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)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2020

FINANCIAL HIGHLIGHTS

- For the six months ended June 30, 2020, the Company and its subsidiaries recorded a consolidated operating income of RMB201.691 million, which had increased by 7.6% as compared with the corresponding period of last year.
- The profit for the period attributable to shareholders of the Company was RMB8.090 million, representing an increase of 13.4% as compared with the corresponding period of last year.
- In the first half of 2020, basic and diluted earnings per Share were RMB0.05, representing an increase of 25% as compared with the corresponding period of last year.

RESULTS HIGHLIGHTS

The Board of Directors of Tianjin Tianbao Energy Co., Ltd.* announces the unaudited consolidated results of the Company and its subsidiaries for the six months ended June 30, 2020 prepared in accordance with the IFRS.

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2020 – unaudited (Expressed in RMB)

		Six months ended June 30,	
		2020	2019
	Note	***RMB'000***	*RMB'000*
Revenue	*3*	**201,691**	187,399
Cost of sales		**(169,347)**	(167,328)
Gross profit		**32,344**	20,071
Other net income	*4*	**612**	1,689
Administrative expenses		**(13,271)**	(9,047)
Impairment losses on trade receivables and contract assets		**21**	–
Profit from operations		**19,706**	12,713
Interest income		**232**	297
Finance costs	*5(a)*	**(4,705)**	(3,491)
Profit before taxation	*5*	**15,233**	9,519
Income tax	*6*	**(3,446)**	(2,382)
Profit for the period		**11,787**	7,137
Attributable to:			
Equity shareholders of the Company		**8,090**	7,137
Non-controlling interests		**3,697**	–
Profit for the period		**11,787**	7,137
Earnings per share	*7*		
Basic (RMB)		**0.05**	0.04
Diluted (RMB)		**0.05**	0.04

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2020 – unaudited (Expressed in RMB)

	Six months ended June 30,	
	2020	2019
	RMB'000	*RMB'000*
Profit for the period	**11,787**	7,137
Other comprehensive income for the period	**–**	–
Total comprehensive income for the period	**11,787**	7,137
Attributable to:		
Equity shareholders of the Company	**8,090**	7,137
Non-controlling interests	**3,697**	–
Total comprehensive income for the period	**11,787**	7,137

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

At June 30, 2020 – unaudited (Expressed in RMB)

	Note	**At June 30, 2020** ***RMB'000***	At December 31, 2019 *RMB'000* *(Audited)*
Non-current assets			
Property, plant and equipment	*8*	**556,031**	344,009
Intangible assets		**2,753**	2,820
Goodwill	*9*	**537**	–
Right-of-use assets	*8*	**74,749**	14,989
		634,070	361,818
Current assets			
Inventories		**5,717**	3,460
Contract assets		**493**	1,102
Trade and bill receivables	*10*	**42,449**	35,453
Other receivables and assets	*11*	**9,883**	2,739
Cash and cash equivalents	*12*	**116,344**	133,678
Restricted deposits		**1,000**	2,000
		175,886	178,432
Current liabilities			
Loans and borrowings (current portion)	*14*	**106,254**	–
Trade and other payables	*13*	**31,221**	31,383
Contract liabilities (current portion)		**16,647**	22,512
Salary and welfare payables		**2,044**	2,779
Lease liabilities (current portion)		**–**	131
Current taxation		**2,553**	1,195
Dividends payable	*16*	**4,798**	–
Current portion of other non-current liabilities		**80,000**	80,000
		243,517	138,000
Net current (liabilities)/assets		**(67,631)**	40,432
Total assets less current liabilities		**566,439**	402,250

	Note	At June 30, 2020 RMB'000	At December 31, 2019 RMB'000 (Audited)
Non-current liabilities			
Loans and borrowings (non-current portion)	*14*	**52,554**	–
Deferred income		**12,654**	12,813
Contract liabilities (non-current portion)		**6,682**	6,925
Deferred tax liabilities		**6,842**	1,984
Other non-current liabilities	*15*	**81,865**	78,558
		160,597	100,280
NET ASSETS		**405,842**	301,970
CAPITAL AND RESERVES			
Share capital		**159,921**	159,921
Reserves		**145,341**	142,049
Total equity attributable to equity shareholders of the Company		**305,262**	301,970
Non-controlling interests		**100,580**	–
TOTAL EQUITY		**405,842**	301,970

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

(Expressed in RMB unless otherwise indicated)

1 BASIS OF PREPARATION

These interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard **(IAS)** 34, *Interim financial reporting*, issued by the International Accounting Standards Board **(IASB)**.

These interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2019 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2020 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

These interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Tianjin Tianbao Energy Co., Ltd. and its subsidiaries since the 2019 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards.

These interim financial statements are unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included in the interim report.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendment to IFRSs to these financial statements for the current accounting period:

- Amendments to IFRS 3, *Definition of a Business*

Amendments to IFRS 3, Definition of a Business

The amendments clarify the definition of a business and provide further guidance on how to determine whether a transaction represents a business combination. In addition, the amendments introduce an optional "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is an asset rather than business acquisition, when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group has applied the amendments prospectively to transactions for which the acquisition date is on or after 1 January 2020.

3 REVENUE AND SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified three reportable segments. No operating segments have been aggregated to form the following reportable segments.

– Electricity dispatch and sale business: selling electricity purchased from the local branch of State Grid to end-users in various industries in Tianjin Port Free Trade Zone (Seaport) and relevant service fee.

– Power generation and supply business: selling electricity to the local branch of State Grid, and providing steam, heating and cooling to the industrial and commercial customers in Tianjin Port Free Trade Zone (Seaport) and Tianjin Port Free Trade Zone (Lingang).

– Others: construction and operation maintenance of industrial facilities, trading of electronic components, photovoltaic power generation and selling.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines and geographical location of customers is as follows:

	Six months ended 30 June	
	2020	2019
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products of service lines		
– Electricity dispatch and sale	**75,300**	87,748
– Power generation and supply	**118,028**	86,775
– Others	**8,363**	12,876
	201,691	187,399

Since all the revenue from customers is derived from the customers located in Tianjin and the non-current assets are located in Tianjin, there is no information separated by different geographical locations provided to the Group's management.

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 3(b).

(b) Information about profit or loss, assets and liabilities

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

For the six months ended 30 June	Electricity dispatch and sale		Power generation and supply		Others		Total	
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Disaggregated by timing of revenue recognition								
Point in time	**75,300**	87,748	**118,028**	86,775	**1,064**	10,363	**194,392**	184,886
Over time	**–**	–	**–**	–	**7,299**	2,513	**7,299**	2,513
Revenue from external customers	**75,300**	87,748	**118,028**	86,775	**8,363**	12,876	**201,691**	187,399
Inter-segment revenue	**1,066**	1,087	**–**	–	**458**	–	**1,524**	1,087
Reportable segment revenue	**76,366**	88,835	**118,028**	86,775	**8,821**	12,876	**203,215**	188,486
Reportable segment profit (adjusted EBITDA)	**5,274**	8,331	**39,763**	22,818	**2,437**	1,609	**47,474**	32,758
Depreciation and amortisation for the period	**2,837**	2,982	**11,349**	9,672	**377**	33	**14,563**	12,687
As at 30 June/31 December								
Reportable segment assets	**56,474**	71,517	**529,346**	314,569	**23,886**	16,937	**609,706**	403,023
Reportable segment liabilities	**26,475**	32,613	**24,733**	30,178	**14,177**	10,617	**65,385**	73,408

The measure used for reporting segment profit is "EBITDA" representing for earnings before interest, taxes, depreciation and amortisation.

(c) Reconciliations of reportable segment profit or loss

	Six months ended 30 June	
	2020	2019
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**203,215**	188,486
Elimination of inter-segment revenue	**(1,524)**	(1,087)
Consolidated revenue	**201,691**	187,399

	Six months ended 30 June	
	2020	2019
	RMB'000	*RMB'000*
Profit		
Reportable segment profit derived from Group's external customers	**47,474**	32,758
Other net income	**45**	1,689
Interest income	**232**	297
Finance costs	**(4,705)**	(3,491)
Depreciation and amortisation	**(14,563)**	(12,687)
Unallocated head office and corporate expenses	**(13,250)**	(9,047)
Consolidated profit before taxation	**15,233**	9,519

4 OTHER NET INCOME

	Six months ended 30 June	
	2020	2019
	RMB'000	*RMB'000*
Government grants	**607**	1,158
Others	**5**	531
	612	1,689

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	Six months ended 30 June	
	2020	2019
	RMB'000	*RMB'000*
(a) Finance costs		
Interest expense on payments due to shareholders	**3,307**	3,461
Interest on loans and borrowings	**1,383**	–
Other interest expense	**15**	17
Interest on lease liabilities	**–**	13
	4,705	3,491
(b) Other items		
Amortisation		
– right-of-use assets	**405**	166
– intangible assets	**218**	154
Depreciation	**14,436**	12,846
Purchase of electricity	**66,779**	75,384
Fuel	**48,863**	40,107
Outsourcing operation	**13,447**	9,594

6. INCOME TAX

(a) Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2020	2019
	RMB'000	*RMB'000*
Current tax		
Provision for the period	**4,370**	3,337
Deferred taxation		
Reversal of temporary differences	**(924)**	(955)
	3,446	2,382

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	Six months ended 30 June	
	2020	2019
	RMB'000	*RMB'000*
Profit before taxation	**15,233**	9,519
Notional tax on profit before taxation *(Note (i))*	**3,808**	2,380
Tax effect of non-deductible expenses	**–**	2
Others	**(362)**	–
Actual tax expenses	**3,446**	2,382

(i) The Group was subject to the statutory income tax rate of 25% for the six months ended 30 June 2019 and 2020.

7 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company for the six months ended 30 June 2020 of RMB8,090,000 (six months ended 30 June 2019: RMB7,137,000) and the weighted average of 159,921,000 ordinary shares (six months ended 30 June 2019: 159,921,000) in issue. There was no difference between basic and diluted earnings per share as there were no potential dilutive shares during the period.

8 RIGHT-OF-USE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

(1) Acquisition and disposals of owned assets

During the six months ended 30 June 2020, the Group acquired a subsidiary resulting the additions of property, plant and machinery with the fair value as of the acquisition day of RMB219,173,000. Besides the acquisition of subsidiary, the Group acquired items of plant, machinery and construction in progress with a cost of RMB9,142,000 (six months ended 30 June 2019: RMB1,097,000). There is no disposal of property, plant and equipment during the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

(2) Right-of-use assets

All the lands located in the People's Republic of China ("**PRC**") are leased from respective governments according to corresponding regulations applied across the country. Land use right was classified to "right-of-use assets".

9 GOODWILL

Reconciliation of carrying amount of goodwill:

	At 30 June 2020 *RMB'000*
Cost	
Balance at 1 January 2020	**–**
Acquisition through business combination	**537**
Balance at 30 June 2020	**537**
Impairment losses	
Balance at 1 January 2020	**–**
Impairment losses	**–**
Balance at 30 June 2020	**–**
Carrying amounts	
Balance at 1 January 2020	**–**
Balance at 30 June 2020	537

10 TRADE AND BILL RECEIVABLES

	At 30 June 2020 RMB'000	At 31 December 2019 RMB'000
Trade receivables	**39,600**	31,427
Bills receivable	**2,849**	4,026
	42,449	35,453

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade debtors and bills receivable, based on the invoice date and net of loss allowance, is as follows:

	At 30 June 2020 RMB'000	At 31 December 2019 RMB'000
Within 3 months	**41,992**	32,704
4 to 6 months	**138**	1,522
7 to 9 months	**284**	1,149
10 to 12 months	**35**	33
Over 12 months	**–**	45
	42,449	35,453

Trade debtors and bill receivables are generally due within 30 – 90 days from the date of billing.

11 OTHER RECEIVABLES AND ASSETS

	At 30 June 2020 RMB'000	At 31 December 2019 RMB'000
Value added tax recoverable	**6,649**	1,092
Deposits with third parties	**1,052**	1,065
Advance to suppliers	**1,471**	582
Prepaid income tax	**711**	–
	9,883	2,739

12 CASH AND CASH EQUIVALENTS

	At 30 June 2020 RMB'000	At 31 December 2019 RMB'000
Cash at bank	**117,344**	135,678
Less: restricted deposits	**1,000**	2,000
Cash and cash equivalents	**116,344**	133,678

13 TRADE AND OTHER PAYABLES

	At 30 June 2020 *RMB'000*	At 31 December 2019 *RMB'000*
Trade payable to third parties	**20,824**	24,194
Deposit received	**4,428**	1,267
Payables for value added tax and other taxes	**1,512**	1,081
Payables for purchase of property, plant and equipment	**2,878**	4,147
Others	**1,579**	694
	31,221	31,383

All of the trade and other payables of the Group are expected to be settled within one year or are repayable on demand.

As of the end of the reporting period, the ageing analysis of trade creditors and bills payables (which are included in trade and other payables), based on the invoice date, is as follows:

	At 30 June 2020 *RMB'000*	At 31 December 2019 *RMB'000*
Within 3 months	**19,136**	21,970
4 to 6 months	**468**	751
7 to 12 months	**898**	195
Over 12 months	**322**	1,278
	20,824	24,194

14 LOANS AND BORROWINGS

At 31 December 2019 and 30 June 2020, the loans and borrowings were analysed as follows:

	Currency	Nominal interest rate	Year of maturity	Face value *RMB'000*	Carrying amount *RMB'000*
Balance at 1 January 2020				–	–
New issues					
Unsecured bank loans	RMB	4.13%	2021	30,000	30,000
Undertaking through business combination					
Secured and guaranteed bank loans	RMB	4.9%	2022	75,000	75,000
Unsecured bank loans	RMB	4.35%-4.9%	2020-2026	66,907	66,907
Repayments					
Secured and guaranteed bank loans	RMB	4.9%		(12,000)	(12,000)
Unsecured bank loans	RMB	4.9%		(1,099)	(1,099)
Balance at 30 June 2020				158,808	158,808

15 OTHER NON-CURRENT LIABILITIES

In October 2016, the Company reduced its equity by RMB240,874,000 and recorded the capital to be returned as non-current payables to Tianjin Tianbao Holdings Limited and Tianjin Free Trade Zone Investment Company Limited (the "**Shareholders**") of RMB228,384,000 and RMB12,490,000, respectively.

According to the supplementary agreement between the Company and the Shareholders entered into in December 2016, the Group scheduled the payment terms as follows: (1) payment to Tianjin Free Trade Zone Investment Company Limited of RMB12,490,000 before June 2018; (2) payment to Tianjin Tianbao Holdings Limited of RMB60,000,000 before December 2018; (3) payment to Tianjin Tianbao Holdings Limited of RMB80,000,000 before December 2020; (4) payment to Tianjin Tianbao Holdings Limited of RMB88,384,000 before December 2021. The payables to Shareholders are interest-free.

The difference between the amount of total payments and their present value (net of income tax) amounted to RMB27,903,000 was recorded in capital reserve as capital contribution from Shareholders for the year ended 31 December 2016.

As of 30 June 2020, the total undiscounted payable to the Shareholders was RMB168,384,000 (2019: RMB168,384,000), and the corresponding present value of the payments was RMB161,865,000 (2019: RMB158,558,000), including RMB80,000,000 (2019: RMB80,000,000) was recorded as current portion of other non-current liabilities.

16 DIVIDENDS

Dividends payable to equity shareholders attributable to the previous financial year, approved during the interim period

	Six months ended 30 June	
	2020	2019
	RMB'000	*RMB'000*
Final dividend in respect of the previous financial year, approved during the following interim period, of RMB0.03 per share (six month ended 30 June 2019: RMB0.08 per share)	**4,798**	12,794

MANAGEMENT DISCUSSION AND ANALYSIS

SUMMARY OF BUSINESS REVIEW FOR THE FIRST HALF OF 2020

In the first half of 2020, the region where the Group is located has been affected by and subject to challenges of the evolvement of the COVID-19 outbreak to various degrees. The Group actively responded to the requirements of adopting supportive electricity pricing policy during national epidemic prevention and control period to reduce electricity cost for enterprises so as to lighten the burden on enterprises. As an electricity, heating and cooling energy operator in the region, the Group did not suspend its operation during the most serious period of the epidemic and provided customers with stable energy supply, ensuring the energy demand of enterprises and households in the region remain unaffected. Leaders and employees of the Group also worked hard in adverse situation and strived for innovation, successfully completed the acquisition of 51% equity interest of Lingang Thermal Power, the relevant business changes registration and settlement of consideration of which was also completed during the Reporting Period, significantly improved the profitability and asset quality of the Group. The H Share "full circulation" programme has progressed smoothly. The phase 1 distributive photovoltaic power generation project has been operating normally, thereby assisting the Group in reducing the purchase of expensive external electricity and increased profits. Despite the epidemic, all employees of the Group have made unremitting efforts to increase revenue while reducing expenditure, enabling the Group's growth against the trend and commencing a new stage of the Group's high-quality development.

HIGHLIGHTS OF MAJOR INITIATIVES OF THE GROUP IN THE FIRST HALF OF 2020

1. Completion of the acquisition of Lingang Thermal Power

The Company entered into the equity transfer agreement with Tianjin Jinneng Binhai Heating Group Co., Ltd.* (天津津能濱海供熱集團有限公司) on February 17, 2020 in relation to the acquisition of 51% equity interests in Lingang Thermal Power, which was approved by the Shareholders on May 8, 2020. On June 11, 2020, the relevant business changes registration completed and Lingang Thermal Power was renamed as "Tianjin Tianbao Lingang Thermal Power Co., Ltd.* (天津天保臨港熱電有限公司)", marking the completion of the acquisition of Lingang Thermal Power.

Lingang Thermal Power is principally engaged in steam production and supply business, mainly providing steam for the production process of the enterprises in Binhai New District. Lingang Thermal Power's business is generally similar to the Group's existing business, and synergies in various aspects such as production technology, human resources and management have been created between Lingang Thermal Power and the Group. The acquisition of Lingang Thermal Power is the Group's first attempt to expand through external acquisition after its listing on the Stock Exchange. This acquisition project has improved the Group's profitability and assets quality and is the first step taken by the Company in expanding its business area out of the Tianjin Port Free Trade Zone. For details, please refer to the Company's announcements dated February 17, 2020, March 9, 2020, May 8, 2020 and June 11, 2020 and the Company's circular dated March 12, 2020.

2. Smooth progress of the H Share "full circulation" programme

The Company submitted the application of H Share "full circulation" programme (being the conversion of the Domestic Shares into H Shares to be listed on the Stock Exchange) to the CSRC on January 8, 2020, obtained formal approval from the CSRC on June 1, 2020 and the listing approval from the Stock Exchange on July 9, 2020, and completed the conversion and listing of the Shares on the Main Board of the Stock Exchange on July 29, 2020.

During the Reporting Period, the Company became one of the first enterprises with its H Share "full circulation" application approved by the CSRC. All the Domestic Shares have been converted into 115,600,907 H Shares and were listed on the Stock Exchange on July 29, 2020. This will raise the market's attention towards the Company and significantly increase the market value of the H Shares in circulation, marking a new era for the high-quality development of the Company. This lays a solid foundation for subsequent capital market activities, wider financing channels and steady improvement of brand value. For details, please refer to the Company's announcements dated January 8, 2020, January 16, 2020, June 1, 2020, July 9, 2020, July 17, 2020 and July 28, 2020.

3. Proactive responses to market changes and improved the profitability

In early 2020, as the outbreak of COVID-19 caused great impact on the production of enterprises nationwide and pursuant to the Notice of Tianjin Development and Reform Commission to Enterprises on Reducing Electricity Cost by Phrases to Support Resumption of Work and Production (Jin Fa Gai Jia Zong [2020] No.64) (市發展改革委關於階段性降低企業用電成本支持企業復工復產的通知 (津發改價綜[2020]64號)) and the Notice of Tianjin Development and Reform Commission to Enterprises on Further Reducing Electricity Cost by Phrases (Jin Fa Gai Jia Zong [2020] No.231) (市發展改革委關於延長階段性降低企業用電成本政策的通知 (津發改價綜[2020]231號)), the Group actively responded to the requirements of adopting supportive electricity pricing policy during national epidemic prevention and control period to reduce electricity cost for enterprises so as to lighten the burden on enterprises. Save as customers in the high energy consumption industries, from February 1, 2020 to December 31, 2020, we shall charge our customers only 95% of the original price of electricity. The Group strengthened the inspection and verification of the users' energy use area in the region where the Group is located to respond to market changes brought about by the epidemic. Meanwhile, the Group increased its number of suppliers with high quality and low price, intensified the competition between the suppliers, and strengthened its research to make comparison and keep abreast of the market changes, so as to lower the coal purchase cost.

4. The photovoltaic power generation station has been in normal operation and energy structure upgrading is in progress

At the end of 2019, the Company completed the construction of the phase 1 distributed photovoltaic power generation project with installed capacity of 3MW, which went on-grid in January 2020 and has since been in normal operation. The Company will continue to develop and construct distributed photovoltaic power generation stations and upgrade its energy structure.

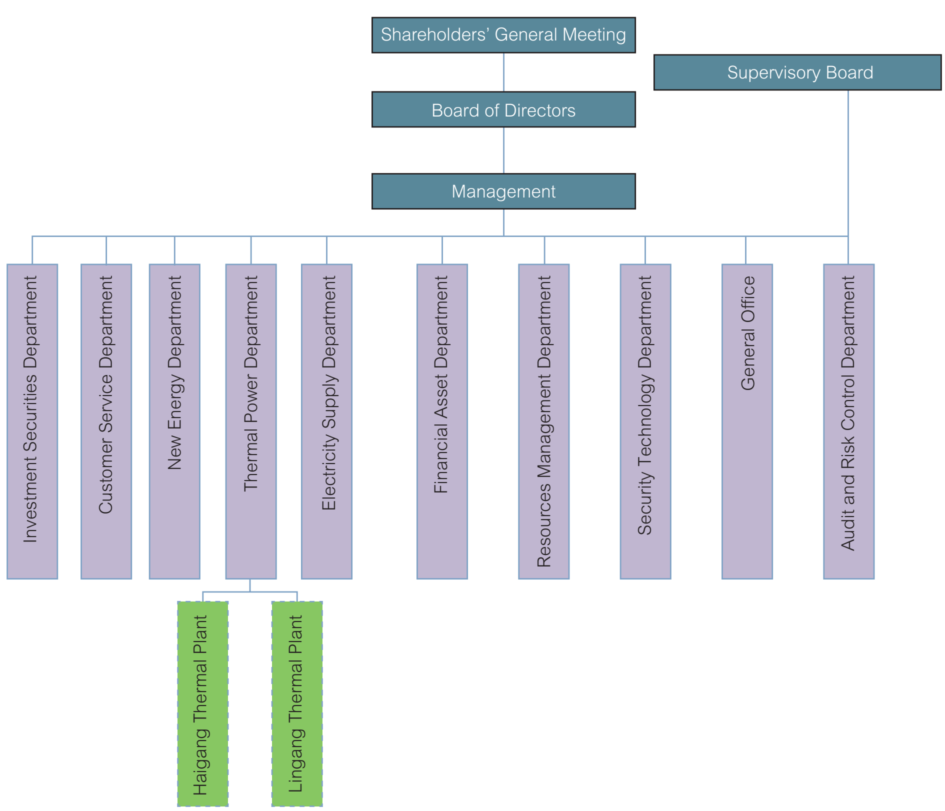
5. **Ensuring production safety and epidemic prevention and control**

The Group attached great importance to production safety, prioritised safety and stability all the time, strictly complied with safety production laws and regulations, improved the safety rules and regulations system, implemented the level-by-level management responsibility for local safety, and continuously strengthened the safety management of outsourcing units to implement the 6S management requirements on a regular basis, thereby promoting a culture of safety. In the first half of the year, no safety liability accidents occurred in the Group.

Since the beginning of the year, the Group's focus on safety work has been epidemic prevention. The Group has formulated epidemic prevention work rules with continuous dynamic adjustment. The Group has taken various measures such as conducting publicity and education on health knowledge for all employees, implemented quarantine and observation of employees returning to Tianjin from other places, strengthened body temperature monitoring and registration of visitors and distributed surgical masks and other protective equipment to employees on a regular basis. There has been no confirmed or suspected COVID-19 cases in the Group, and the epidemic prevention work will become routine work.

6. **Adjustment to the Company's organizational structure and improved corporate governance**

The Company has adjusted its organizational structure (as shown in the chart below) to address the difficulties brought by business expansion and to improve operation efficiency. Certain departments with overlapping functions or those which were not in line with the Group's future development direction have been abolished or merged with other departments, specific functions of each department have been highlighted and the name of corresponding departments have been amended. The number of executive departments were consolidated from 12 to 10 after the adjustment to the organizational structure, which will enhance the centralized control ability, give full play to synergy effect, support the implementation of strategies and decisions made by the Board and future development.



To improve the profitability of new energy power generation business of the Group and clarify that the new energy projects such as the distributed photovoltaic power generation project will be one of the focuses of the Group's development in the future, the Group's wholly-owned subsidiary, Tianjin Baorun International Trading Electrical Engineering Co., Ltd.* (天津保潤國際貿易電氣工程有限公司), changed its business scope and legal representative and was renamed to Tianjin Tianbao New Energy Co., Ltd.*(天津天保新能有限公司) and the relevant business changes registration was completed on May 8, 2020.

During the Reporting Period, the Group reviewed and revised various systems and procedures to strengthen the standardization and institutionalization for our work and to optimize the corporate governance system.

OPERATING RESULTS AND ANALYSIS

According to the Group's statistics, in the first half of 2020, sales of steam amounted to 528,000 tons, representing an increase of 43.5% from 368,000 tons over the corresponding period of last year, mainly due to the completion of the acquisition of Lingang Thermal Power which mainly sells steam in the first half of the year, leading to an increase in overall sales of the Group; sales of electricity amounted to 106.127 million kilowatt-hours, representing a decrease of 9.3% from 117.005 million kilowatt-hours over the corresponding period of last year, mainly due to the Group actively responded to the requirements of reducing electricity cost for enterprises during the national epidemic prevention and control period so as to lighten the burden on enterprises pursuant to the Notice of Tianjin Development and Reform Commission to Enterprises on Reducing Electricity Cost by Phrases to Support Resumption of Work and Production (Jin Fa Gai Jia Zong [2020] No.64) (市發展改革委關於階段性降低企業用電成本支持企業復工復產的通知 (津發改價綜[2020]64號)) and the Notice of Tianjin Development and Reform Commission to Enterprises on Further Reducing Electricity Cost by Phrases (Jin Fa Gai Jia Zong [2020] No.231) (市發展改革委關於延長階段性降低企業用電成本政策的通知 (津發改價綜[2020]231號)), according to which we shall charge customers (apart from customers in the high energy consumption industries) only 95% of the original price of electricity from February 1, 2020 to December 31, 2020; and on-grid power generation amounted to 27.889 million kilowatt-hours, representing an increase of 2.8% from 27.127 million kilowatt-hours over the corresponding period of last year, mainly due to decrease in the Group's electricity consumption for its own use and remaining capacity of steam power is used for power generation in the first half of 2020.

1. Operating income

In the first half of 2020, the consolidated operating income recorded by the Company and its subsidiaries increased by 7.6% from RMB187.399 million for the first half of 2019 to RMB201.691 million for the first half of 2020.

Electricity dispatch and sale segment

The income from our electricity dispatch and sale segment decreased by 14.2% from RMB87.748 million for the first half of 2019 to RMB75.300 million for the first half of 2020, mainly due to (i) the Group actively responded to the requirements of reducing electricity cost for enterprises during national epidemic prevention and control period so as to lighten the burden on enterprises pursuant to the Notice of Tianjin Development and Reform Commission to Enterprises on Reducing Electricity Cost by Phrases to Support Resumption of Work and Production (Jin Fa Gai Jia Zong [2020] No.64) (市發展改革委關於階段性降低企業用電成本支持企業復工復產的通知 (津發改價綜[2020]64號)) and the Notice of Tianjin Development and Reform Commission to Enterprises on Further Reducing Electricity Cost by Phrases (Jin Fa Gai Jia Zong [2020] No.231) (市發展改革委關於延長階段性降低企業用電成本政策的通知 (津發改價綜[2020]231號)), according to which we shall charge customers (apart from customers in the high energy consumption industries) only 95% of the original price of electricity from February 1, 2020 to December 31, 2020; and (ii) certain customers of the Group decreased its electricity consumption as a result of the COVID-19 outbreak, leading to the decrease in the Group's electricity sales.

Power generation and supply segment

The income from our power generation and supply segment increased by 36.0% from RMB86.775 million for the first half of 2019 to RMB118.028 million for the first half of 2020, mainly due to the completion of the acquisition of Lingang Thermal Power which mainly sells steam in the first half of the year, leading to an increase in the overall sales of the Group.

Others segment

The income from others segment decreased by 35.1% from RMB12.876 million for the first half of 2019 to RMB8.363 million for the first half of 2020, mainly due to decrease in the scale of sales of goods business by the Company's subsidiary Tianjin Tianbao New Energy in 2020, resulting in a significant decrease in sales revenue.

2. Other net income

In the first half of 2020, the Group recorded other net income of RMB0.612 million, representing a decrease of 63.8% as compared with the corresponding period of last year of RMB1.689 million, which was primarily due to the decrease in government grants.

3. Segment costs

Electricity dispatch and sale segment

The costs of our electricity dispatch and sale segment decreased by 11.6% from RMB82.398 million for the first half of 2019 to RMB72.863 million for the first half of 2020.

Power generation and supply segment

The costs of our power generation and supply segment increased by 22.5% from RMB73.630 million for the first half of 2019 to RMB90.181 million for the first half of 2020 due to (i) increase in costs for purchase of coal as a result of increase in sales of steam; and (ii) increase in various outsourcing fee and depreciation after the acquisition of Lingang Thermal Power.

Others segment

The costs of others segment decreased by 44.2% from RMB11.300 million for the first half of 2019 to RMB6.303 million for the first half of 2020, which was mainly due to decrease in cost of sales as a result of decrease in sales volume.

4. Segment gross profit

Electricity dispatch and sale segment

The gross profit from our electricity dispatch and sale segment decreased by 54.4% from RMB5.350 million for the first half of 2019 to RMB2.437 million for the first half of 2020.

Power generation and supply segment

The gross profit from our power generation and supply segment increased by 111.8% from RMB13.145 million for the first half of 2019 to RMB27.847 million for the first half of 2020.

Others segment

The gross profit from others segment increased by 30.7% from RMB1.576 million for the first half of 2019 to RMB2.060 million for the first half of 2020.

5. Earnings before interest, taxes, depreciation and amortisation

Earnings before interest, taxes, depreciation and amortisation increased by 44.9% from RMB32.758 million in the first half of 2019 to RMB47.474 million in the first half of 2020.

6. Finance costs

In the first half of 2020, the Company and its subsidiaries recorded finance costs of RMB4.705 million, representing an increase of 34.8% as compared with the corresponding period of last year of RMB3.491 million, which was primarily due to increase in interest costs as a result of having long-term borrowings and short-term borrowings after acquisition of Lingang Thermal Power.

7. Fuel costs

In the first half of 2020, the Company and its subsidiaries recorded fuel costs of RMB48.863 million, representing an increase of 21.8% as compared with the corresponding period of last year of RMB40.107 million, which was primarily due to increase in cost of fuel for the additional fuel purchased for the Group's business, which is in line with the increase in sales of steam during the same period after the acquisition of Lingang Thermal Power.

8. Profit before tax

The profit before tax increased by 60.0% from RMB9.519 million for the first half of 2019 to RMB15.233 million for the first half of 2020.

9. Income tax expenses

In the first half of 2020, the Group recorded income tax expenses of RMB3.446 million, representing an increase of 44.7% as compared with the corresponding period of last year of RMB2.382 million, which was primarily due to increase in profit in the first half of the year.

10. Profit for the period attributable to the parent company

Profit for the period attributable to the parent company increased by 13.4% from RMB7.137 million for the first half of 2019 to RMB8.090 million for the first half of 2020.

FINANCIAL POSITION

1. Assets and liabilities

Total assets increased by 49.9% from RMB540.250 million as at the end of 2019 to RMB809.956 million as at the end of June 2020. Total liabilities increased by 69.6% from RMB238.280 million as at the end of 2019 to RMB404.114 million as at the end of June 2020. Total equity attributable to ordinary Shareholders of the Company increased by 1.1% from RMB301.970 million as at the end of 2019 to RMB305.262 million as at the end of June 2020.

As of the end of June 2020, our current assets amounted to RMB175.886 million, representing a decrease of 1.4% from RMB178.432 million as at the end of 2019, of which cash and cash equivalents amounted to RMB116.344 million (end of 2019: RMB133.678 million), trade and bill receivables amounted to RMB42.449 million (end of 2019: RMB35.453 million), which was mainly receivables of steam revenue. Our current liabilities amounted to RMB243.517 million (end of 2019: RMB138.000 million), of which trade and other payables amounted to RMB31.221 million (end of 2019: RMB31.383 million); and non-current liabilities amounted to RMB160.597 million (end of 2019: RMB100.280 million).

2. Cash and cash equivalents

As at the end of June 2020, the Group recorded cash and cash equivalents of RMB116.344 million, representing a decrease of 13.0% as compared with the end of last year of RMB133.678 million. Taking into account the capital needs of the Group's daily operating activities and the higher expected capital expenditures, the Group adopted a conservative cash management strategy.

3. Gearing ratio

The gearing ratio is calculated as the balance of liabilities as at the end of the period divided by the balance of Shareholders' equity as at the end of the period.

As at the end of June 2020, the Group recorded a gearing ratio of 1.3, representing a slight increase as compared with the end of last year of 0.8, which was due to the increase in liabilities.

HUMAN RESOURCES AND TRAINING

As of June 30, 2020, we had 70 employees. The following table sets forth the number of employees for each of our areas of operations as of June 30, 2020.

Function	**Number of Employees**	**Percentage of Total**
Management, administration and finance	25	35.7%
Marketing	7	10.0%
Procurement	5	7.1%
Engineering and technology	33	47.2%
Total	70	100.00%

As of June 30, 2020, we incurred staff costs (including salaries, benefits and allowances) of RMB8.647 million.

The Group has implemented a number of initiatives in recent years to enhance the productivity of our employees. The Group conducts periodic performance reviews for all of our employees and their salaries and performance bonuses are performance-based. The Directors believe that these initiatives have contributed to increased employee productivity.

The Group places significant emphasis on staff training and development. To realize steady and healthy development of the Group and meet the development needs of our employees, the Group provides continuing education and training programs for the management personnel and other employees with a view to constantly enhance their skills and knowledge. Our staff training is either conducted internally by the management and relevant department heads of the Group or by external trainers invited to conduct the professional trainings. We intend to ensure that our staff remain equipped with the necessary skills, knowledge and abilities in their respective areas of work as this in turn helps to maintain the Group's competitiveness in the market.

As of June 30, 2020, the Company's human resources department finished a total of 11 trainings involving party affairs education, middle-level cadre management and professional skills, among which the training for professional skills was carried out by each department with contents including the Listing Rules, testing equipment usage and usage attention points, emergency response training for "three-remote" server hard drive failure, and continuing education courses for special operations personnel.

The Directors believe that we maintain a good working relationship with our personnel. Our employees are unionized in accordance with local labor laws.

OTHER SIGNIFICANT EVENTS

1. Capital raising

The Company completed the initial public offering and was listed on the Main Board of the Stock Exchange on April 27, 2018. The actual net proceeds from the initial public offering, after deducting the underwriting commission and other estimated expenses in connection with the initial public offering, amounted to approximately HK$41.18 million.

2. Capital expenditure and capital commitment

In the first half of 2020, capital expenditure of the Group was RMB9.142 million, which was mainly used for (i) de-nitrification quality improvement and upgrading (RMB6.780 million); and (ii) purchase of transformers (RMB1.236 million).

As at June 30, 2020, the provision of capital commitment of the Group amounted to RMB9.860 million, which is expected to be used for project-related expenses in relation to the de-nitrification quality improvement and upgrading project that the Group plans to develop in the upcoming year.

Going forward, the Group will continue to promote the phase 2 distributive photovoltaic power generation project, which may increase the capital expenditure of the Group. For details, please refer to the paragraph headed "Business Outlook for the Second Half of 2020 – 1. Promote the phase 2 distributive photovoltaic power generation project and look for alternative energy supply models" in this announcement. As at June 30, 2020, save as disclosed in this announcement, the Group did not have other confirmed plan to make major investments or purchase capital assets or to make relevant financing in the coming year.

3. Liquidity and financial resources

As at June 30, 2020, the Group had cash and cash equivalents amounting to RMB116.344 million, bank borrowings of RMB158.808 million which includes short-term borrowings of RMB106.254 million (including long-term borrowings due within one year of RMB46.254 million) and non-current portion of long-term borrowings of RMB52.554 million, while secured and guaranteed borrowings amounted to RMB63.000 million and unsecured borrowings amounted to RMB95.808 million, all of which was with fixed interest rate. There were no financial instruments entered into by the Group for hedging purpose. In addition, the Group had no investments in foreign currency.

4. Material acquisitions and disposals

On February 17, 2020, the Company and Tianjin Jinneng Binhai Heating Group Co., Ltd. entered into the equity transfer agreement, pursuant to which the Company agreed to acquire 51% equity interest in Lingang Thermal Power for the total consideration of RMB139.130 million, consisting of the cash consideration payable by the Company to Tianjin Jineng Binhai Heating Group Co., Ltd. as the vendor for the acquisition, being RMB100.880 million (inclusive of the deposit), and the provision of a guarantee in favour of Lingang Thermal Power for borrowings of RMB38.250 million. The acquisition was approved by the Shareholders on May 8, 2020, and the Company completed the relevant business changes registration and renamed the company as Tianjin Tianbao Lingang Thermal Power Co., Ltd.* (天津天保臨港熱電有限公司) on June 11, 2020 , marking the successful completion of the acquisition of Lingang Thermal Power.

5. Significant investments

As of June 30, 2020, the Group did not have significant investments.

6. Contingent liabilities

As at June 30, 2020, except for the provision of the joint and several liability guarantee by the Group for 51% of the remaining balance of a long-term loan of Lingang Thermal Power amounting to RMB32.130 million, the Group did not have contingent liabilities.

7. Bank borrowings of the Group

As at June 30, 2020, the Group had bank borrowings of RMB158.808 million which include short-term borrowings of RMB106.254 million (including long-term borrowings due within one year of RMB46.254 million) and non-current portion of long-term borrowings of RMB52.554 million, while secured and guaranteed borrowings amounted to RMB63.000 million and unsecured borrowings amounted to RMB95.808 million, all of which was with fixed interest rate.

8. Other debts of the Group

Except for the bank borrowings as disclosed in this announcement and the amount of RMB168.383 million due to certain Shareholders of the Company, the Group did not have other interest-bearing debts.

9. Mortgages on Group's assets

As of June 30, 2020, the Company's subsidiary Lingang Thermal Power has pledged its trade receivables as security for a bank loan with balance amounting to RMB63.000 million as of June 30, 2020.

10. Capital structure

The H Shares of the Company were listed on the Main Board of the Stock Exchange on April 27, 2018. Upon completion of the H Share "full circulation" programme on July 29, 2020, all Domestic Shares had been converted into H Shares and became listed on the Main Board of the Stock Exchange. As at the date of this announcement, the capital structure of the Company consists of H Shares only.

11. Share option scheme

As of June 30, 2020, the Company had not implemented any share option scheme.

12. Foreign exchange and exchange rate risk

The Group mainly operates in China. Other than bank deposits denominated in foreign currencies (including bank deposits in Hong Kong dollars), the Group is not exposed to material foreign exchange rate risk. The Directors expect that fluctuation in the exchange rate of RMB will not have a material adverse effect on the operation of the Group. Accordingly, the Group did not enter into any hedging arrangement for reducing the risk of fluctuation in exchange rates during the Reporting Period.

BUSINESS OUTLOOK FOR THE SECOND HALF OF 2020

1. Promote the phase 2 distributive photovoltaic power generation project and look for alternative energy supply models

In order to explore new profit growth opportunities and promote the upgrading of energy structure, the Group adopts internal decisions after the Reporting Period, and intends to commence the construction of the phase 2 photovoltaic power generation project in Tianjin Port Free Trade Zone (Seaport and Lingang) and complete the construction of the 2.46MW photovoltaic power generation project during the year. Meanwhile, the Group also actively identifies other energy supply models such as air energy and LNG gas cogeneration, so that the Group can achieve diversified development while focusing on its principal business.

2. Establish cooperative relationship with Tianjin University

The Company entered into a cooperation framework agreement with Tianjin University in the first half of 2020, pursuant to which, both parties will give full play to their respective strengths and cooperate in projects relating to steam supply, heating and cooling and the research and development of related energy-saving technologies and products.

Tianjin University is a key university in the "985 Project" and "211 Project" directly under the Ministry of Education. It has undertaken or participated in major projects in "863 Plan", "973 Plan", National "10th Five-year Plan", "11th Five-year Plan" and "12th Five-year Plan", projects funded by National Nature and Science Foundation of China, doctoral foundation projects as well as other key and grassroots research projects in Tianjin. Tianjin University has strong scientific research ability, it focuses on major national strategic needs and the frontiers of global scientific and technological development, and has achieved fruitful results. The Company will take advantage of the research and development ability of Tianjin University in relevant fields to consolidate its technical foundation for further development, and look forward to the win-win results for both parties to be brought by cooperation.

3. Further deepen technological upgrade

The Group will further deepen technological upgrade for the purpose of further energy conservation and consumption reduction and lowering the Group's production and operation costs. The related subject research group will conduct research on the following subjects in the second half of the year: firstly, carry out ultra-low emission transformation for the boilers of Lingang Thermal Power; secondly, carry out certain research and transformation such as purchase and upgrade of concentrated water reverse osmosis facilities, the change of the power connection point of the heat exchange station, so that the heat exchange station circulating water can recover the residual heat for heating, and the transformation of the steam-driven feed water pump. The above work will reduce the Group's production costs.

4. Formulate the Group's "14th Five-Year" development strategy plan, and continue to seek opportunities for mergers and acquisitions in the new planning direction

The Group will make a scientific plan for the reform and development during the "14th Five-Year Plan" period and determine the Group's overall strategic goals, development ways and other key issues through in-depth analysis of industry policies, customer development and development goals so as to make scientific plans for multiple strategies and opportunities such as deepening the reform of state-owned enterprises and seizing opportunities in the market.

CORPORATE GOVERNANCE PRACTICES

The Board of the Company is committed to maintaining high standard of corporate governance. The Board believes that high standard of corporate governance is essential for the Company to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has applied the principles set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules. The Directors consider that the Company has complied with all code provisions as set out in the Corporate Governance Code during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions of the Company by the Directors, Supervisors and relevant employees of the Company. Upon making specific enquiries to all of the Directors, Supervisors and relevant employees of the Company, all Directors, Supervisors and relevant employees confirmed that during the Reporting Period, each of the Directors, Supervisors, and relevant employees has strictly complied with the required standards set out in the Model Code. The Company is not aware of any incident of non-compliance with the Model Code committed by any Directors, Supervisors or relevant employees during the Reporting Period.

CHARGES ON THE GROUP'S ASSETS

During the Reporting Period, the Company's subsidiary Lingang Thermal Power has pledged its trade receivables as security for a bank loan with balance amounting to RMB63.000 million as of June 30, 2020.

LOAN ARRANGEMENTS GRANTED BY THE GROUP TO ENTITIES

During the Reporting Period, the Group did not grant any loan to any entity which is subject to disclosure requirements under Rule 13.13 of the Listing Rules.

PLEDGING OF SHARES BY THE CONTROLLING SHAREHOLDERS

The Controlling Shareholders of the Company did not pledge any of their Shares in the Company to secure the Group's debts or to secure guarantees or other support of the Group's obligations during the Reporting Period.

LOAN AGREEMENTS OR FINANCIAL ASSISTANCE OF THE GROUP

The Group has no affiliated companies and the Group did not provide any financial assistance nor guarantee to its affiliated companies during the Reporting Period, which gives rise to a disclosure under Rule 13.16 of the Listing Rules. The Group did not enter into any loan agreement with covenants relating to specific responsibility of its Controlling Shareholders nor breach the terms of any loan agreements during the same Reporting Period.

AUDIT COMMITTEE

The audit committee comprises three non-executive Directors, namely Mr. Chan Wai Dune (chairperson), Ms. Yang Ying and Ms. Dong Guangpei, with the majority being independent non-executive Directors (including one independent non-executive Director with accounting expertise). None of the members of the audit committee is a former partner of the Company's existing auditor. The primary responsibilities of the audit committee are to review and supervise the Group's financial reporting process, risk management and internal control system. The terms of reference of the audit committee are available on the Stock Exchange's website and the Company's website.

The audit committee of the Company has reviewed the Group's 2020 interim results announcement, the interim report and the unaudited financial statements for the six months ended June 30, 2020 prepared in accordance with the IFRS.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OR REDEEMABLE SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities or redeemable securities during the six months ended June 30, 2020.

INTERIM DIVIDEND

The Board has not made any recommendation on the distribution of an interim dividend for the six months ended June 30, 2020.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

During the Reporting Period, in light of the recent changes to the requirements under the PRC Company Law and relevant laws and regulations in relation to, among other things, the notice period for convening the general meeting of the Company, the rights of Shareholders to propose resolutions and the convening procedures and in order to improve the efficiency of decision-making by the Company, the Company amended its Articles of Association on June 15, 2020 with reference to practice of other listed companies and based on the actual condition as well as operation and development needs of the Company. Details of such amendments are set out in the circular of the Company dated April 23, 2020. An up-to-date version of the Articles of Association is also available on the Company's website and the Stock Exchange's website.

RESIGNATION OF EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER

Reference is made to the announcement of the Company dated August 14, 2020 in relation to the resignation of Mr. Peng Chong ("**Mr. Peng**") as the executive Director, chief financial officer and the authorised representative (the "**Authorised Representative**") under Rule 3.05 of the Listing Rules of the Company. Upon the completion of the Board meeting on August 28, 2020, the above resignation of Mr. Peng took effect and Mr. Peng ceased to carry out the duties of the secretary to the Board and Mr. Zhou Shanzhong, being an executive Director and chairman of the Board, will temporarily serve the role of and perform the duties of the secretary to the Board for the time being. In addition, the senior management and financial asset department will also continue to handle the financial matters of the Company diligently. The Company is in the process of identifying suitable candidates to fill in the positions as an executive Director, chief financial officer and secretary to the Board. Further announcement(s) will be made by the Company in relation to such appointments as and when appropriate.

CHANGE OF AUTHORISED REPRESENTATIVE

Immediately following Mr. Peng's resignation as an Authorised Representative, the Board further announces that Mr. Xing Cheng, being an executive Director, has been appointed as an Authorised Representative with effect upon the completion of the Board meeting on August 28, 2020.

SUBSEQUENT EVENTS

Save as the successful completion of the H Share "full circulation" programme, upon which all Domestic Shares had been converted into H Shares and became listed on the Stock Exchange on July 29, 2020, and the abovementioned resignation of executive Director and chief financial officer and change of Authorised Representative of the Company, there is no other subsequent event as at the date of this announcement.

THE PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.tjtbny.com), respectively. The interim report of the Company for 2020 containing all the information required by the Listing Rules will be despatched to the Shareholders and will also be available at the websites of the Stock Exchange and the Company in due course.

DEFINITIONS

"Articles of Association"	the articles of association of the Company
"Board" or "Board of Directors"	the board of directors of the Company
"Company", "our Company", "we" or "us"	Tianjin Tianbao Energy Co., Ltd.* (天津天保能源股份有限公司)
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and in this announcement refers to Tianbao Holdings and TFIHC
"CSRC"	The China Securities Regulatory Commission

"Director(s)"	director(s) of the Company
"Domestic Shares"	the ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
"Group"	the Company and its subsidiaries
"H Shares"	the overseas listed ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Stock Exchange
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars", "HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"IFRS"	International Financial Reporting Standards, which include standards and interpretations promulgated by the International Accounting Standards Board, and International Accounting Standards and Interpretations issued by the International Accounting Standards Board
"Lingang Thermal Power"	Tianjin Tianbao Lingang Thermal Power Co., Ltd.* (天津天保臨港熱電有限公司) (formerly known as Tianjin Jinneng Lingang Thermal Power Co., Ltd.* (天津津能臨港熱電有限公司)), a limited liability company established in the PRC on May 8, 2009, a non-wholly-owned subsidiary of our Company
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Model Code"	Model Code for Securities Transactions by Directors of Listed Companies
"PRC" or "China"	the People's Republic of China
"Reporting Period"	from January 1, 2020 to June 30, 2020, being the financial reporting period of this announcement
"RMB" or "Renminbi"	the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the share capital of our Company
"Shareholders"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	supervisor(s) of the Company

"TFIHC"	Tianjin Free Trade Zone Investment Holdings Group Co., Ltd.* (天津保稅區投資控股集團有限公司), a wholly-owned subsidiary of Tianjin Port Free Trade Zone State-owned Assets Administration Bureau* (天津港保稅區國有資產管理局) established in the PRC, one of our Controlling Shareholders
"Tianbao Holdings"	Tianjin Tianbao Holdings Limited* (天津天保控股有限公司), a limited liability company established in the PRC on January 28, 1999 and a wholly-owned subsidiary of TFIHC, one of our Controlling Shareholders
"Tianjin Tianbao New Energy"	Tianjin Tianbao New Energy Co., Ltd.* （天津天保新能有限公司）(formerly known as Tianjin Baorun International Trading Electrical Engineering Co., Ltd.* (天津保潤國際貿易電氣工程有限公司)), a limited liability company established in the PRC on November 21, 1994, a wholly-owned subsidiary of our Company

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

Tianjin, the People's Republic of China, August 28, 2020

As of the date of this announcement, the Board comprises Mr. Zhou Shanzhong, Mr. Xing Cheng, Mr. Mao Yongming and Mr. Peng Chong as executive directors; Mr. Wang Xiaotong and Ms. Dong Guangpei as non-executive directors; and Mr. Chan Wai Dune, Mr. Han Xiaoping and Ms. Yang Ying as independent non-executive directors.

* *For identification purposes only*