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 six months ended June 30, 2019 (the "**Review Period**"), the Group is expected to record an after-tax profit of approximately RMB7.1 million for the Review Period, representing a significant decrease of approximately 55% as compared to the same period of 2018. The Board considers the significant decrease of the profit for the Review Period is mainly attributable to (i) the reduction of the sales price of power grid in Tianjin by the Group due to the reduction in the electricity tariffs implemented in Tianjin Port Free Trade Zone since July 1, 2018 pursuant to the policy issued by the relevant PRC government authority (please refer to the Company's announcement dated July 6, 2018 in relation to the reduction in the price of electricity tariffs in Tianjin Port Free Trade Zone for further details); and (ii) the decrease in users' demand for steam and electricity in Tianjin Port Free Trade Zone during the first half of 2019. The Group will continually improve its business performance in the second half of the year and endeavor to create better profitability.

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 interim results announcement of the Company for the Review Period, which is expected to be published before the end of August 2019. The interim 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.*
Gao Hongxin
Chairman

Tianjin, the People's Republic of China, July 26, 2019

As at the date of this announcement, the Board comprises Mr. Gao Hongxin, Mr. Xing Cheng and Mr. Peng Chong as executive Directors; Mr. Yu Yang and Mr. Wu Tao as non-executive Directors; and Mr. Lau Tsz Bun, Mr. Han Xiaoping and Ms. Yang Ying as independent non-executive Directors.

* *For identification purpose only*