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Tianjin Tianbao Energy Co., Ltd. *

天津天保能源股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1671)

PROFIT WARNING

This announcement is made by Tianjin Tianbao Energy Co., Ltd.* (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited consolidated management account (the “**Management Account**”) of the Group for the year ended December 31, 2023 (the “**Review Period**”), the Group is expected to record an operating revenue of approximately RMB785,003,000 for the Review Period, representing an increase of approximately 10.0% as compared to the same period in 2022; record a profit for the year of approximately RMB2,670,000, representing a significant decrease of approximately 84.6% as compared to the same period in 2022; and profit attributable to equity shareholders of the Company of approximately RMB258,000, representing a significant decrease of approximately 96.7% as compared to the same period in 2022. The Board considers the significant decrease in profit for the Review Period despite the increase in operating revenue of the Group is mainly attributable to the continued high coal price in 2022. As an enterprise that guarantees supply and people’s livelihood in the Tianjin Port Free Trade Zone, in order to ensure the stable supply of regional energy, the Group bore the additional cost of steam prices that were not fully linked to the cost of purchasing coal from January to August 2022. Accordingly, a price subsidy of approximately RMB25,969,000 was approved by the PRC local government authorities to the Group in 2022 for the steam supply business, which was charged to the profit for that year. In 2023, the Group has implemented a price linkage mechanism to achieve full linkage between the sales price of steam and the cost of coal purchase and gas purchase, and the business has returned to profitability. The construction of Lingang Thermal Power’s gas distributed energy station project of the Group has been completed in 2023. The power generation part of the project is in the early stage of operation, and the overall project has not yet reached the level of revenue for stable operation. In addition, the Group’s self-developed and acquired distributed photovoltaic projects in 2023 are still under construction or in the handover stage and have not yet contributed to the Group’s operating results. In summary, the Group continued to improve its own operation and management, expanded new energy business, and relied on its own operation to achieve profitability without receiving government subsidies in 2023.

This announcement is made solely on the basis of a preliminary assessment by the Board with reference to the Management Account for the Review Period, together with the information currently available to the Company, and the information in which has not been audited or reviewed by the Company's auditors or the audit committee of the Company. As such, the actual financial results of the Group for the Review Period may be different from what is disclosed in this announcement. Further details of the Group's financial results and performance will be disclosed in the annual results announcement of the Company for the Review Period, which is expected to be published before the end of March 2024. The annual report for the Review Period will be published thereafter.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Tianjin Tianbao Energy Co., Ltd.*
Zhou Shanzhong
Chairman

Tianjin, the People's Republic of China, February 22, 2024

As at the date of this announcement, the Board comprises Mr. Zhou Shanzhong, Mr. Wang Geng, Mr. Mao Yongming and Mr. Yao Shen as executive Directors; Mr. Wang Xiaotong and Ms. Dong Guangpei as non-executive Directors; and Mr. Chan Wai Dune, Mr. You Shijun and Ms. Yang Ying as independent non-executive Directors.

* *For identification purpose only*