206,700.21
☆ Other debt investments			
Held-to-maturity investments	11		10,000,000.00
Long-term receivables	12	23,605,804,097.72	22,055,281,020.22
Long-term equity investments	13	130,474,579,229.39	107,301,631,782.92
☆ Other equity instruments investments			
☆ Other non-current financial assets			
Investment properties	14	2,221,253,992.40	1,590,228,815.34
Fixed assets	15	413,981,882,612.02	331,944,719,758.90
Including: Original value of fixed assets		595,119,825,058.62	492,280,280,292.02
Accumulated depreciation		179,705,836,909.92	159,128,269,257.74
Provision for impairment of fixed assets		1,455,062,977.53	1,210,010,105.90
Construction in progress	16	175,225,425,895.85	169,937,029,452.47
Productive biological assets			
Oil and gas assets			
☆ Right-of-use assets			
Intangible assets	17	58,274,839,596.13	29,595,860,471.08
Development expenditures	18	5,670,811.80	1,706,161.02
Goodwill	19	7,981,282,233.89	7,018,866,323.15
Long-term deferred expenses	20	500,943,258.15	331,647,149.21
Deferred tax assets	21	13,711,231,942.82	13,996,239,539.88
Other non-current assets	22	19,487,163,350.25	14,624,024,815.64
Including: Authorized reserve asset			
<b>Total non-current assets</b>		<b>882,156,542,623.70</b>	<b>754,054,626,510.04</b>
<b>Total assets</b>		<b>969,972,468,496.98</b>	<b>837,827,693,327.17</b>



Consolidated Balance Sheet (Cont.)

December 31, 2020

Item	Note VIII	As at December 31, 2020	As at December 31, 2019
Company Name: China Three Gorges Corporation Unit: RMB			
<b>Current liabilities:</b>			
Short-term borrowings	24	23,073,741,567.85	12,976,697,832.67
△ Borrowings from central bank			
△ Placements from banks and other financial institutions			
☆ Financial liabilities held for trading			
Financial liabilities at fair value through profit or loss	25	990,187,332.85	768,403,141.10
Derivative financial liabilities	26	374,266,673.63	242,699,565.00
Notes payable	27	2,052,047,698.74	1,837,443,162.06
Accounts payable	28	21,687,315,756.33	15,532,986,768.04
Advances from customers	29	2,565,790,955.66	2,259,929,789.98
☆ Contractual liabilities			
△ Financial assets sold under agreements to repurchase			
△ Deposits from customers, banks and other financial institutions	30	1,280,393,342.49	2,147,641,436.99
△ Securities brokering			
△ Securities underwriting			
Employee benefits payable	31	498,242,620.30	847,154,641.18
Including: Salaries payable			475,614,381.49
Welfare payable			
#Including: Employee bonus and welfare funds			
Taxes payable	32	7,176,107,157.95	4,220,111,025.82
Including: Accrued tax		6,945,285,906.50	4,182,537,339.10
Other payables	33	28,868,469,694.25	32,014,769,155.66
Including: Dividends payable		776,837,737.11	1,192,774,039.91
△ Fees and commissions payable			
△ Reinsurance accounts payable			
Held-for-sale liabilities			
Non-current liabilities due within one year	34	56,286,121,286.63	29,336,097,030.23
Other current liabilities	35	12,896,404,736.61	16,836,832,306.70
<b>Total current liabilities</b>		<b>157,749,088,823.29</b>	<b>119,020,765,855.43</b>
<b>Non-current liabilities:</b>			
△ Reserve of insurance contract			
Long-term borrowings	36	141,803,161,464.89	102,123,373,710.97
Bonds payable	37	168,396,299,364.09	181,578,835,360.44
Including: Preferred shares			
Perpetual bonds			
☆ Lease liabilities			
Long-term payables	38	15,268,696,418.84	3,305,046,468.17
Long-term employee benefits payable	39	43,446,999.29	47,035,799.32
Provisions	40	1,886,748,079.07	3,158,648,608.69
Deferred income	41	563,823,130.45	466,338,558.20
Deferred tax liabilities	21	5,408,022,836.26	5,500,023,802.79
Other non-current liabilities	42	1,423,347,392.09	164,367,044.08
Including: Authorized reserve fund		334,793,544,684.98	296,343,669,352.66
<b>Total non-current liabilities</b>		<b>492,542,633,508.27</b>	<b>415,364,435,208.09</b>
<b>Owners' equity:</b>			
Paid-in capital	43	211,781,023,501.31	211,781,023,501.31
State-owned capital		211,781,023,501.31	211,781,023,501.31
Capital from state-owned legal body			
Collective capital			
Private capital			
Foreign capital			
#Less: Payback capital			
Net paid-in capital		211,781,023,501.31	211,781,023,501.31
Other equity instruments	44	11,527,183,345.61	1,564,056,827.76
Including: Preferred shares		9,972,641,509.44	
Perpetual bonds		31,719,623,807.26	25,418,082,331.60
Capital reserve	45		
Less: Treasury shares			
Other comprehensive income	64	-13,768,733,562.04	-3,060,821,271.44
Including: Foreign currency translation differences		-11,576,835,473.57	-4,949,791,812.02
Special reserve	46	1,133,506.45	1,162,164.76
Surplus reserve	47	28,823,079,724.77	27,595,482,809.04
Including: Statutory surplus reserve		18,244,229,373.82	17,016,632,458.09
Discretionary surplus reserve		10,577,301,325.08	10,577,301,325.08
# Reserve fund			
# Enterprise development fund			
# Return of investment			
△ General risk provision			
Retained earnings	48	65,821,872,023.94	41,937,005,301.53
<b>Total owner's equity attributable to parent company</b>		<b>335,905,182,347.30</b>	<b>305,235,991,664.56</b>
* Non-controlling interests		141,524,652,641.41	117,227,266,454.52
<b>Total owners' equity</b>		<b>477,429,834,988.71</b>	<b>422,463,258,119.08</b>
<b>Total liabilities and owners' equity</b>		<b>969,972,468,496.98</b>	<b>837,827,693,327.17</b>

Balance Sheet of the Parent Company

December 31, 2020

Item	Note XIII	As at December 31, 2020	As at December 31, 2019
Company Name: China Three Gorges Corporation Unit: RMB			
<b>Current assets:</b>			
Cash at bank and on hand		25,439,675,213.98	40,071,796,609.21
△ Settlement reserve			
△ Due from banks and other financial institutions			
☆ Financial assets held for trading			
Financial assets at fair value through profit or loss			
Derivative financial assets			
Notes receivable			
Accounts receivable			
☆ Receivables financing			
Advances to suppliers		150,944,635.35	119,461,460.04
△ Premiums receivable			
△ Reinsurance premium receivable			
△ Reserve receivable for reinsurance contract			
Other receivables	1	1,217,307,708.13	939,245,543.59
Including: Dividends receivable		828,200.00	11,107,338.01
△ Financial assets purchased under agreements to resell			
Inventories			
Including: Raw materials			
Merchandise stocks (finished goods)			
☆ Contractual assets			
Held-for-sale assets			
Non-current assets due within one year		13,113,799,760.14	5,525,000,000.00
Other current assets		13,801,186,613.68	14,930,793,243.00
<b>Total current assets</b>		<b>53,722,913,931.28</b>	<b>61,586,296,855.84</b>
<b>Non-current assets:</b>			
△ Loans and advances			
☆ Debt investment			
Available-for-sale financial assets		1,933,499,382.86	17,145,506,648.70
☆ Other debt investments			
Held-to-maturity investments		18,000,000.00	28,000,000.00
Long-term receivables		14,432,945,436.94	21,232,945,436.94
Long-term equity investments	2	207,625,209,649.13	185,827,333,227.66
☆ Other equity instruments investments			
☆ Other non-current financial assets			
Investment properties			
Fixed assets		26,470,561,805.23	27,663,039,573.41
Including: Original value of fixed assets		44,969,470,307.68	44,953,747,309.48
Accumulated depreciation		18,498,908,502.45	17,290,348,945.77
Provision for impairment of fixed assets			
Construction in progress		764,848,579.29	575,696,683.94
Productive biological assets			
Oil and gas assets			
☆ Right-of-use assets		426,567,218.67	404,666,514.01
Intangible assets			
Development expenditures			
Goodwill			
Long-term deferred expenses			
Deferred tax assets		1,022,681,224.37	1,059,386,343.71
Other non-current assets		148,641,726,993.78	114,538,811,899.43
Including: Authorized reserve asset			
<b>Total non-current assets</b>		<b>401,336,040,290.27</b>	<b>368,475,386,327.80</b>
<b>Total assets</b>		<b>455,058,954,221.55</b>	<b>430,061,683,183.64</b>



Balance Sheet of the Parent Company (Cont.)

December 31, 2020

Unit: RMB

Item	Note XIII	As at December 31, 2020	As at December 31, 2019
<b>Current liabilities</b>			
Short-term borrowings		7,500,000,000.00	4,000,000,000.00
△ Borrowings from central bank			
△ Placements from banks and other financial institutions			
☆ Financial liabilities held for trading			
Financial liabilities at fair value through profit or loss		1,342,106,212.79	1,457,263,598.14
Derivative financial liabilities			
Notes payable			
Accounts payable		76,999,313.45	102,301,327.54
Advances from customers			4,914,285.71
☆ Contractual liabilities			
△ Financial assets sold under agreements to repurchase			
△ Deposits from customers, banks and other financial institutions			
△ Securities brokering			
△ Securities underwriting			
Employee benefits payable		47,075,164.73	357,255,344.61
Including: Salaries payable			321,264,872.28
Welfare payable			
#Including: Employee bonus and welfare funds			
Taxes payable		131,592,943.13	166,810,590.03
Including: Accrued tax		131,560,340.88	163,907,263.11
Other payables		3,742,445,151.31	4,142,914,743.10
Including: Dividends payable			
△ Fees and commissions payable			
△ Reinsurance accounts payable			
Held-for-sale liabilities			
Non-current liabilities due within one year		29,940,041,234.28	16,843,365,937.36
Other current liabilities		2,999,186,320.76	4,496,731,499.09
<b>Total current liabilities</b>		<b>45,779,446,340.45</b>	<b>31,571,557,325.58</b>
<b>Non-current liabilities:</b>			
△ Reserve of insurance contract			
Long-term borrowings		55,990,339,664.00	47,547,720,248.00
Bonds payable		66,753,929,065.62	80,733,386,143.30
Including: Preferred shares			
Perpetual bonds			
☆ Lease liabilities			
Long-term payables		264,612.09	13,274,149.52
Long-term employee benefits payable			
Provisions			
Deferred income		72,000,000.00	74,130,000.00
Deferred tax liabilities		1,040,252,858.79	1,189,781,272.04
Other non-current liabilities			
Including: Authorized reserve fund			
<b>Total non-current liabilities</b>		<b>123,856,786,200.50</b>	<b>129,558,291,812.86</b>
<b>Total liabilities</b>		<b>169,636,232,540.95</b>	<b>161,129,849,138.44</b>
<b>Owners' equity:</b>			
Paid-in capital		211,781,023,501.31	211,781,023,501.31
State-owned capital			
Capital from state-owned legal body		211,781,023,501.31	211,781,023,501.31
Collective capital			
Private capital			
Foreign capital			
#Less: Payback capital			
Net paid-in capital		211,781,023,501.31	211,781,023,501.31
Other equity instruments		9,972,641,509.44	
Including: Preferred shares			
Perpetual bonds		9,972,641,509.44	
Capital reserve		9,162,340,470.84	8,412,846,116.48
Less: Treasury shares			
Other comprehensive income		80,128,231.14	1,401,610,166.00
Including: Foreign currency translation differences			
Special reserve			
Surplus reserve		29,234,943,983.37	28,007,347,067.64
Including: statutory surplus reserve		18,657,642,658.29	17,430,045,742.56
Discretionary surplus reserve		10,577,301,325.08	10,577,301,325.08
# Reserve fund			
#Enterprise development fund			
#Return of investment			
△ General risk provision			
Retained earnings		25,191,643,984.50	19,329,007,193.77
<b>Total owner's equity attributable to parent company</b>		<b>285,422,721,680.60</b>	<b>268,931,834,045.20</b>
* Non-controlling interests			
<b>Total owners' equity</b>		<b>285,422,721,680.60</b>	<b>268,931,834,045.20</b>
<b>Total liabilities and owners' equity</b>		<b>455,058,954,221.55</b>	<b>430,061,683,183.64</b>

Consolidated Income Statement

For the year ended December 31, 2020

Unit: RMB

Item	Note VIII	Year ended December 31, 2020	Year ended December 31, 2019
<b>I. Total Operating Revenue</b>			
Including: Operating revenue	49	111,701,677,912.07	99,255,158,575.95
Interest income	50	111,087,025,067.37	98,525,720,192.29
Premium earned		614,651,901.30	726,467,333.49
△ Handling charges and commission income	51	943.40	2,971,030.17
<b>II. Total Operating Cost</b>		<b>68,902,715,155.54</b>	<b>65,638,420,027.37</b>
Including: Operating cost	49	51,142,206,782.50	49,262,989,201.46
Interest expenses	50	33,121,385.74	30,214,456.55
Fees and commissions expenses	51	2,886,667.20	3,027,370.40
Cash surrender amount			
Net expenses of claim settlement			
Net provisions for insurance liability reserves			
Policy dividend expenses			
Reinsurance expenses			
Taxes and surcharges		2,386,949,674.13	2,321,084,217.87
Selling and distribution expenses	52	180,410,449.68	123,229,923.06
General and administrative expenses	53	4,913,655,142.02	4,232,839,638.34
Research and development expenses	54	288,537,482.96	224,308,010.29
Financial expenses	55	9,954,947,571.31	9,440,727,209.40
Including: Interest expenses		9,226,760,669.10	8,820,489,888.03
Interest income		236,561,945.60	449,267,585.52
Net exchange losses (net gains to be listed with "-")		-22,079,679.21	113,865,263.30
Others			
Add: Other incomes	56	1,162,333,644.98	2,554,959,058.84
Investment income (loss to be presented with "-")	57	14,227,028,915.37	8,770,019,481.68
Including: Investment income from associates and joint ventures		6,977,921,969.87	5,088,935,773.83
Gains on derecognition of financial assets at amortized cost			
△ Gain on foreign exchange (loss to be presented with "-")		73,911.67	8,906.60
☆ Net exposure to hedging gains (loss to be presented with "-")			
Gain from changes in fair value (loss to be presented with "-")	58	265,674,286.51	-218,046,373.43
☆ Loss on impairment of credits (loss to be listed with "-")			
Loss on impairment of assets (loss to be listed with "-")	59	-1,261,557,792.26	-68,475,829.79
Gains on disposal of assets (loss to be presented with "-")	60	18,996,831.63	20,986,972.42
<b>III. Operating Profit (loss to be presented with "-")</b>		<b>57,211,512,554.43</b>	<b>44,676,190,764.90</b>
Add: Non-operating income	61	202,320,495.55	2,454,761,271.28
Including: Government grants		25,133,065.71	55,998,400.32
Less: Non-operating expenses	62	2,305,759,764.64	3,587,642,822.64
<b>IV. Profit Before Taxes (loss to be presented with "-")</b>		<b>55,108,073,285.34</b>	<b>43,543,309,213.54</b>
Less: income tax expenses	63	9,704,216,287.23	8,326,581,396.19
<b>V. Net Profit (net loss to be presented with "-")</b>		<b>45,403,856,998.11</b>	<b>35,216,727,817.35</b>
(I) Classified according to attribution of the ownership			
Attributable to the owners of parent company		30,385,050,882.86	23,532,564,094.80
*Attributable to non-controlling interests		15,018,806,115.25	11,684,163,722.55
(II) Classified according to operating continuity			
Profit or loss from continuous operation		45,403,856,998.11	35,216,727,817.35
Profit or loss from termination of operation			
<b>VI. Other Comprehensive Income After Tax</b>		<b>-14,124,710,470.27</b>	<b>-133,139,797.39</b>
Other comprehensive income attributable to the owners of parent company (net of tax)	64	-10,794,116,146.34	-165,805,174.50
(I) Other comprehensive income not to be reclassified as profit or loss		-143,704,831.29	-136,319,038.29
1. Changes in remeasured defined benefit obligations or net assets		-23,134,666.60	438,442.08
2. Portion of other comprehensive income not to be reclassified as profit or loss under equity method		-120,570,164.69	-136,757,480.37
☆3 Change in fair value of investment from other equity instruments			
☆4 Change in fair value of the company's credit risk			
5. Others			
(II) Other comprehensive income to be reclassified as profit or loss		-10,650,411,315.05	-29,486,136.21
1. Portion of other comprehensive income to be reclassified as profit or loss		-769,563,954.34	157,346,355.13
☆2 Change in fair value of other debt instruments			
3. Gain or loss from changes in fair value of available-for-sale financial assets		-3,333,713,418.73	297,342,494.76
☆4 Financial assets that can be reclassified as other comprehensive income			
5. Gain or loss from reclassification held-to-maturity investments to available-for-sale financial assets			
☆6 Credit impairment provision from other debt investments		79,909,719.57	40,206,798.95
7. Gain or loss on effective cash flow hedge			
8. Translation differences of financial statements in foreign currencies		-6,627,043,661.55	-524,381,785.05
9. Others			
*Other comprehensive income attributable to non-controlling interests (net of tax)		-3,330,594,323.93	32,665,377.11
<b>VII. Total Comprehensive Income</b>		<b>31,279,146,527.84</b>	<b>35,083,588,019.96</b>
Total comprehensive income attributable to the owners of the parent company		19,590,934,736.52	23,366,758,920.30
*Total comprehensive income attributable to non-controlling interests		11,688,211,791.32	11,716,829,099.66
<b>VIII. Earnings per Share</b>			
(I) Basic earnings per share			
(II) Diluted earnings per share			





**Income Statement of the Parent Company**

For the year ended December 31, 2020

Unit: RMB

Item	Note XIII	Year ended December 31, 2020	Year ended December 31, 2019
<b>I. Total Operating Revenue</b>			
Including: Operating revenue	3	488,838,352.70	431,435,128.77
△ Interest income			
△ Premium earned			
△ Handling charges and commission income			
<b>II. Total Operating Cost</b>			
Including: Operating cost	3	417,201,672.90	330,952,944.47
△ Interest expenses			
△ Fees and commissions expenses			
△ Cash surrender amount			
△ Net expenses of claim settlement			
△ Net provisions for insurance liability reserves			
△ Policy dividend expenses			
△ Reinsurance expenses			
Taxes and surcharges		78,854,200.36	78,622,277.49
Selling and distribution expenses			
General and administrative expenses		1,982,907,710.59	2,143,814,524.83
Research and development expenses		253,062,742.10	171,431,085.62
Financial expenses		5,759,121,669.58	5,652,001,468.35
Including: Interest expenses		6,120,624,814.10	5,906,703,189.51
Interest income		185,799,034.95	377,099,397.69
Net exchange losses (net gains to be listed with "-")		-193,006,877.89	91,674,730.40
Others			
Add: Other incomes		950,266,503.92	2,414,596,651.46
Investment income (loss to be presented with "-")	4	20,749,731,539.53	20,310,225,793.88
Including: Investment income from associates and joint ventures		837,691,643.20	738,327,402.56
☆ Gains on derecognition of financial assets at amortized cost			
△ Gain on foreign exchange (loss to be presented with "-")			
☆ Net exposure to hedging gains (loss to be presented with "-")			
Gain from changes in fair value (loss to be presented with "-")		105,642,393.76	106,793,229.62
☆ Loss on impairment of credits (loss to be listed with "-")			
Loss on impairment of assets (loss to be listed with "-")		-16,173,964.16	-23,305,757.72
Gains on disposal of assets (loss to be presented with "-")		319,300.85	9,871,970.60
<b>III. Operating Profit (loss to be presented with "-")</b>			
Add: Non-operating income		8,106,727.22	1,100,927,996.46
Including: Government grants		6,167,402.80	886,735.46
Less: Non-operating expenses		1,505,375,463.03	3,078,812,784.44
<b>IV. Profit Before Taxes (loss to be presented with "-")</b>			
Less: income tax expenses		14,112,188.80	-473,847,487.88
<b>V. Net Profit (net loss to be presented with "-")</b>			
(I) Classified according to attribution of the ownership			
Attributable to the owners of parent company		12,276,095,206.46	13,368,757,415.75
* Attributable to non-controlling interests			
(II) Classified according to operating continuity			
Profit or loss from continuous operation		12,276,095,206.46	13,368,757,415.75
Profit or loss from termination of operation			
<b>VI. Other Comprehensive Income After Tax</b>			
Other comprehensive income attributable to the owners of parent company (net of tax)		-1,321,481,934.86	-120,603,329.09
(I) Other comprehensive income not to be reclassified as profit or loss		-1,958,849.74	
1. Changes in remeasured defined benefit obligations or net assets			
2. Portion of other comprehensive income not to be reclassified as profit or loss under equity method		-1,958,849.74	
☆ 3. Change in fair value of investment from other equity instruments			
☆ 4. Change in fair value of the company's credit risk			
5. Others			
(II) Other comprehensive income to be reclassified as profit or loss		-1,319,523,085.12	-120,603,329.09
1. Portion of other comprehensive income to be reclassified as profit or loss		21,483,711.05	-42,385,376.41
☆ 2. Change in fair value of other debt instruments			
3. Gain or loss from changes in fair value of available-for-sale financial assets		-1,341,006,796.17	-78,217,952.68
☆ 4. Financial assets that can be reclassified as other comprehensive income			
5. Gain or loss from reclassification held-to-maturity investments to available-for-sale financial assets			
☆ 6. Credit impairment provision from other debt investments			
7. Gain or loss on effective cash flow hedge			
8. Translation differences of financial statements in foreign currencies			
9. Others			
* Other comprehensive income attributable to non-controlling interests (net of tax)			
<b>VII. Total Comprehensive Income</b>			
Total comprehensive income attributable to the owners of the parent company		10,954,613,271.60	13,248,154,086.66
* Total comprehensive income attributable to non-controlling interests			
<b>VIII. Earnings per Share:</b>			
(I) Basic earnings per share			
(II) Diluted earnings per share			



**Consolidated Cash Flow Statement**

For the year ended December 31, 2020

Unit: RMB

Item	Note VIII	Year ended December 31, 2020	Year ended December 31, 2019
<b>I. Cash Flows from Operating Activities</b>			
Proceeds from sales of goods or rendering of services		117,914,667,880.45	99,751,390,873.09
△ Net increase in deposits from customers, banks and other financial institutions		-899,077,514.06	1,169,690,790.00
△ Net increase in loans from Central Bank			
△ Net increase in placements from other financial institutions			1,500,000,000.00
△ Proceeds from premiums of original insurance contract			
△ Net amount of reinsurance business			
△ Net increase in the insured's deposits and investment			
△ Net increase in disposal of financial assets at fair value through profit and loss			
△ Proceeds from interests, fees and commissions		496,535,615.25	687,070,909.17
△ Net increase of replacement from banks and other financial institutions			
△ Net increase in repurchasing			
△ Net cash received from securities brokering			
Refund of taxes		207,257,981.37	156,738,249.23
Proceeds from other operating activities		4,631,101,754.13	4,021,827,385.74
<b>Subtotal of cash inflows from operating activities</b>			
		122,350,485,717.14	107,286,718,207.23
Payments for goods and services		30,052,428,964.77	27,012,740,304.73
△ Net increase in loans and advances to customers		-994,666.67	490,000,000.00
△ Net increase in deposits with Central Bank and other financial institutions		-644,479,191.17	-468,593,976.24
△ Payments for compensation under original insurance contract			
△ Net increase of due from banks and other financial institutions			
△ Payments for interests, fees and commissions		2,817,818.51	8,783,042.72
△ Payments for policy dividends			
Payments to and for employees		8,939,461,881.85	6,572,559,080.36
Payments of taxes		18,088,409,678.47	18,987,402,000.59
Payments for other operating activities		7,819,770,501.73	8,229,794,908.95
<b>Subtotal of cash outflows from operating activities</b>			
		64,257,414,987.49	60,832,685,361.11
<b>Net cash flows from operating activities</b>			
		58,093,070,729.65	46,454,032,846.12
<b>II. Cash Flows from Investing Activities:</b>			
Proceeds from disposal of investments		92,434,886,649.91	104,327,695,595.44
Proceeds from return of investments		4,733,271,793.24	3,837,028,512.22
Proceeds from disposal of fixed assets, intangible assets and other long-term assets		90,277,928.55	35,071,511.02
Proceeds from disposal of subsidiaries and other business units		204,824,045.58	
Proceeds from other investing activities		184,714,690.14	337,013,462.59
<b>Subtotal of cash inflows from investing activities</b>			
		97,647,975,107.42	108,536,809,081.27
Payments for acquisition and construction of fixed assets, intangible assets and other long-term assets		92,905,999,069.13	62,759,974,198.20
Payments for acquisition of investments		105,718,137,348.10	109,928,892,627.94
△ Net increase in pledge loans			
Net payments for acquisitions of investment in subsidiaries and other business units		26,040,280,994.51	4,686,159,287.76
Payments for other investing activities		24,925,966.66	284,314,714.00
<b>Subtotal of cash outflows from investing activities</b>			
		224,689,343,378.40	177,659,340,827.90
<b>Net cash flows from investing activities</b>			
		-127,041,368,270.98	-69,122,531,746.63
<b>III. Cash flows from financing activities:</b>			
Proceeds from investors		30,604,043,116.79	6,606,529,433.21
Including: Proceeds from non-controlling interests of subsidiaries		20,174,653,516.79	6,361,379,433.21
Proceeds from borrowings		170,591,808,202.75	129,077,199,752.94
Proceeds from other financing activities		60,768,000.00	192,500,000.00
<b>Subtotal of cash inflows from financing activities</b>			
		201,256,619,319.54	135,876,229,186.15
Repayments of borrowings		108,241,445,926.89	80,220,227,355.06
Payment for dividends, profit distribution or interest		26,658,135,505.41	28,664,591,985.24
Including: distribution of dividends, profit to non-controlling interests of subsidiaries		7,718,933,472.66	7,058,172,340.80
Payments for other financing activities		1,154,434,616.70	766,505,686.95
<b>Subtotal of cash outflows from financing activities</b>			
		136,054,016,049.00	109,651,325,027.25
<b>Net cash flows from financing activities</b>			
		65,202,603,270.54	26,224,904,158.90
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>			
		-1,962,388,109.92	-147,083,616.07
<b>V. Net increase in cash and cash equivalents</b>			
	69	-5,708,082,380.71	3,409,321,642.32
Add: Beginning balance of cash and cash equivalents		40,718,874,518.49	37,309,552,876.17
<b>VI. Ending balance of cash and cash equivalents</b>			
		35,010,792,137.78	40,718,874,518.49



Cash Flow Statement of the Parent Company

For the year ended December 31, 2020

Item	Note XIII	Year ended December 31, 2020	Year ended December 31, 2019
<b>I. Cash Flows from Operating Activities</b>			
Proceeds from sales of goods or rendering of services		7,850,070.13	10,963,131.70
ΔNet increase in deposits from customers, banks and other financial institutions			
ΔNet increase in loans from Central Bank			
ΔNet increase in placements from other financial institutions			
ΔProceeds from premiums of original insurance contract			
ΔNet amount of reinsurance business			
ΔNet increase in the insured's deposits and investment			
ΔNet increase in disposal of financial assets at fair value through profit and loss			
ΔProceeds from interests, fees and commissions			
ΔNet increase of replacement from banks and other financial institutions			
ΔNet increase in repurchasing			
ΔNet cash received from securities brokering			
Refund of taxes			906.65
Proceeds from other operating activities		1,806,087,520.46	2,099,773,587.25
<b>Subtotal of cash inflows from operating activities</b>		<b>1,813,937,590.59</b>	<b>2,110,737,625.60</b>
Payments for goods and services		337,436,818.14	354,070,751.22
ΔNet increase in loans and advances to customers			
ΔNet increase in deposits with Central Bank and other financial institutions			
ΔPayments for compensation under original insurance contract			
ΔNet increase of due from banks and other financial institutions			
ΔPayments for interests, fees and commissions			
ΔPayments for policy dividends			
Payments to and for employees		565,061,534.73	519,617,174.67
Payments of taxes		388,422,435.62	1,156,477,532.97
Payments for other operating activities		3,097,328,820.29	3,459,031,652.16
<b>Subtotal of cash outflows from operating activities</b>		<b>4,388,249,608.78</b>	<b>5,489,197,111.02</b>
<b>Net cash flows from operating activities</b>		<b>-2,574,312,018.19</b>	<b>-3,378,459,485.42</b>
<b>II. Cash Flows from Investing Activities:</b>			
Proceeds from disposal of investments		94,418,114,633.05	74,481,754,724.21
Proceeds from return of investments		17,970,385,368.93	19,636,768,741.40
Proceeds from disposal of fixed assets, intangible assets and other long-term assets		2,356,544.09	4,866,837.42
Proceeds from disposal of subsidiaries and other business units			
Proceeds from other investing activities		6,800,000,000.00	13,400,000,000.00
<b>Subtotal of cash inflows from investing activities</b>		<b>119,190,856,346.07</b>	<b>107,523,390,303.03</b>
Payments for acquisition and construction of fixed assets, intangible assets and other long-term assets		382,951,944.61	230,003,260.75
Payments for acquisition of investments		139,659,742,003.61	105,727,712,033.04
ΔNet increase in pledge loans			
Net payments for acquisitions of investment in subsidiaries and other business units			
Payments for other investing activities			
<b>Subtotal of cash outflows from investing activities</b>		<b>140,042,693,948.22</b>	<b>105,957,715,293.79</b>
<b>Net cash flows from investing activities</b>		<b>-20,851,837,402.15</b>	<b>1,565,675,009.24</b>
<b>III. Cash flows from financing activities:</b>			
Proceeds from investors		10,412,500,000.00	237,050,000.00
Including: Proceeds from non-controlling interests of subsidiaries			
Proceeds from borrowings		41,056,400,000.00	54,972,200,000.00
Proceeds from other financing activities			
<b>Subtotal of cash inflows from financing activities</b>		<b>51,468,900,000.00</b>	<b>55,209,250,000.00</b>
Repayments of borrowings		31,817,872,584.00	32,896,820,184.00
Payment for dividends, profit distribution or interest		10,790,266,554.98	14,916,918,888.74
Including: distribution of dividends, profit to non-controlling interests of subsidiaries			
Payments for other financing activities		63,066,129.08	34,093,047.77
<b>Subtotal of cash outflows from financing activities</b>		<b>42,671,205,268.06</b>	<b>47,847,832,120.51</b>
<b>Net cash flows from financing activities</b>		<b>8,797,694,731.94</b>	<b>7,361,417,879.49</b>
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>		<b>-3,666,706.83</b>	<b>10,921,630.74</b>
<b>V. Net increase in cash and cash equivalents</b>	5	<b>-14,632,121,395.23</b>	<b>5,559,555,034.05</b>
Add: Beginning balance of cash and cash equivalents		40,071,796,609.21	34,512,241,575.16
<b>VI. Ending balance of cash and cash equivalents</b>		<b>25,439,675,213.98</b>	<b>40,071,796,609.21</b>

Consolidated Statement of Changes in Owners' Equity

For the year ended December 31, 2020

Item	For the year ended 31 December 2020																		
	Owners' equity attributable to the Company																		
	Paid-in capital		Preferred shares		Other equity instruments		Capital reserve		Other comprehensive income		Special reserve		Surplus reserve		ΔGeneral risk provisions	Retained earnings	Subtotal	Non-controlling interest	Total owners' equity
	1	2	3	4	5	6	7	8	9	10	11	12	13	14					
<b>I. Balance at January 1, 2020</b>	211,781,023,503.31	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>II. Increase/decrease in the year of 2020 (decrease for the increase with "-")</b>																			
(1) Total comprehensive income																			
(2) Other contributions and withdrawal																			
1. Ordinary share contributed by owners																			
2. Capital contributed by other equity instruments																			
3. Share-based payment received in respect of equity																			
4. Others																			
(3) Special reserve																			
1. Current year actual																			
2. Current year utilized																			
(4) Profit distribution																			
1. Appropriation for surplus reserves including: Statutory surplus reserve																			
2. Discretionary surplus reserve																			
3. Reserve loss by surplus reserves																			
4. Others																			
(5) Transfer within owners' equity																			
1. Capital reserves transfer to paid-in capital																			
2. Surplus reserves transfer to paid-in capital																			
3. Reserve loss by surplus reserves																			
4. Change in measurement defined benefit obligation																			
5. Transfer other comprehensive income to defined entities																			
6. Others																			
<b>IV. Balance at December 31, 2020</b>	211,781,023,503.31	—	9,972,641,599.44	1,554,548,888.17	31,719,623,897.26	—	86,203,855.74	1,133,506.45	28,832,979,214.77	—	—	—	—	—	—	—	—	—	—





Consolidated Statement of Changes in Owners' Equity (Cont.)

For the year ended December 31, 2020

Unit: RMB

Item	For the year ended 31 December 2019													
	Owner's equity attributable to the Company													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
III. Decrease in the year of 2019														
III. Decrease in the year of 2019														
(I) Total comprehensive income														
(II) Owner contribution and withdrawal														
1. Ordinary share contributed by owners														
2. Capital contributed by other equity instruments														
3. Share-based payment recorded in owner's equity														
4. Others														
(III) Special reserve														
1. Current year accrued														
2. Current year utilized														
(IV) Profit distribution														
1. Appropriation for surplus reserve														
including: Statutory surplus reserve														
Discretionary surplus reserve														
Reserve funds														
Enterprise development fund														
Fund of investment														
2. Appropriation for general risk provision														
3. Distribution to owners														
4. Others														
(V) Transfer within owner's equity														
1. Capital reserves transfer to paid-in capital														
2. Surplus reserves transfer to paid-in capital														
3. Reserve loss by surplus reserve														
4. Reserve loss by other equity instruments														
5. Transfer other comprehensive income to retained earnings														
6. Others														
IV. Balance at December 31, 2019	211,781,023,501.31			1,564,056,827.76	26,644,520,862.74	-2,895,016,696.94	476,078.41	26,221,792,781.94	29,113,249,051.83	290,260,015,660.89	105,384,678,115.36	395,652,137,722.53	105,384,678,115.36	395,652,137,722.53

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Statement of Changes in Owners' Equity of the Parent Company

For the year ended December 31, 2020

Unit: RMB

Item	For the year ended 31 December 2020													
	Owner's equity attributable to the Company													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
III. Decrease in the year of 2020														
III. Decrease in the year of 2020														
(I) Total comprehensive income														
(II) Owner contribution and withdrawal														
1. Ordinary share contributed by owners														
2. Capital contributed by other equity instruments														
3. Share-based payment recorded in owner's equity														
4. Others														
(III) Special reserve														
1. Current year accrued														
2. Current year utilized														
(IV) Profit distribution														
1. Appropriation for surplus reserve														
including: Statutory surplus reserve														
Discretionary surplus reserve														
Reserve funds														
Enterprise development fund														
Fund of investment														
2. Appropriation for general risk provision														
3. Distribution to owners														
4. Others														
(V) Transfer within owner's equity														
1. Capital reserves transfer to paid-in capital														
2. Surplus reserves transfer to paid-in capital														
3. Reserve loss by surplus reserve														
4. Reserve loss by other equity instruments														
5. Transfer other comprehensive income to retained earnings														
6. Others														
IV. Balance at December 31, 2020	211,781,023,501.31			9,772,641,599.44	9,162,340,878.84	86,132,311.14		27,592,482,809.04	41,977,063,501.53	303,335,971,664.56	17,227,266,454.52	422,493,238,191.98	303,335,971,664.56	422,493,238,191.98

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Statement of Changes in Owners' Equity of the Parent Company (Cont.)

Unit: RMB

Item	For the year ended 31 December 2019													
	Owners' equity attributable to the Company													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Paid-in capital	Preferred shares	Perpetual bonds	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Reserve for contingencies	Retained earnings	Subtotal	Non-controlling interests	Total owners' equity
Balance at December 31, 2018	211,791,023,501.11	—	—	—	8,174,651,618.73	—	1,522,211,495.09	—	26,679,473,326.08	—	16,634,213,119.65	264,782,573,260.79	—	264,782,573,260.79
Changes in accounting policies	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Correction of errors in prior period	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Balance on January 1, 2019	211,791,023,501.11	—	—	—	8,174,651,618.73	—	1,522,211,495.09	—	26,679,473,326.08	—	16,634,213,119.65	264,782,573,260.79	—	264,782,573,260.79
Increases/decreases in the year of 2019 (Decreases are indicated with "-")	—	—	—	—	238,194,497.75	—	(120,603,329.09)	—	1,336,875,741.58	—	2,691,793,874.17	(4,141,260,784.41)	—	(4,149,260,784.41)
(I) Total comprehensive income	—	—	—	—	238,194,497.75	—	(120,603,329.09)	—	1,336,875,741.58	—	13,368,757,415.75	13,248,154,086.66	—	13,248,154,086.66
(II) Owner contribution and withdrawal	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1. Ordinary share contributed by owners	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Capital contributed by other equity instruments holders	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Share-based payment received in owner's equity	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4. Others	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(III) Special reserve	—	—	—	—	1,144,497.75	—	—	—	—	—	—	1,144,497.75	—	1,144,497.75
1. Current year assessed	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Current year utilized	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(IV) Profit distribution	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1. Appropriation for surplus reserves	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Including: Statutory surplus reserve	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Discretionary surplus reserve	—	—	—	—	—	—	—	—	—	—	—	—	—	—
# Reserve fund	—	—	—	—	—	—	—	—	—	—	—	—	—	—
# Enterprise development fund	—	—	—	—	—	—	—	—	—	—	—	—	—	—
# Return of investment	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Appropriation for general risk provisions	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Distribution to owners	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4. Others	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(V) Transfer within owners' equity	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1. Capital reserve transfer to paid-in capital	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Surplus reserves transfer to paid-in capital	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Recover loss by surplus reserve	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4. Changes in measured defined benefit liability (under other comprehensive income to reclassified items)	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6. Others	—	—	—	—	—	—	—	—	—	—	—	—	—	—
IV. Balance at December 31, 2019	211,791,023,501.11	—	—	—	8,412,846,116.48	—	1,401,608,166.00	—	28,016,349,067.66	—	19,329,010,993.77	268,311,544,043.20	—	268,311,544,043.20

Auditor's Report



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Auditor's Report

XYZH/2021BJAA30750

To China Three Gorges Corporation

1. Opinion

We have audited the financial statements of China Three Gorges Corporation (hereinafter referred to as the "Three Gorges Corporation"), which comprise the consolidated and parent company's balance sheet as at December 31, 2020, the consolidated and parent company's income statement, the consolidated and parent company's cash flow statement and the consolidated and parent company's statement of changes in owners' equity for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements of Three Gorges Corporation present fairly, in all material respects, the consolidated and parent company's financial position as at December 31, 2020, the consolidated and parent company's results of operations and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises.

2. Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing for Chinese Certified Public Accountants. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of Three Gorges Corporation in accordance with the Code of Ethics for Chinese Certified Public Accountants, and we have fulfilled our other ethical responsibilities of the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**3. Key Audit Matter**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accuracy of operating cost	
Key Audit Matter	Summary of the Audit Approach
<p>As refer to Notes VIII. 49 to the consolidated financial statements, Three Gorges Corporation recognized RMB 51.18 billion of operating cost during the year 2020 which mainly consists of the generating electricity cost, which amounting to RMB 34.97 billion.</p> <p>The generating electricity cost of Three Gorges Corporation mainly consists of depreciation cost of fixed assets and financial levies, etc. which have significant impacts on financial statements.</p> <p>Accordingly, we identify the operating cost as the key audit matter.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> <li>--Attending and performing stocktaking of the fixed assets.</li> <li>--Examining the accuracy of ownership and classification of the fixed assets.</li> <li>--Examining the validity of the increase or decrease of the fixed assets, as well as the accuracy of accounting treatments including interest capitalization, etc.</li> <li>--Recalculating the accuracy of fixed assets depreciation and financial levies included in operating costs.</li> <li>--Performing analytical review on the reasonableness of the operating cost for the current and prior years and obtaining sufficient audit evidence if there exist abnormality.</li> <li>--Assessing the appropriateness on the disclosure of Three Gorges Corporation's operating cost.</li> </ul>

Recognition of identifiable intangible assets arising from acquisition of significant assets	
Key Audit Matter	Summary of the Audit Approach
<p>As described in Note VIII. 17 and 19 to the consolidated financial statements of the Company, on April 24, 2020, the Company acquired 100% of the equity in Sempra Americas Bermuda Ltd. (now Andes Bermuda Ltd., hereinafter referred to as "AB") and Peruvian Opportunity Company S.A.C. (hereinafter referred to as "POC") (hereinafter collectively referred to as "Peruvian Company") with a consideration of \$3.60 billion and engaged a third party intermediary to value the fair value of the identifiable assets and liabilities of Peruvian Company at the acquisition date. As of December 31, 2020, a goodwill of approximately RMB 1.01 billion arose from this business combination not under common control and approximately RMB 20.23 billion transmission and distribution business concessions included in intangible assets were identified.</p> <p>The equity purchase transaction involved the judgment of the acquisition date in a business combination not under common control, the measurement of the fair value of identifiable assets and liabilities at the acquisition date, the measurement of goodwill and the accounting for related combination events, which were significant in amount and involved management's estimates and judgments.</p> <p>For these reasons, we have identified business combinations not under common control as a key audit matter.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> <li>-- Obtain and review the transaction agreement for the acquisition of the Peruvian Company, the payment of the combination price, and review the Company's judgment as to the acquisition date;</li> <li>-- Evaluate the objectivity, independence and professional competence of third-party intermediaries engaged by the Company;</li> <li>-- Review the reasonableness of the methods, assumptions and significant parameters used to value the fair value of the identifiable assets and liabilities of Peruvian Company at the acquisition date.</li> <li>-- Review the reasonableness of the Company's division into asset groups and the accuracy of the measurement of goodwill and accounting for business combinations;</li> <li>--Assess the adequacy of disclosures in the financial statements for this acquisition.</li> </ul>

**4. Other Information**

The management of Three Gorges Corporation (hereinafter referred to as the "Management") is responsible for other information. Other information comprises the information included in the Three Gorges Corporation 2020 annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

#### 5. Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Management is responsible for the preparation of the financial statements in accordance with Accounting Standards for Business Enterprises to achieve fair presentation; and designing, implementing and maintaining internal control which is necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing Three Gorges Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate Three Gorges Corporation or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible to overseeing Three Gorges Corporation's financial reporting process.

#### 6. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

During the course of audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism. We also carry out the following works:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of its internal control.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

(4) Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Three Gorges Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements in accordance with the auditing standards or, if such disclosures are inadequate, we shall modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Three Gorges Corporation to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, and also whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Three Gorges Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance audit of the group. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, etc., including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with those relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and related safeguards, where applicable.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation prohibited public disclosure about the matter or when, in rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

 ShineWing Certified Public Accountants LLP

April 30, 2021

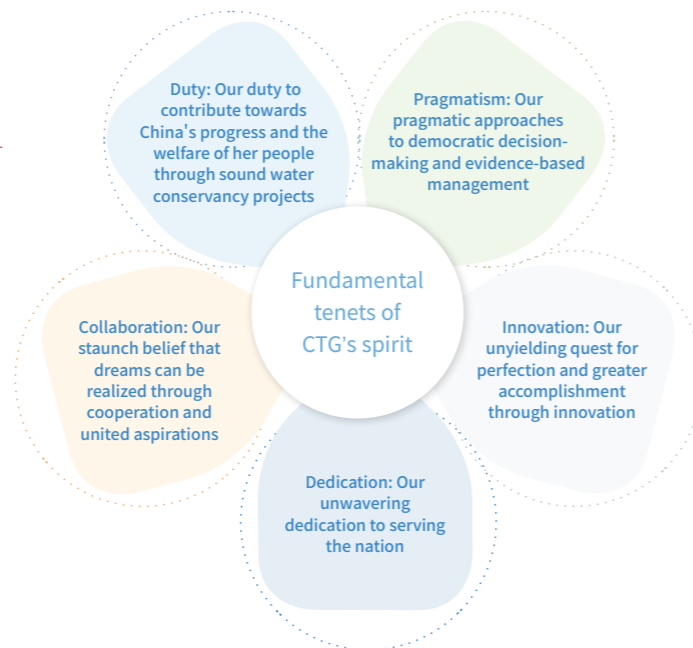
*The English translation is prepared for reference only. Should there be any inconsistency, the Chinese version shall prevail.*



# Corporate Culture

CTG's Spirit for a New Era

**To serve the Chinese nation through the development of the Three Gorges Project**



## Starting a New Chapter in Communist Party Building

In 2020, CTG implemented the requirements needed to build up the Communist Party of China, and these endeavors advanced well. CTG continued to thoroughly study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the spirit of the Fourth and Fifth Plenary Sessions of the 19th Central Committee of the Communist Party of China, as well as follow the Party's innovative theories, and drive high-quality growth with high-quality Party building.

- Issued and distributed three documents on building up the Communist Party of China
- Completed inspections of 23 new organizations and surveyed the inspection of Party officials
- Conducted training programs for all of the 1,350 secretaries of Party organizations at the grassroots level and dedicated Party officials
- Conducted regular inspections of the Party commissions in CTG's eight subsidiaries

All levels of Party organizations throughout CTG studied President Xi Jinping's important instructions and the themes of Party lectures. Through presentations, studying, discussions and sessions, all officials and workers were guided to keep in mind the mission entrusted to us by President Xi Jinping and strive forward to realize his grand vision.



CTG held a reading and discussion session on the ethos of the Fifth Plenary Sessions of the 19th Central Committee of the Communist Party of China



CTG's Party leadership group studied the important instructions made by President Xi Jinping on Wudongde Hydropower Station as it puts its first batch of units into operation

All levels of CTG's Party organizations continue to create innovative education programs for members of the Party, such as online lectures, revolutionary history lectures, and practice lectures to improve the efficiency of educating Party members. CTG's Party Commission held a themed education event at the Military Museum of the Chinese People's Revolution on July 1, which involved visiting the museum's collection on the revolutionary war and reviewing the Party oath.



CTG's Party leadership group held a themed education event at the Military Museum of the Chinese People's Revolution

## Highlighting Inspiring Role Models

CTG organized various labor and skills competitions in 2020 to support pandemic control efforts and help the country achieve its social and economic development goals. Of more than 20,000 employees from 20 subsidiaries who participated in the competitions, 10 groups and 20 outstanding individuals were recognized with awards. Wang Kexiang from China Three Gorges Construction Engineering Corporation and Li Guangyao from CYPC were awarded with the title of National Model Worker by the Party Central Committee and the State Council; Guo Liya from Shanghai Investigation, Design and Research Institute Co.,Ltd. was awarded the title of Model Worker in Shanghai. Meanwhile, Du Jianguo from China Three Gorges Construction Engineering Corporation was awarded the title of Model Worker in Sichuan; Qian Guoqing from Three Gorges Base Development Co.,Ltd., Tan Yunying from China Three Gorges Construction Engineering Corporation and Sun Xin from CYPC were each awarded a Labor Medal in Yunnan, Sichuan and Hubei, respectively. The workers' unions of 21 subsidiaries organized 64 skills competitions, and held skills training programs for 12,000 participants, with 50 outstanding individuals recognized with the title of technical expert. He Qiangfeng from CYPC won the second prize in the power industry technique competition and the title of national technical expert in the power industry.

CTG built another 45 Employee (Work Model) Tech Innovation Labs, bringing the total to 105 labs. They generated 239 individual innovation achievements and 61 group innovation achievements, 16 of which were awarded by the China Electricity Council, and 22 of which were awarded by the China Energy, Chemistry and Geology Union. CTG organized a competition for all employees working on hydropower projects at the Jinsha River Basin. During the competition, eight leading organizations, 25 groups, 30 teams and 58 individuals were recognized with awards. CTG employees also won four provincial Labor Certificates of Merit, eight provincial Labor Medals and eight provincial Labor Pioneer accolades by the Yunnan Provincial Workers' Union and Sichuan Provincial Workers' Union.



CTG celebrates Wang Kexiang and Li Guangyao being named as National Model Workers

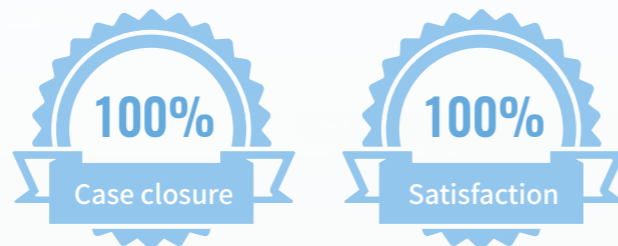


2020 Jinsha River Basin Hydropower Engineering Competition Awards Ceremony



## Protecting Democratic Rights

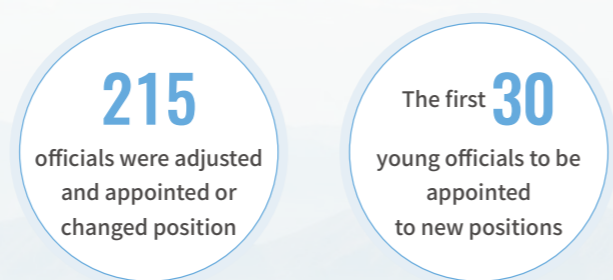
In 2020, CTG grew together with its employees and engaged employees in corporate management through a democratic approach by setting up an e-mail inbox for employee suggestions. CTG addressed all submitted proposals.



## Empowering Employees for Career Growth

In 2020, CTG stuck to the principle that the CPC supervises CTG's management and talents, improved the employment system, stepped up efforts to select outstanding young talents, established a dynamic management mechanism, improved the employee job rotation system, created an outstanding talents communication and appointment system, and expanded the growing space of young talents.

CTG appointed and changed the positions of 215 officials in the Party Commission in 2020. These include the appointment of 29 new officials aged around 45 and 30 young officials who were re-appointed to new positions as postion exchange.



## Caring for Employees

CTG stuck to its people-oriented strategy and strived to serve its employees and develop its business. It organized a range of cultural and sports activities, including Jinsha River Basin and Yangtze River protection-based work competitions, visits to the homes of retired personnel and employees experiencing challenges and career advice for young employees. These efforts helped improve the well-being of our staff and stimulated creativity and initiative.



## Improving CTG's Brand Image

CTG garnered positive publicity and responded to publicly expressed opinions in a timely manner. By further advocating CTG's spirit for a new era, i.e. Developing the Three Gorges for China, it completed a revamp of its corporate culture's key concepts, thereby laying a foundation for CTG to become a globally competitive world-leading clean energy group.

CTG was designated as the official partner of the 2022 Beijing Winter Olympics and Paralympics on December 15, 2020. It is a great honor for CTG and a crucial opportunity to improve its brand reputation and global recognition, thereby giving a strong impetus to achieving its vision.



China Power Media Group held the First China Power Brand Stories session in May 2020, with six works from CTG selected as winners, e.g. A Blueprint Drawn 70 Years Ago.



Ezhou Electricity Generation Co.,Ltd. under CTG's Hubei Energy Group won the title of sixth National Civilized Unit, the first of CTG's subsidiaries to win the title on the recommendation of the State-owned Assets Supervision and Administration Commission and the first of CTG's legal entities to be awarded the title.



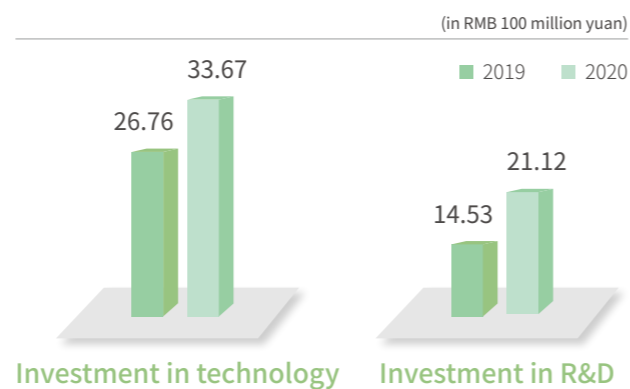


# Technological Innovation

CTG implemented its innovation-led development strategy, launched category-based bench marking against world-leading companies, improved its technological management mechanism, strengthened the integration of internal technology and innovation resources, accelerated the construction of a technical innovation platform, achieved breakthroughs in key technologies, improved the mechanism for investing in technology and made fresh progress in developing and innovating technology.

## Stepping up Investment in Technology

CTG increased its investment in technology through various means, such as increasing the proportion of R&D budget in estimates, production and operation cost and managing cost of large-scale projects.



## Building Innovative Capabilities

CTG implemented an innovation-driven development strategy, synergized its resources with government, industry, academia, research institutions in technology, strengthened its independent innovation platform, improved the coordinated innovation platform, and built a multi-disciplinary technological innovation platform that operates at national, provincial and corporate levels.



A multi-level, cross-discipline technological innovation platform



The inauguration ceremony for the Hubei Key Laboratory of Intelligent Yangtze and Hydroelectric Science

### The national technological innovation platform

- ◆ Established the National Engineering Research Center of Water Environment Protection and Water Ecological Restoration in the Yangtze River Economic Belt
- ◆ Jointly established the National Key Environmental Protection Lab for Water Pollution Source Tracking and Control with the China University of Geosciences in Wuhan
- ◆ Jointly establishment the National Technological Innovation Center for Green Development in the Yangtze River Economic Belt with Jiangsu Province, Hubei Province and Chongqing municipality

### The provincial technological innovation platform

- ◆ Launch of the Hubei Key Laboratory of Intelligent Yangtze and Hydroelectric Science was approved
- ◆ Provincial innovation platform in Chongqing applied

### The corporate technological innovation platform

- ◆ Yangtze River Ecology and Environment Engineering Research Center was approved to be directly affiliated to CTG
- ◆ Supported the establishment of the technological innovation platform at Shanghai Investigation, Design and Research Institute Co., Ltd. and allocated RMB 186 million for R&D
- ◆ The post-doctoral station was graded excellent in a comprehensive assessment, which ranked it 45<sup>th</sup> among 2,874 stations nationwide

### The campus-company coordinated innovation platform

- ◆ Co-founded the Joint Research Institute of New Technology in Energy and Power with Tsinghua University
- ◆ Co-founded the Smart Power Station Technology Innovation Center with North China Electric Power University
- ◆ Co-founded the Joint Lab for the Durability Performance of Hydraulic Concrete with Southeast University and the Jiangsu Provincial Architectural Technology Research Institute

## R&D Breakthroughs

Through original and integrated innovation, CTG achieved breakthroughs in bottleneck technologies while making critical achievements in a series of key projects in fields including hydroelectric engineering, production and operations, new energy development and Yangtze River protection.

### Undertaking national key projects

CTG undertook a national key R&D project to demonstrate the coordinated disposal of typical urban sludge from multiple sources in the Yangtze River Economic Belt under the 13<sup>th</sup> Five-year Plan. The National Natural Science Foundation of China recognized seven key projects in which CTG served as a collaborator.

- Launched the Joint Fund for Yangtze River Aquatic Science with the National Natural Science Foundation of China and Ministry of Water Resources
- Launched the Joint Research Fund for Yangtze River Ecology and Environment Protection and Restoration with the Ministry of Ecology and the Environment
- Established a special project, Research on Key Technologies Involving the Operation and Scheduling of the Three Gorges Reservoir, with Changjiang Water Resources Commission of The Ministry of Water Resources.

Integrating and utilizing government resources

### Internal R&D on key technologies

Achieved internal R&D breakthroughs in developing clean energy and protecting the Yangtze River's ecology and environment. Launched 85 projects encompassing environment protection, water resources and hydropower engineering, and new energy, etc. with a total investment of RMB 864 million.



Case study

◆ Xiangjiaba Hydropower Station successfully trialed a one-click Class-A black start

The one-click Class-A black start experiment on the CTG-developed mega hydraulic power unit of Xiangjiaba Hydropower Station succeeded on December 11, 2020. It was the world's first black start of mega hydraulic power units using hybrid EPS and a storage battery. It took only 4 minutes and 28 seconds to automatically restore the power supply at the hydropower station after the outage, the world's fastest black start for mega hydraulic power units. This achievement will help with restoring the grid and minimizing economic costs in the event of a blackout.

◆ CTG made solid progress in its 1025 bottleneck research program

The leading group and task force established by CTG for its 1025 bottleneck research program increased investment in fundamental, forward-looking, strategic and critical R&D projects, with a focus on solving bottlenecks in core technologies. The milestone R&D achievements of the program were published twice in journals under the State-owned Assets Supervision and Administration Commission, while the bottleneck project covering integrated wind turbine control systems was completed. All other projects made steady progress as planned.

In 2020  
CTG devised  
or participated  
in devising



◆ Technical Innovation Results

The 2019 National Science and Technology Awards Conference was held at the Great Hall of the People, Beijing, by the CPC Central Committee and the State Council on January 10, 2020. Party and State leaders, including Xi Jinping, Li Keqiang, Wang Huning and Han Zheng, attended the conference and presented awards to the winners. CTG won the special award for national science and technology progress for 2019 for its leading role in completing the Yangtze River Three Gorges Complex Project.



CTG's bottleneck R&D on core technologies generated major innovative achievements, 25 of which won provincial or ministerial accolades or prizes awarded by industry associations in 2020. It authorized 76 patents for inventions, equivalent to 60% year-on-year growth, filed 12 PCT patents for inventions, and authorized eight patents in Europe and Japan, which comprise huge breakthroughs in terms of international patents.

CTG won a total of 38 workers' technological innovation prizes in the 2020 National Energy, Chemistry and Geology Sectors Outstanding Workers' Technological Innovation Awards and Electric Power Sector Workers' Technological Innovation Awards.



Corporate Social Responsibility

● Fighting the Pandemic Together

CTG worked on the frontline of COVID-19 pandemic control efforts, donating a total of RMB 170 million to Hubei Province, including Wuhan and Yichang, and ensuring the utility supplies in the pandemic-stricken province. It spared no effort to construct national pillar projects including Wudongde and Baihetan hydropower stations, and achieved the orderly resumption of production and protection of the Yangtze River, succeeding in both helping control the pandemic and maintaining economic development.



CTG pulled out all the stops to ensure the stable supply of utilities during the COVID-19 pandemic



The staff of Three Gorges power plant on duty during the pandemic gave their moral support to Wuhan



Supporting Hubei's recovery after the pandemic

- Donated **RMB 170** million to Hubei Province
- Donated over **250,000** pieces of PPE (Personal Protective Equipment) supplies procured overseas
- Guaranteed the supply of power, gas and heating to the province
- Planned investment projects in Hubei worth more than **RMB 200** billion



Empowered aquatic environment governance in Hubei after the pandemic

- Donated **RMB 500** million



Reduced or waived **RMB 16.07** million in rent for **322** medium, small and micro businesses



Posted over **5,700** job positions and hired **146,000** workers



CTG held a ceremony in Beijing on November 25, 2020, to commend role models in the fight against the COVID-19 pandemic and honor their deeds. The participants studied and implemented the spirit of President Xi Jinping's speeches during the conference. At the ceremony, CTG summarized its pandemic control work, commended outstanding individuals and groups in the pandemic fight. The ceremony boosted solidarity among the employees in support of CTG's clean energy strategy and protection of the Yangtze River as well as construction of a modern socialist country.



The commendation conference

## Poverty Alleviation

The year was pivotal to the success of targeted poverty alleviation efforts, and CTG implemented CPC Central Committee policies, stepped up its poverty alleviation efforts through improving education, health care, infrastructure, industry development, consumption and employment, and exceeded all related targets set by the state government, despite the challenges of the COVID-19 pandemic. These endeavors ensured that the solemn commitment to "leave no one behind on the road towards a moderately prosperous society" is fully fulfilled.



- Supported Hubei's recovery from the pandemic by investing over **RMB 1.7** billion in poverty alleviation funds and launching **275** assistance projects
- Helped lift Wushan and Fengjie in Chongqing, Wan'an in Jiangxi and Bairin Left Banner in Inner Mongolia out of poverty, benefiting around **316,000** people
- Lifted severely impoverished areas such as Liangshan Prefecture in Sichuan and Zhaotong in Yunnan out of poverty with additional funding of **RMB 1** billion, and helped four ethnic minorities in Yunnan and Sichuan out of poverty, benefiting over **270,000** people
- Purchased and promoted the sales of agricultural products worth **RMB 66.31** million, effectively preventing rural households from slipping back into poverty due to the pandemic
- Employed over **300** students whose hometowns are impoverished and nearly **20,000** migrant workers from Tibet, the four southern administrative districts of Xinjiang, Tibetan areas of Qinghai, Sichuan, Yunnan and Gansu, Linxia Prefecture, Liangshan Yi Autonomous Prefecture and Nujiang Prefecture
- CTG has provided a total of **RMB 8.64** billion to alleviate poverty over the years, which funded the implementation of **1,420** assistance projects and benefitted millions of poverty-stricken people in over **150** counties, cities and districts nationwide

CTG continued to support residents in the TGP and Jinsha River reservoir areas to lift the ethnic minorities in Sichuan and Yunnan out of poverty. CTG provided RMB 3.6 billion for the two provinces between 2016 and 2020 and helped lift four ethnic minorities living there out of poverty.

CTG implemented the CPC Central Committee's policy to aid Xinjiang, Tibet and Qinhai by stepping up efforts to comprehensively empower ethnic integration and prosperity and stability in those regions. CTG donated RMB 10 million to students at secondary vocational schools and vocational colleges from farmer or herdsman families in Pishan County, Xinjiang, benefiting 1,958 people.



CTG Chairman Lei Mingshan inspects poverty alleviation programs in Wan'an, Jiangxi Province



Then President of CTG, Wang Lin inspects poverty alleviation programs in Balinzuo Banner, Inner Mongolia



A group photo of outstanding individuals and groups awarded for their achievements in national targeted poverty alleviation efforts, joined by CTG Chairman Lei Mingshan (third right) and CTG then president Wang Lin (third left)



## Giving Back to Society

As a dedicated and responsible enterprise, CTG gives back to society by participating in public welfare projects, organizing various charitable activities and conducting disaster relief work to help people who are living in poverty and hard times, thereby contributing to the harmonious development of society.

CTG donated teaching equipment worth RMB 1.5 million to Zigui County No.1 Experimental School in 2020. The money funded a flexible and functional new lab and an advanced and safe central intelligent control system, which created a wonderful learning environment for the students.



CTG helps construct Zigui County No.1 Experimental School

CTG donated education funds of RMB 1 million to Huaping County Girls' Senior High School in Lijiang, Yunnan, in November 2020, to empower the school's development.



CTG donation ceremony held at Huaping County Girls' Senior High School in Lijiang, Yunnan

## Overseas Responsibilities

CTG worked together with the countries where the projects were located in 2020 to fight the pandemic. It spared no effort in the construction and operation of overseas projects, thereby safeguarding employment and fulfilling its overseas social responsibilities. CTG donated supplies of pandemic prevention items worth RMB 58.78 million to Pakistan, Portugal, Brazil and Peru and was recognized for its efforts by the State-owned Assets Supervision and Administration Commission, the Ministry of Foreign Affairs and other ministries and commissions in China, as well as governments and Chinese embassies in recipient countries. Through these actions, CTG showcased its responsibility and contributions to Chinese companies.

CTG donated supplies of pandemic prevention items worth **RMB 58.78 million** to Pakistan, Portugal, Brazil and Peru

CTG donated medical supplies such as ventilators, monitors, defibrillators, medical protective garments and masks to Pakistan, Portugal, Peru, Brazil, Germany, Greece and Luxembourg in 2020 to provide strong support for preventing and controlling the pandemic.



The ceremony for CTG's donation of medical supplies to Peru for fighting the pandemic



The ceremony for CTG's donation of medical supplies to Pakistan for fighting the pandemic

Nam Lik Power Plant, a CWE-owned hydropower project in Laos, joined the Feuang County government of Laos in holding a fish release event in the lower reaches of the Nam Lik dam in August, 2020. Nam Lik Power Plant has long been committed to the cause of eco-environment protection in the basin through its actions. The released fish fry will make a positive impact on improving the water quality of the river.



The fish release event at Laos' Nam Lik Power Plant



The primary school revamp project, donated under CWE's 500kV power transmission and transformation project in Laos, was completed and handed over in September, 2020. The students enjoyed a beautiful new campus on the new semester's first day.

The campus expansion project for a boys' senior high school and a girls' junior high school in Pakistan, funded by Karot Electric Power Co.,Ltd. held a handover and inauguration ceremony at the new campus in October, 2020. The social responsibility project will help solve educational challenges for nearly 100 children and empower the development of local education.

CTG Brazil sponsored the Fun of Reading social welfare project through leveraging a local tax incentive policy. The company built 10 reading rooms in less developed regions near its power stations. Apart from donating books, the program trained special reading instructors to enhance the learning experience for residents in the local community. With the outbreak of COVID-19 and the implementation of social-distancing policy, the organizer shifted the reading seminar and training sessions online to ensure the continuity of the program, enabling online interaction between the education department, teachers, reading instructors and readers.



## CTG History

1993

China Three Gorges Project Corporation (CTGPC) founded

Mission to “build the Three Gorges Project and develop the Yangtze River” was undertaken



1996

Gezhouba Power Station integrated into CTGPC



2003

Impoundment, navigation and power generation began

IPO of China Yangtze Power Co.,Ltd. completed

Parallel construction and operation phase commences



2006

Construction of the Xiangjiaba Hydropower Project began



2009

TGP's power generation assets listed on the stock exchange  
CTGPC renamed as China Three Gorges Corporation (CTG)



2011

A 21.35% equity stake in EDP was acquired, with CTG becoming the company's single largest shareholder



2014

Xiluodu and Xiangjiaba power plants started power generation

Shanghai Investigation, Design & Research Institute Co., Ltd (SIDRI) integrated into CTG

CTG became the largest hydropower development corporation in the world, and the largest clean energy group in China



2016

TGP ship lift trial operation initiated



2018

President Xi Jinping inspected the Three Gorges Project, acknowledging the TGP as an exemplary project of One Symbol and Three Models

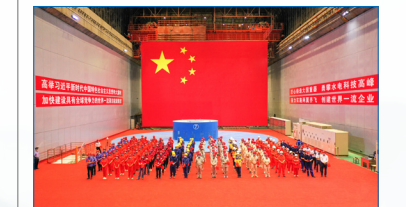
Yangtze Ecology and Environment Corporation established to protect the Yangtze River



2020

Three Gorges Project construction works passed checks and certified as complete

Wudongde Hydropower Station put its first batch of units into operation



1994

TGP construction commenced



1997

TGP river closure achieved



2005

Gradual development of the Yangtze River Basin implemented  
Xiluodu hydropower project commenced



2008

CTG became the largest hydropower company in China, and implements an integrated strategy to develop clean energy and go global

Construction of TGP completed

TGP put into generation

China Water Investment Corporation restructured



2010

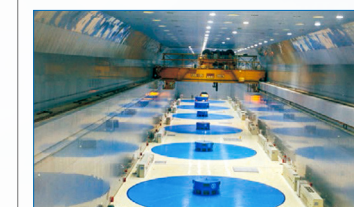
TGP's impoundment level of 175m reached for the first time

China Three Gorges Renewables Co., Ltd. founded



2012

TGP's underground power plant started generating power



2015

Construction of Wudongde Hydropower Station commenced

Hubei Energy Group integrated into CTG



2017

Construction of Baihetan Hydropower Station commenced

Following a corporate restructuring CTG transformed into a solely state-owned company

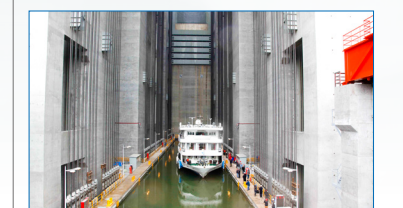


2019

TGP ship lift construction completed and passed acceptance inspection

TGP received the special award under the National Science and Technology Progress Awards

CTG won the bid to acquire equity in Luz del Sur Power (LDS)







## Major Subsidiaries

### China Three Gorges Construction Engineering Corporation

China Three Gorges Construction Engineering Corporation is a wholly owned subsidiary of CTG, providing services covering the whole industry-investment, construction, management and consulting, to medium and large-size hydropower projects, pumped-storage plants, water conservancy projects and public infrastructure throughout the world.

The company's predecessor was the project construction division of CTG, founded in 1984 and officially created as a company in July 2015 due to CTG's integration of the professional technical strength of its construction business. The company is primarily engaged in developing and constructing large-scale hydropower plants. It is comprehensively responsible for the management business of hydropower project construction both within and outside China. The company has completed the construction of hydropower stations amounting to an installed capacity of 42.76GW, and additional 28.02GW is under construction. Among them, five hydropower stations - TGP, Baihetan, Xiluodu, Wudongde and Xiangjiaba - are among the top 12 largest hydropower stations in the world by installed capacity.

It is broadly involved in developing and constructing projects of pumped storage plants, wind power, solar power and public infrastructure, in addition to engaging in supervision and consulting businesses across the world. The company developed and constructed four mega-size power stations, Xiluodu, Xiangjiaba, Wudongde and Baihetan, in the lower reaches of Jinsha River. It also undertook construction of Jinsha River immigration special highways, bridges, navigation facilities, ports, public facilities and buildings (such as Water Cube), and the Murum Hydropower Station in Malaysia. Currently, it is responsible for the construction of the Karot Hydropower Station and Kohala Hydropower Station, both in Pakistan.

### China Yangtze Power Co.,Ltd.

China Yangtze Power Co., Ltd. (CYPC) was founded on September 29, 2002, with the approval of State Council. It is a limited company with CTG as its major initiator. The company went public on the Shanghai Stock Exchange (SHA: 600900) in November, 2003.

CYPC is the largest listed electric power company in China and the largest listed hydropower company in the world. It now fully owns the power generation assets of Three Gorges, Gezhouba, Xiluodu and Xiangjiaba HPPs, with a total installed capacity of 45.595GW along the main stream of the Yangtze River. CYPC continued to strengthen its ties with hydropower companies in the middle and upper reaches of the Yangtze River in equity and coordinated scheduling in 2020. It completed the integration of four grids in Chongqing. It acquired and completed the equity delivery of Luz Del Sur (LDS), the largest power distributor in Peru and issued as well as listed its GDR on the London Stock Exchange. It also laid a solid ground for expansion across industry chains.

CYPC owned total assets of RMB 330.83 billion as of the end of 2020, up 11.6% from the beginning of 2020, and had a gearing ratio of 46.10%, down 3.30 percentage points year-on-year. The company achieved total profit of RMB 32.46 billion, and its total market value rose to as much as RMB 473.7 billion in 2020.

### China Three Gorges International Corporation

Founded on August 30, 2011, China Three Gorges International Corporation (CTGI) is a subsidiary wholly owned by CTG. Its registered capital is RMB 29.6 billion. As of the end of 2020, the company's total assets were RMB 84.74 billion, net assets were RMB 38.57 billion, and the debt-to-asset ratio was 54.5%. It realized operating income of RMB 9.76 billion and net profit of RMB 4.18 billion, with a year-on-year increase of 111.8%.

Since its establishment, CTGI has proactively implemented CTG's global strategy and aspiration of becoming a world-class clean energy group. It achieved significant progress in developing its overseas business, outbound M&As, project construction, power station operation and management. It is also widely engaged in clean energy collaboration overseas through greenfield investment and equity acquisition. It is committed to supporting and implementing the Belt and Road initiative and has achieved tremendous successes.

As of the end of 2020, CGTI has wholly-owned or controlling overseas subsidiaries. Through its overseas investment platform, CGTI founded CTG (Europe) S.A. (CTG Europe), China Three Gorges South Asia Investment Ltd. (CSAIL), China Three Gorges (Brasil) Energia Ltda. (CTG Brazil), Global Hydro and other subsidiaries. It owns a 21.6% stake in Energias de Portugal (EDP) through CTG Europe and serves as EDP's single largest shareholder.

### Yangtze Ecology and Environment Co.,Ltd.

Yangtze Ecology and Environment Co., Ltd. (YEE) was incorporated to implement President Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, as well as Xi Jinping's Thought on Ecological Progress, serving as the major entity company for coordinated protection of the Yangtze River in CTG, on December 13, 2018, in Wuhan, Hubei Province.

It serves as a platform for CTG in its efforts to protect the Yangtze River. Boosted by the construction of the Yangtze River Economic Belt, YEE has launched a wide range of businesses, covering planning, designing, investment, construction, operation, technology research and development, products and services, which are related to ecology, environmental protection, energy conservation and clean energy. It is also responsible for the operation of corresponding state-owned assets, in accordance with the law.

In order to achieve the near-term goal of "a fundamental improvement in water quality in the Yangtze River", YEE will deliver and implement systematic and comprehensive solutions tailored to the conditions of the provinces or municipalities along the Yangtze River. With water resource protection and environmental improvements along the Yangtze River, it will implement the green development perspective that lucid waters and lush mountains are invaluable assets and empower the ecology-first and green development of the Yangtze River Economic Belt.





## China Three Gorges Renewables (Group) Co.,Ltd.

China Three Gorges Renewables (Group) Co., Ltd. (CTG Renewables) is the strategic implementation entity of China Three Gorges Group's new energy business. Its mission is to develop new energy.

CTG Renewables vigorously develops onshore wind power, photovoltaic power and offshore wind power. It steadily develops small and medium-size hydro plants, explores new business including solar-thermal power, incremental distribution networks, distributed gas energy, and hydrogen production by wind power. At the same time, CTG Renewables invests in industries that are relevant and highly complementary with the new energy business to achieve synergies. It primarily formed a business pattern with wind and solar power as the mainstay, and with mutual support and coordinated development of small and medium-size hydro plants

and strategic investment as the auxiliary.

CTG Renewables exceeded all the targets set for 2020, with new installed capacity of more than 5GW, total installed capacity of 15.617GW, and over 23.2TWh of electricity generated. Its total assets reached RMB 142.58 billion with record high revenue of RMB 11.32 billion and industry-leading net profit of RMB 3.94 billion, which grew at double-digit rates.

With the goal of getting listed by the end of the year, CTG Renewables set a countdown timeline and worked with all parties toward its IPO. It filed for IPO in March 2020 as planned and obtained the approval of the China Securities Regulatory Commission's IPO review panel on December 17, 2020.

## Hubei Energy Group Co.,Ltd.

Hubei Energy Group Co., Ltd (Hubei Energy) was founded in 2005 with the merger of the former Qingjiang River Hydropower Investment Company in Hubei province and former Hubei Power Development Company. In 2007, China Yangtze Power Co., Ltd. and China Guodian Corporation became its strategic investors. It was transformed into a limited company in 2008 and realized overall listing in 2010 (000883.SZ). CTG became its controlling shareholder in 2015 through private placement.

Hubei Energy is primarily engaged in energy investment, development and management. As an integrated energy listed company providing the most comprehensive range of energy services and products in China, Hubei Energy is committed to enhancing energy security in Hubei, and developing a regional integrated energy development platform for CTG, consisting of hydropower, thermal power, nuclear power, new energy, natural gas, coal trade and financial investment. Hubei Energy has set up

two energy bases: a hydropower base in West Hubei and a thermal power base in East Hubei. New energy projects are scattered across Hubei, with the top market share in the province. Hubei Energy has also gradually developed an energy assurance network to store coal and supply natural gas. It also owns equity stakes in many public companies and financial enterprises, including Changjiang Securities, Guodian Changyuan Electric Power Co., Ltd. and Changjiang Property & Casualty Insurance Co., Ltd.

As of the end of 2020, the controllable installed capacity in production operated by Hubei Energy reached 10.545GW. Its total assets were RMB 60.17 billion, with an asset liability ratio of 41.7%. Throughout the year, it generated 32.96TWh of electricity, up 26.30% year-over-year, recording revenue of RMB 17.02 billion, up 7.7% year-over-year, with net profit of RMB 2.76 billion, up 53.3% year-over-year.

## China International Water & Electric Corporation

China International Water & Electric Corporation (CWE) is a wholly owned subsidiary of CTG, and is the first SOE in China's hydropower industry to engage in global economic cooperation. Founded in 1983, it was previously known as the Foreign Assistance Institute of the Ministry of Water Conservancy and Electric Power. The name CWE was adopted in 2017 after its ownership structure was reformed.

CWE has a strong presence in the water conservancy and hydropower business, and rich experience in infrastructure construction such as power transmission, roads and bridges, and port dredging, etc. CWE has extended its footprint to over 80 countries and regions across Asia, Africa, Europe and America, and set up permanent offices in 32 countries and regions. CWE

has acquired China's top-class qualification for EPC of water conservancy and hydropower projects, as well as importing and exporting trading rights. It also has secured AAA credit ratings, with certifications for quality, environmental, and occupational health management. It boasts a contractor's license for the highest grade of all kinds of construction work in Hong Kong. CWE has been listed as an ENR Top 250 International Contractors for 31 consecutive years, and ENR Top 225 International Designing Firms for 23 years in a row.

CWE recorded operating revenue of RMB 5.58 billion and total profit of RMB 1.1 billion, up 7.8% year-over-year, with RMB 400 million of EVA in 2020. New contracts worth US\$ 650 million have laid a solid foundation for the smooth progress of production and operations.





## Shanghai Investigation, Design & Research Institute Co.,Ltd.

Founded in 1954, Shanghai Investigation, Design & Research Institute Co., Ltd. (SIDRI) started off with planning and designing Xin'anjiang, the first large-scale hydropower station in China. It has evolved into a large-scale Grade A Design Institute offering whole process consulting and EPC (Engineering, Procurement and Construction) services to projects, including planning, surveying, design, consulting, costing, monitoring/inspection, supervision, project management, investment technology assessment, etc. In 2014, SIDRI was restructured into a subsidiary of CTG, with registered capital of RMB 611.648 million.

SIDRI holds Grade A engineering survey and Grade A engineering consulting qualifications as well as 17 Grade A qualifications in various industries including hydropower, electric power, architecture, environmental engineering, etc. and over 20 Grade B qualifications. It possess leading professional equipment such as offshore exploration platforms, professional exploration ships, wave compensation offshore drilling rigs, etc. It consists of eight design institutes specialized in water

conservancy and hydropower, new energy, environmental protection, survey and inspection, overall planning, power planning, smart engineering, architecture and municipal projects, etc. as well as three technology support centers, i.e. a investment evaluation and review center, an engineering costing center and a quality and safety supervision center. It has 14 subsidiaries, including branches in Beijing, Hubei, Tibet (Sichuan), Inner Mongolia and Pakistan. One of SIDRI's employees is a national candidate for the Hundred-Thousand-Ten Thousand Talents Project, while eight others enjoy special government allowances from the State Council. There are 419 national senior-level engineers working at SIDRI. It was also the winner of the Second Prize under the National Science and Technology Progress Awards for 2018 and 2019.

SIDRI achieved operating revenue of RMB 2.57 billion in 2020, with a year-on-year growth of 95.7%, as well as total profit of RMB 140 million with a year-on-year growth of 42.5%.

## Three Gorges Capital Holdings Co.,Ltd.

Three Gorges Capital Holdings Co.,Ltd (CTG Capital) was founded in March 2015 with registered capital of RMB 5 billion. In 2017, strategic investors were invited to increase investment in CTG Capital to RMB 7.14 billion, 80% of the equity shares were owned by CTG. CTG Capital is mainly engaged in industrial investment, equity investment, investment consulting (services), asset management and investment in securities.

CTG Capital focuses on serving CTG's main business of clean energy and the protection of the Yangtze River. With a presence in the upstream and downstream of the main industry chains as well as strategic emerging industries, it focuses on investing wind power, solar power, distributed energy assets, charging points, data centers, hydrogen energy, energy storage, energy conservation and environmental protection, as well

as developing new technologies, materials and business models in the clean energy sector. By adjusting and optimizing its portfolio, it has gradually developed three sectors of business, i.e. strategic direct investment, fund investment and financial leasing. CTG Capital explores models of integration between industry and financing and is committed to becoming the most innovative investment company in clean energy with long-term growth driven by asset appreciation.

In 2020, CTG Capital's investment income reached RMB 4.12 billion, with RMB 3.48 billion of gross profit and RMB 3.10 billion of net profit. CTG Capital's total assets reached RMB 66.23 billion, with RMB 30.42 billion of net assets, as of the end of 2020.

## Three Gorges Finance Co.,Ltd.

Three Gorges Finance Co.,Ltd. (TGFC) was founded in November, 1997, upon approval by The People's Bank of China, with a registered capital of RMB 5 billion. It is a non-bank financial institution specializing in financial services for CTG Corporation and its associated companies.

As the "Fund Collection Platform, Fund Settlement Platform, Fund Monitoring Platform, Financing Platform, and Financial Service Platform" of China Three Gorges Corporation, TGFC upholds the concept of "CTG-first, Service-oriented, Standardization and Stabilization, Pioneering and Innovation" in its operation, undertakes the mission of ensuring the safety of funds, creating financial value and supporting main business. TGFC is primarily responsible for providing CTG with functions such as centralized fund management, fund settlement, fund financing, fund monitoring, financial industry

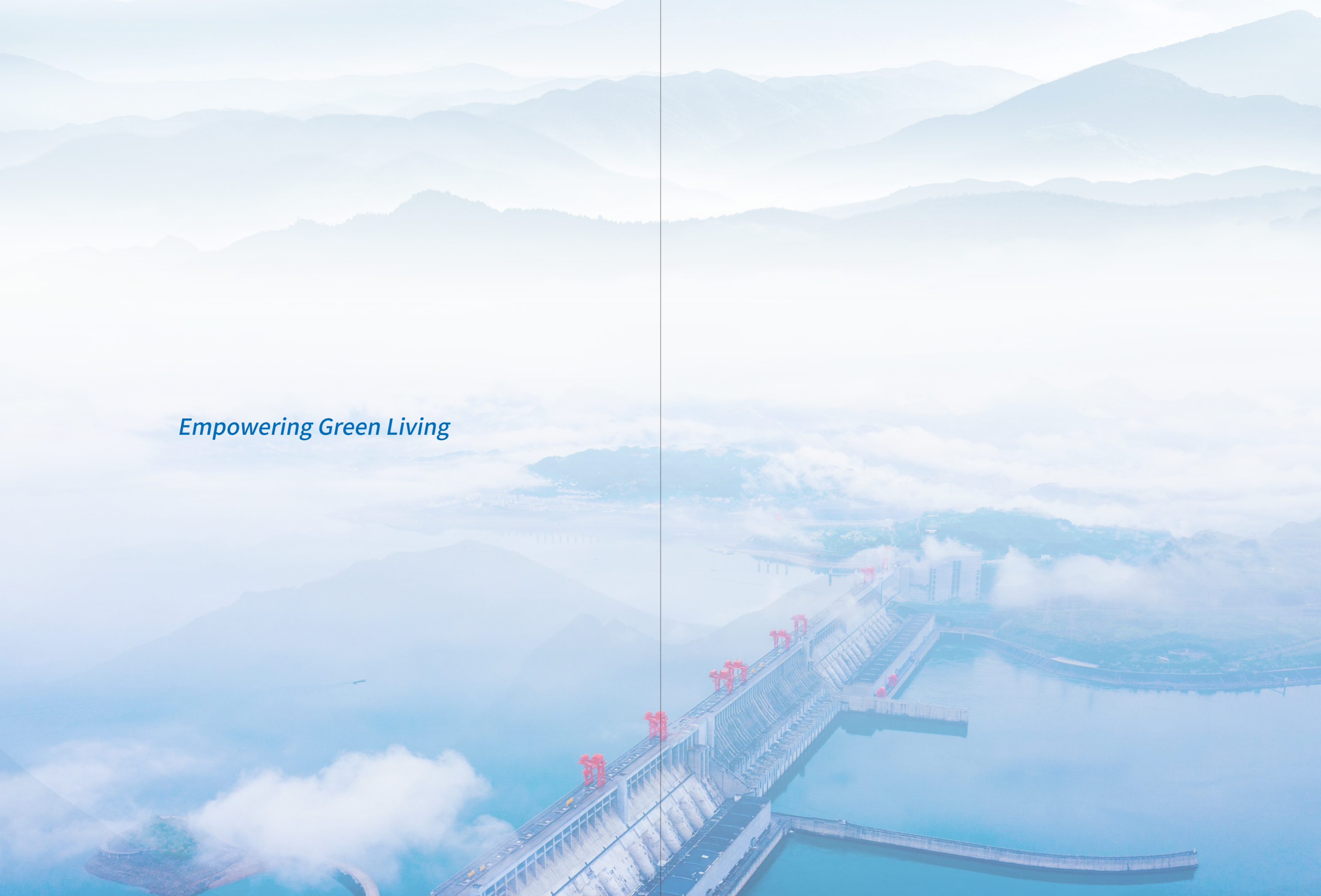
development and research, financial strategy execution, and financial talent reserve. Externally, TGFC connects with the capital markets; Internally, it improves capital management efficiency and reduces financing costs through providing financial services to all member companies. TGFC has gradually developed distinctive businesses such as electronic settlement service, deposits/loans, investment in securities, entrusted financing and short-term capital allocation. It plays a positive role in improving capital efficiency, promoting internal financing, reducing the overall external debt level of the group company and cutting financing costs.

In 2020, it recorded operating revenue of RMB 2.44 billion, total profit of RMB 1.88 billion, and net profit of RMB 1.42 billion. Its concentration rate of domestic funds reached 98.8%.





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