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Titan Petrochemicals Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1192)

PROFIT WARNING SUPPLEMENTAL ANNOUNCEMENT

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

Reference is made to the announcement made by the Company dated 25 March 2021 in relation to the profit warning (the “**Announcement**”). Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The board (“**Board**”) of directors (the “**Director(s)**”) of the Company wishes to further inform the shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group and the information currently available to the Board, and after taking into consideration for the reversal of HK\$78 million convertible bonds and related interests payable under the Payment Obligation (as defined below), a total amount of approximately HK\$103 million will be credited to income statement to affect such adjustment for the year ended 31 December 2020. Therefore, it is expected that the Group will record a significant decrease in net profit to not more than approximately HK\$70 million, as compared to a net profit of approximately HK\$1,646 million recorded for the corresponding period last year, that is, differs to the Announcement which the Group expects to record a loss for the year ended 31 December 2020.

Pursuant to the legal opinion issued by a professional lawyer in relation to the legal proceeding HCA1930/2019, it is probable that the subscription agreement entered into between the Company and the subscriber dated 13 April 2017 in relation to the subscription of convertible bond with principal amount of HK\$78 million is null and void, and thus the Company may not be liable for the payment obligation of the principal amount of HK\$78 million and related interests of the convertible bond (the “**Payment Obligation**”).

The Board is of the view that the Payment Obligation is remote and thus the total amount of principal and related interests of approximately HK\$103 million was reversed from other payables and recognised in the income statement for the year ended 31 December 2020. The amount of Payment Obligation of the Company will only be crystalized and certain until the court decision is concluded.

As the Company is still in the process of preparing the financial results for the year ended 31 December 2020, the information contained in this announcement is only based on a preliminary assessment of the unaudited management accounts of the Group and information currently available. It is not based on any data or information being audited or reviewed by the auditors or audit committee of the Company.

Further information and other details of the Group's financial results for the year ended 31 December 2020 will be disclosed in the forthcoming annual results announcement of the Company, which is expected to be published at the end of March 2021.

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

By order of the Board
Titan Petrochemicals Group Limited
Zhang Qiandong
Executive Director

Hong Kong, 29 March 2021

As at the date of this announcement, the executive Director is Mr. Zhang Qiandong; the non-executive Directors are Mr. Lai Wing Lun (Chairman) and Mr. Osman Mohammed Arab; and the independent non-executive Directors are Mr. Lau Fai Lawrence, Mr. Sun Feng and Mr. Cheung Hok Fung Alexander.