天津津燃公用事業股份有限公司

TIANJIN JINRAN PUBLIC UTILITIES COMPANY LIMITED

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

(Stock Code: 01265)

CLARIFICATION ANNOUNCEMENT

References are made to the announcement ("**Profit Warning Announcement**") dated 9 March 2021 issued by Tianjin Jinran Public Utilities Company Limited (the "**Company**") in relation to a profit warning (the "**Profit Warning**") of the Company for year ended 31 December 2020 and the joint announcements dated 8 June 2018 (the "**Rule 3.7 Announcement**"), 8 July 2018, 7 August 2018, 7 September 2018, 8 October 2018, 8 November 2018, 7 December 2018, 9 January 2019, 8 February 2019, 8 March 2019, 8 April 2019, 8 May 2019, 10 June 2019, 10 July 2019, 12 August 2019, 11 September 2019, 14 October 2019, 8 November 2019, 9 December 2019, 8 January 2020, 10 February 2020, 9 March 2020, 8 April 2020, 8 May 2020, 8 June 2020, 9 July 2020, 10 August 2020, 8 September 2020, 9 October 2020, 9 November 2020, 8 December 2020, 8 January 2021, 8 February 2021 and 8 March 2021 issued by the Company and 津燃華潤燃氣有限公司 (Jinran China Resources Gas Co., Ltd.*) pursuant to Rule 3.7 of the Code on Takeovers and Mergers (the "**Takeovers Code**"）.

As mentioned in the Rule 3.7 Announcement, the offer period commenced on 8 June 2018 (the "**Offer Period**"). The directors of the Company (the "**Director(s)**") would like to clarify that the Profit Warning Announcement issued during the Offer Period is regarded as a profit forecast under Rule 10 of the Takeovers Code and is required to be reported on by the Company's financial advisers and auditors or accountants in accordance with Rule 10.4 of the Takeovers Code, and their reports must be included in the next document sent to the shareholders of the Company (the "**Shareholders**") under Rule 10.4 of the Takeovers Code.

As mentioned in the Profit Warning Announcement, the board of directors of the Company (the "**Board**") wishes to inform the shareholders and potential investors of the Company that after a preliminary review on the unaudited consolidated management accounts of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2020, the Group expects to record a loss of approximately RMB20 million attributable to equity holders of the parent, as compared to a profit for the year ended 31 December 2019, which is mainly due to the following reasons:

1. a significant decrease in investment income for the year ended 31 December 2020 as compared with that for the year ended 31 December 2019, mainly resulted from, having considered the increasing investment risk, the suspension of subscription of wealth management products in 2020; and

2. a decrease in the profit from sales of the gas metres for the year ended 31 December 2020 as compared with that for the year ended 31 December 2019, mainly resulted from, being affected by the preventive and control measures of COVID-19 in Tianjin city in 2020, a delay in many ancillary construction projects and the completion of gas-meter installation process involved therein.

Since the Profit Warning Announcement is required to be made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which requires the Company to issue a profit warning announcement as soon as practicable, given the time constraints, the Company encountered genuine difficulties (time-wise) in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code.

Under Practice Note 2 of the Takeovers Code, the reports from the Company's financial advisers and auditors or accountants on the Profit Warning (the "**Profit Forecast Reports**") are required to be included in the next document to be sent to the Shareholders. As the annual results announcement of the Company for the year ended 31 December 2020 (the "**Annual Results**") is expected to be published in March 2021 prior to the despatch of the next document to be sent to the Shareholders, the requirement to include the Profit Forecast Reports in the next document sent to the Shareholders pursuant to Rule 10 of the Takeovers Code will be superseded by the publication of the Annual Results.

Shareholders and potential investors should exercise caution in placing reliance on such forecasts in assessing the merits and demerits of the transactions contemplated under the Rule 3.7 Announcement, and when dealing in the securities of the Company.

Save for the clarification stated in this announcement, all information in the Profit Warning Announcement remains unchanged.

WARNING:

Shareholders and/or potential investors of the Company should note that the Profit Warning Announcement does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code, and thus are advised to exercise caution in placing reliance on the Profit Warning Announcement when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

By Order of the Board
Tianjin Jinran Public Utilities Company Limited
Zhao Wei
Chairman

Tianjin, PRC, 10 March 2021

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Zhao Wei (Chairman), Ms. Tang Jie and Mr. Sun Liangchuan, three non-executive Directors, namely Mr. Hou Shuang Jiang, Mr. Zhao Heng Hai and Mr. Zhang Jinlin, and three independent non-executive Directors, namely Mr. Zhang Ying Hua, Mr. Yu Jian Jun and Mr. Guo Jia Li.

All the Directors further confirm that the Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Profit Warning Announcement and this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Profit Warning Announcement and this announcement have been arrived at after due and careful consideration and there are no other facts not contained in the Profit Warning Announcement and this announcement, the omission of which would make any statement in the Profit Warning Announcement or this announcement misleading.

* *for identification purpose only*