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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

FINANCIAL HIGHLIGHTS

- In 2024, the Company and its subsidiaries recorded consolidated operating income of RMB824.050 million, representing an increase of 5.0% as compared to the same period of the previous year of RMB785.003 million.

- The profit before taxation increased by 366.9% from RMB3.372 million for 2023 to RMB15.743 million for 2024.

- In 2024, basic and diluted earnings per Share was RMB2.83 cents.

OPERATION HIGHLIGHTS

The Board of Directors of Tianjin Tianbao Energy Co., Ltd.* announces the audited consolidated results of the Company and its subsidiaries for the year ended December 31, 2024 prepared in accordance with the IFRS.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended December 31, 2024

		2024	2023
	Notes	***RMB'000***	*RMB'000*
Revenue	*2*	**824,050**	785,003
Cost of sales		**(764,860)**	(743,309)
Gross profit		**59,190**	41,694
Other net income	*3*	**2,236**	926
Administrative expenses		**(28,280)**	(25,783)
Impairment loss on financial assets		**(491)**	(741)
Profit from operations		**32,655**	16,096
Interest income		**161**	587
Finance costs		**(17,073)**	(13,311)
Profit before taxation	*4*	**15,743**	3,372
Income tax	*5*	**(4,326)**	(702)
Profit for the year		**11,417**	2,670
Profit Attributable to:			
Equity shareholders of the Company		**4,530**	258
Non-controlling interests		**6,887**	2,412
Profit for the year		**11,417**	2,670
Earnings per share	*6*		
Basic (Cents)		**2.83**	0.16
Diluted (Cents)		**2.83**	0.16

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2024

	Notes	2024 RMB'000	2023 RMB'000
Non-current assets			
Property, plant and equipment	7	**653,726**	655,372
Right-of-use assets for properties		**66,786**	68,556
Intangible assets		**8,264**	5,079
Deferred tax assets		**7,181**	7,238
Other receivables and assets	10	**1,612**	1,250
Goodwill	8	**1,614**	537
		739,183	738,032
Current assets			
Inventories		**720**	5,423
Trade and bill receivables	9	**126,354**	113,329
Other receivables and assets	10	**69,122**	79,802
Cash and cash equivalents	11	**128,795**	144,307
Restricted deposits	11	**6,600**	8,200
		331,591	351,061
Current liabilities			
Trade and other payables	12	**92,459**	103,310
Loans and borrowings		**218,199**	269,412
Contract liabilities		**9,663**	7,409
Salary and welfare payables		**8,047**	5,961
Current taxation		**5,992**	5,913
Lease liabilities		**407**	144
		334,767	392,149
Net current liabilities		**(3,176)**	(41,088)
Total assets less current liabilities		**736,007**	696,944

	2024	2023
	RMB'000	*RMB'000*
Non-current liabilities		
Loans and borrowings	**216,086**	180,955
Lease liabilities	**1,184**	1,192
Deferred income	**42,585**	45,694
Contract liabilities	**4,493**	4,979
Deferred tax liabilities	**6,018**	5,333
	270,366	238,153
NET ASSETS	**465,641**	458,791
CAPITAL AND RESERVES		
Share capital	**159,921**	159,921
Reserves	**156,424**	151,894
Total equity attributable to equity shareholders of the Company	**316,345**	311,815
Non-controlling interests	**149,296**	146,976
TOTAL EQUITY	**465,641**	458,791

NOTES TO THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

For the year ended December 31, 2024
(Expressed in RMB unless otherwise indicated)

1. MATERIAL ACCOUNTING POLICY INFORMATION

(a) General

Tianjin Tianbao Energy Co., Ltd (the "**Company**") was established as a joint stock company in the PRC with limited liability on 28 February 2017. The shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Its immediate and ultimate holding company is Tianjin Tianbao Holdings Limited and Tianjin Free Trade Zone Investment Holdings Group Co., Ltd. respectively, which were incorporated in Tianjin City, the People's Republic of China ("**PRC**").

The address of the registered office and head office of the Company is located at No. 35 Haibinba Road, Tianjin Port Free Trade Zone, Tianjin City, PRC.

The Company and its subsidiaries (together referred to as the "**Group**") are principally engaged in provision of integrated energy solution.

The consolidated financial statements are presented in Renminbi ("**RMB**") which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated.

These consolidated financial statements have been prepared in accordance with all applicable IFRS Accounting Standards, which collective term includes all applicable individual IFRS Accounting Standards, ISA Standards and IFRIC Interpretations issued by the International Accounting Standards Board (the "**IASB**"). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the requirements of the Hong Kong Companies Ordinance.

(b) Basis of preparation of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "**Group**").

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis.

In determining the appropriate basis of preparation of consolidated financial statements, the directors of the Company are required to consider whether the Group could continue in operational existence for the foreseeable future.

The liquidity of the Group is dependent on its ability to maintain adequate cash flow from operations and obtain adequate external financing to meet its debt obligations as and when they fall due, and to meet its committed future capital expenditures.

As at 31 December 2024, the Group has net current liabilities of RMB3,176,000. Notwithstanding the net current liabilities, the directors of the Company do not consider that material uncertainties related to events or conditions exist which, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern, in light of the forecasted cash flow and available unutilised bank facilities amounting to RMB208,000,000 as of 31 December 2024.

Consequently, the directors of the Company are of the opinion that it is appropriate to prepare the Group's consolidated financial statements for the year ended 31 December 2024 on a going concern basis.

(c) Changes in accounting policies

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB to these consolidated financial statements for the current accounting period:

- Amendments to IFRS 16, Lease Liability in a Sale and Leaseback
- Amendments to IAS 1, Classification of Liabilities as Current or Non-current
- Amendments to IAS 1, Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7, Supplier Finance Arrangements

The application of the amendments to IFRS Accounting Standards in the current year has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

	Effective for the financial year beginning on or after
IFRS 18 — Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 — Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 21 — Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7 — Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS Accounting Standards — Annual Improvements to IFRS Accounting Standards — Volume 11	1 January 2026
Amendments to IFRS 10 and IAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date not yet determined
Amendments to IFRS 9 and IFRS 7 — Contracts referencing Nature-dependent Electricity	1 January 2026

2. REVENUE AND SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's senior management, being the chief operating decision maker, for the purposes of resource allocation and performance assessment, the Group has presented the following 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), steam to the industrial and commercial customers in Tianjin Port Free Trade Zone (Lingang).

- Photovoltaic power generation and selling business: photovoltaic power generation and selling electricity to customers in Yangzhou and Tianjin Port Free Trade Zone (Seaport).

- Others: construction and operation maintenance of industrial facilities, trading of electronic components.

On 29 February 2024, the Group completed the acquisition of 95% equity interest in Yangzhou Qingchang Solar Energy Technology Co.,Ltd.* (揚州晴昌太陽能科技有限公司) ("**Yangzhou Qingchang**"). Yangzhou Qingchang was principally engaged in photovoltaic power generation and selling business, and it is considered as a new operating and reportable segment by Group's senior management. Accordingly, certain comparative figures and prior year segment disclosures have been reclassified and represented to conform with the current year's presentations.

* *The English translation is for identification only*

(a) Disaggregation of revenue

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

	2024	2023
	RMB'000	*RMB'000*
		Restated
Revenue from contracts with customers within the scope of IFRS 15		
— Electricity dispatch and sale	**220,582**	195,815
— Power generation and supply	**563,723**	551,152
— Photovoltaic power generation and selling	**8,188**	2,934
— Others	**31,557**	35,102
	824,050	785,003

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 2(b).

Transaction price allocated to the remaining performance obligations for contracts with customers

As at 31 December 2024, the aggregate amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) is approximately RMB11,790,400 (2023: RMB35,371,000). The amount represents revenue expected to be recognised in the future from provision of service from energy management project which was included in "others" segment.

The Group will recognise this revenue as the service is completed, which is expected to occur over the next 6 months (2023: 24 months).

(b) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets, except for cash and cash equivalents, building and structure for general management use and other corporate assets. Segment liabilities include segment loan and borrowings, trade and other payables, lease liabilities, contract liabilities, salary and welfare payables and deferred income, except for loan and borrowings and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Other than reporting inter-segment sales of electricity dispatch and sale, assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

The measure used for reporting segment profit is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation". where "interest" is regarded as including the interest on loan and borrowings and interest on lease liabilities. To arrive at adjusted EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as directors' and auditors' remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, management is provided with segment information concerning inter-segment sales, depreciation, amortisation and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's senior management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2024 and 2023 is set out below.

For the year ended 31 December	Electricity dispatch and sale		Power generation and supply		Photovoltaic power generation and selling		Others		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
				Restated		Restated				
Disaggregated by timing of revenue recognition										
Point in time	**220,582**	195,815	**563,723**	551,152	**8,188**	2,934	**2,819**	1,267	**795,312**	751,168
Over time	**–**	–	**–**	–	**–**	–	**28,738**	33,835	**28,738**	33,835
Revenue from external customers	**220,582**	195,815	**563,723**	551,152	**8,188**	2,934	**31,557**	35,102	**824,050**	785,003
Inter-segment revenue	**1,815**	4,101	**–**	–	**–**	–	**–**	–	**1,815**	4,101
Reportable segment revenue	**222,397**	199,916	**563,723**	551,152	**8,188**	2,934	**31,557**	35,102	**825,865**	789,104
Reportable segment profit (adjusted EBITDA)	**10,899**	11,192	**87,610**	65,377	**6,718**	2,476	**8,434**	8,267	**113,661**	87,312
Depreciation and amortisation	**7,309**	6,867	**38,533**	35,086	**4,087**	2,154	**1,921**	3,604	**51,850**	47,711
Impairment loss (reversal)/recognized of financial assets	**(38)**	149	**(66)**	275	**600**	8	**(5)**	309	**491**	741
Reportable segment assets	**61,942**	64,964	**726,421**	775,678	**45,542**	2,200	**77,907**	70,535	**911,812**	913,377
Additions to non-current segment assets	**94**	102	**5,238**	30,231	**52,982**	–	**–**	11,593	**58,314**	41,926
Reportable segment liabilities	**30,379**	24,439	**114,455**	211,054	**2,527**	–	**17,990**	26,340	**165,351**	261,833

(c) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	2024	2023
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**825,865**	789,104
Elimination of inter-segment revenue	**(1,815)**	(4,101)
Consolidated revenue	**824,050**	785,003

	2024	2023
	RMB'000	*RMB'000*
Profit		
Reportable segment profit	**113,661**	87,312
Other net income	**221**	747
Interest income	**161**	587
Interest expense	**(17,073)**	(13,311)
Depreciation and amortisation	**(51,850)**	(47,711)
Unallocated head office and corporate expenses	**(29,377)**	(24,252)
Consolidated profit before taxation	**15,743**	3,372

	2024	2023
	RMB'000	*RMB'000*
Assets		
Reportable segment assets	**911,812**	913,377
Unallocated head office and corporate assets	**158,962**	175,716
Consolidated total assets	**1,070,774**	1,089,093

	2024	2023
	RMB'000	*RMB'000*
Liabilities		
Reportable segment liabilities	**165,351**	261,833
Unallocated head office and corporate liabilities	**439,782**	368,469
Consolidated total liabilities	**605,133**	630,302

(d) Geographic information

Since all the revenue from customers is derived from the customers located in Tianjin and Yangzhou in PRC and the non-current assets are located in Tianjin and Yangzhou in PRC, no information separated by different geographical locations is presented.

(e) Information about major customers

Revenue from customers of the corresponding year contributing over 10% of the total revenue of the Group are as follows:

	2024	2023
	RMB'000	*RMB'000*
Customer A[1]	**97,374**	131,488
Customer B[1]	**94,212**	85,722
Customer C[1]	**88,027**	N/A[2]
Customer D[1]	**N/A[2]**	80,541

1 Revenue from power generation and supply segment

2 The corresponding revenue did not contribute over 10% of the total revenue of the Group.

3. OTHER NET INCOME

	2024	2023
	RMB'000	*RMB'000*
Government grants *(note)*	**3,109**	2,309
Net foreign exchange gains	**194**	159
Gain on early termination of a lease	**—**	8
Others	**(1,067)**	(1,550)
	2,236	926

Note: The Group received grants from the local government on the construction and upgrade of the heating pipelines and discharge facilities which has been recognised as deferred income and are subsequently recognised in profit or loss over the useful life of the related assets.

4. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging (crediting):

(a) Finance costs

	2024	2023
	RMB'000	*RMB'000*
Interest on bank loans	**16,200**	12,312
Interest on other borrowings	**777**	829
Interest on lease liabilities	**62**	58
Other financial costs	**34**	112
	17,073	13,311

(b) Staff costs

	2024	2023
	RMB'000	*RMB'000*
Contributions to defined contribution retirement plan *(note)*	**3,430**	3,148
Salaries, wages and other benefits	**27,513**	23,541
	30,943	26,689

Note: The employees of the Group's subsidiaries are members of a state-managed retirement benefit scheme operated by the government of PRC. The subsidiaries are required to contribute 16% of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

(c) Other items

	2024	2023
	RMB'000	*RMB'000*
Impairment loss of financial assets	**491**	741
Amortisation		
— right-of-use assets for properties	**1,770**	1,769
— intangible assets	**968**	1,011
Depreciation	**49,112**	44,931
Auditors' remuneration	**868**	868
Purchase of electricity (included in cost of sales)	**200,732**	196,582
Amount of inventories recognised as an expense	**403,043**	410,363
Outsourcing operation (included in cost of sales)	**39,325**	40,849
(Gain)/loss on disposal of property, plant and equipment	**(119)**	10

5. INCOME TAX

(a) Taxation in profit or loss represents:

	2024	2023
	RMB'000	*RMB'000*
Current tax		
Provision for the year	**4,434**	1,687
Deferred tax		
Reversal of temporary differences	**(108)**	(985)
	4,326	702

The companies in the Group are subject to the statutory income tax rate of 25% for the year ended 31 December 2024 (2023: 25%), except for two subsidiaries Tianjin Tianbao New Energy Co., Ltd., and Yangzhou Qingchang, which are eligible for preferential income tax policies for small and low-profit enterprises and subject to tax rate of 5% (2023:5%) for the year ended 31 December 2024.

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

	2024	2023
	RMB'000	*RMB'000*
Profit before taxation	**15,743**	3,372
Notional tax on profit before taxation	**3,936**	843
Others	**390**	(141)
Actual tax expenses	**4,326**	702

6. 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 year ended 31 December 2024 of RMB4,530,000 (2023: RMB258,000) and the weighted average of 159,921,000 (2023: 159,921,000) ordinary shares in issue during the year.

There was no difference between basic and diluted earnings per share as there were no potential dilutive shares during the year.

7. PROPERTY, PLANT AND EQUIPMENT

(a) Reconciliation of carrying amount

	Buildings and structure RMB'000	Power generation plant and electric utility in service RMB'000 Restated	Motor vehicles RMB'000	Others RMB'000 Restated	Construction in progress (CIP) RMB'000	Total RMB'000
Cost:						
Balance at 1 January 2023	157,811	823,704	1,444	15,838	108,870	1,107,667
Additions	—	1,842	—	73	40,363	42,278
Decrease-early termination of lease	(260)	—	—	—	—	(260)
Decrease-disposal	—	—	(297)	—	—	(297)
Transfer from CIP	17,337	130,385	—	—	(147,722)	—
Balance at 31 December 2023	174,888	955,931	1,147	15,911	1,511	1,149,388
Acquisition of a subsidiary	—	37,462	—	—	—	37,462
Additions	—	3,512	—	345	6,258	10,115
Decrease-disposal	—	(2,300)	(270)	(221)	—	(2,791)
Transfer from CIP	—	4,791	—	1,031	(5,822)	—
Balance at 31 December 2024	**174,888**	**999,396**	**877**	**17,066**	**1,947**	**1,194,174**
Accumulated depreciation:						
Balance at 1 January 2023	(23,573)	(419,334)	(1,168)	(5,371)	—	(449,446)
Charge for the year	(6,301)	(36,988)	(70)	(1,572)	—	(44,931)
Decrease-early termination of lease	80	—	—	—	—	80
Decrease-disposal	—	—	281	—	—	281
Balance at 31 December 2023	(29,794)	(456,322)	(957)	(6,943)	—	(494,016)
Charge for the year	(6,011)	(41,322)	(48)	(1,731)	—	(49,112)
Decrease-disposal	—	2,206	258	216	—	2,680
Balance at 31 December 2024	**(35,805)**	**(495,438)**	**(747)**	**(8,458)**	**—**	**(540,448)**
Net book value:						
Balance at 31 December 2024	**139,083**	**503,958**	**130**	**8,608**	**1,947**	**653,726**
Balance at 31 December 2023	145,094	499,609	190	8,968	1,511	655,372

Certain comparative figures and prior year segment disclosures have been reclassified and represented to conform with the current year's presentations. Further details are included in note 2.

(b) Right-of-use assets

The analysis of the net book value of right-of-use assets included in property, plant and equipment by class of underlying asset is as follows:

	2024	2023
	RMB'000	*RMB'000*
Buildings and structure leased for own use, carried at depreciated cost	**1,251**	1,105
	1,251	1,105

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2024	2023
	RMB'000	*RMB'000*
Depreciation of buildings and structure leased for own use	**149**	129
Depreciation of right-of-use assets for properties	**1,770**	1,769
Interest on lease liabilities *(note 4(a))*	**62**	58
Additions of right-of-use assets	**295**	—
Expense relating to short-term leases	**286**	325
Gain on early termination of a lease	**—**	8

8. GOODWILL

	RMB'000
Cost	
Balance at 1 January 2023, 31 December 2023 and 1 January 2024	**537**
Acquisition through business combination	**1,077**
Balance at 31 December 2024	**1,614**
Carrying amounts	
Balance at 31 December 2024	**1,614**
Balance at 31 December 2023	**537**

9. TRADE AND BILL RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Accounts receivable, net of loss allowance	**126,354**	113,329

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

	2024	2023
	RMB'000	*RMB'000*
Within 3 months	**123,649**	112,088
4 to 6 months	**1,365**	879
7 to 9 months	**789**	169
10 to 12 months	**506**	193
Over 12 months	**45**	—
	126,354	113,329

The Group allows credit period of 90 days to its trade debtors.

10. OTHER RECEIVABLES AND ASSETS

	2024	2023
	RMB'000	*RMB'000*
Current		
Price subsidy	**38,689**	41,889
Value added tax recoverable	**2,106**	3,533
Advance to suppliers	**27,857**	34,265
Others	**470**	115
	69,122	79,802
Non-current		
Deposits with third parties	**1,612**	1,250

11. RESTRICTED DEPOSITS/CASH AND CASH EQUIVALENTS

Restricted deposits

Restricted deposits represent deposits placed in banks as warranty to suppliers for the purchase of electricity.

Cash and cash equivalents comprise:

	2024	2023
	RMB'000	*RMB'000*
Cash at bank	**128,795**	144,307

12. TRADE AND OTHER PAYABLES

	2024	2023
	RMB'000	*RMB'000*
Trade payable to third parties	**56,923**	54,221
Bills payable	**20,000**	3,500
Retention payable	**6,059**	14,832
Payables for value added tax and other taxes	**3,138**	3,086
Payables for purchase of property, plant and equipment	**6,331**	27,487
Others	**8**	184
	92,459	103,310

All of the other trade and other payables 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 and bills payable, based on the invoice date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 3 months	**60,510**	46,957
4 to 6 months	**13,198**	2,188
7 to 12 months	**849**	8,576
Over 12 months	**2,366**	—
	76,923	57,721

13. DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the year

	2024	2023
	RMB'000	*RMB'000*
Final dividend proposed after the end of the reporting period of RMB0.014 per ordinary share (2023: Nil)	**2,239**	—

The final dividend proposed after the end of the reporting year has not been recognised as a liability at the end of the reporting year.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2024	2023
	RMB'000	*RMB'000*
Final dividend in respect of the previous financial year, approved and paid during the year of nil per ordinary share (2023: RMB0.024)	**—**	3,838

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY REVIEW

New energy power generation has been booming in recent years, such as wind power, solar power, etc. As clearly stated in the Report of the Twentieth Congress, "we should actively and steadily promote carbon peaking and carbon neutrality", "we should further promote the energy revolution and strengthen the clean and efficient utilization of coal", "we should accelerate the planning and construction of a new energy system", "we should strengthen the construction of the energy production, supply, storage and marketing system, and ensure energy security", "we should improve the statistical and accounting system for carbon emissions, improve the trading system of the carbon emission right market, and enhance the carbon sink capacity of ecosystems." With the accelerated development of new energy and the change of power consumption characteristics, the demand for peak load regulating capacity of the system will increase continuously. There are few hydropower stations with regulating capacity in China, and the proportion of gas-fired power is low in the energy market. Therefore, coal-fired power is the most economical and reliable peak shaving power source at present. The market orientation of coal-fired power will gradually change from the traditional main power supply providing power and electricity to regulated power supply providing reliable capacity, electricity and flexibility, and the utilization hours of coal-fired power will continue to decrease.

In the "14th Five-Year Plan" started in 2021, it is proposed to deepen the supply-side structural reform and develop low-carbon electricity for the power industry, which aims to achieve clean, efficient and sustainable development of the power industry through efficient utilization of energy, development of clean energy and reduction of pollutant emissions.

The Group has completed the implementation of comprehensive ultra-low emission and energy-saving renovation of its own coal-fired units of thermal power generation, which has significantly reduced coal consumption and pollution emission in power generation. In view of the fact that China's environmental protection departments continue to enhance environmental protection requirements towards cogeneration companies, prompting the development trend of energy saving, environmental protection and high efficiency in the cogeneration industry, the Group took the initiative to explore green combustion and completed a trial of biomass blending in the coal-fired boiler of the Seaport Thermal Power Station during the year. The Group will actively seek to forge ahead, promote development, strengthen the foundation of its main business and optimize its mode of operation. We will carry out low-load combustion modification of redundant boilers, formulate steam pipeline network improvement programs, adjust the management mode of customer metering devices, and implement matching modifications according to the load conditions, so as to significantly reduce the rate of industrial steam pipeline loss and improve the main business operating capacity of the Group. We will pay close attention to the major opportunities of China's energy industry transformation during the "14th Five-Year Plan" period, and continue to promote the quality and efficiency improvement of traditional energy businesses. The transformation towards a safe, clean, low-carbon and efficient energy industry will become more significant, and smart energy industry will become an important economic growth point and support the transformation towards a clean, efficient and low-carbon energy system, promoting hydrogen production from coal and low-carbon development, and helping to achieve the goal of carbon neutrality.

BUSINESS REVIEW FOR THE YEAR OF 2024

1. Acquisition of equity of Yangzhou Qingchang completed successfully

The Group completed the industrial and commercial registration change of Yangzhou Qingchang in March 2024, bringing it under the management of the Group. As the first project in other cities, this project is of great significance for the Group to go out of Tianjin, expand its service area and implement the Group's "14th Five-Year Plan".

2. Initial results achieved in expansion of new energy business

In 2024, by fully exploring regional resources, the Group completed and carried out a number of PV power generation and energy storage projects, creating a multi-level and rich project reserve at different stages, such as grid-connected commissioning, construction and building, implementation on an opportunistic basis and in-depth communication. The installed capacity of new PV power generation amounted to 11.56MW for the whole year, accounting for 61.5% of the total new energy installed capacity. The Group completed the main construction of the integrated energy station project for new energy heavy-duty trucks in 2024, which will provide charging services for new energy heavy-duty trucks in and around Tianjin Port in the future.

3. Continued promotion of market-based business

In 2024, in view of the fluctuation of green power prices, the Group attempted green power trading through multiple channels and expanded the business of power trading for customers outside the region for the first time. We reached annual cooperation with power plants in other cities, and completed the sales of total of 252 million kilowatt-hours of power as an agent for the whole year. By leveraging our business strengths, we attracted new customers to settle in Tianjin and increased the steam sales of the Group. We continued to carry out electrical experiment business to ensure safe production for our customers.

4. **Enhanced efforts in equity acquisition projects**

The Group, on the one hand, leveraged on its regional advantages to carry out cooperation negotiations with a number of new energy investment enterprises on equity acquisition projects, and, on the other hand, pushed forward key projects in depth. In 2024, through several rounds of communication, we reached cooperation intention with counterparties on a number of equity acquisition projects, and completed preliminary offers for a number of projects.

5. **Comprehensive cost reduction and efficiency enhancement**

In 2024, the Group communicated with natural gas and coal suppliers through multiple channels to reduce the cost of raw material procurement; implemented in-depth localized substitution of spare parts to suppress operating expenses; and actively explored innovative financing modes and carried out intellectual property securitization projects. Thanks to comprehensive cost reduction and efficiency enhancement, we have significantly improved the profitability of the Group.

OPERATING RESULTS AND ANALYSIS

According to the Group's statistics, in 2024, sales of steam amounted to 1.598 million tons, representing a decrease of 6.4% from 1.707 million tons over the corresponding period of the previous year. Sales of electricity amounted to 289.900 million kilowatt-hours, representing an increase of 16.5% from 248.897 million kilowatt-hours over the corresponding period of the previous year. During the year, the Group's on-grid power generation amounted to 229.052 million kilowatt-hours, representing an increase of 140.0% from 95.435 million kilowatt-hours over the corresponding period of the previous year, mainly due to the power generation of the Group's gas distributed energy station project of Lingang Thermal Power has been partially put into commercial operation in the second half of 2023 and been in operation throughout 2024.

Taking into account the changing trend of operating income and profit before tax in 2023 and 2024, we have analyzed the indicators which significantly affected the operating income and profit before tax of the Company in 2024, details of which are as follows:

(1) Operating income

In 2024, the Group recorded a consolidated operating income of RMB824.050 million, representing an increase of 5.0% from RMB785.003 million over the corresponding period of the previous year, mainly because the power generation of the gas distributed energy station project of Lingang Thermal Power has been partially put into commercial operation in the second half of 2023 and been in operation throughout 2024, and the Group's new energy power generation business grew in different regions in 2024.

Electricity dispatch and sale segment

The income from our electricity dispatch and sale segment increased by 12.6% from RMB195.815 million for the whole year of 2023 to RMB220.582 million for the whole year of 2024, which was primarily due to an increase in business orders from the Group's customers and an increase in electricity consumption.

Power generation and supply segment

The income from our power generation and supply segment increased by 2.3% from RMB551.152 million for the whole year of 2023 to RMB563.723 million for the whole year of 2024, mainly due to the power generation of the gas distributed energy station project of Lingang Thermal Power has been partially put into commercial operation in the second half of 2023 and been in operation throughout 2024, with the on-grid energy higher than the previous year.

PV power generation segment

The income from our PV power generation segment increased by 179.1% from RMB2.934 million for the whole year of 2023 to RMB8.188 million for the whole year of 2024, mainly due to new energy power generation business grew in different regions in 2024.

Other segments

The income from other segments decreased by 10.1% from RMB35.102 million for the whole year of 2023 to RMB31.557 million for the whole year of 2024, mainly due to a decrease in revenue from engineering projects in 2024.

(2) Other net income

In 2024, the Group recorded other net income of RMB2.236 million, representing an increase of 141.5% as compared with the year of 2023 of RMB0.926 million, which was primarily due to an increase in other income, because the deferred income related to assets carried forward after the conversion of the gas distributed energy station project of Lingang Thermal Power to fixed assets.

(3) Segment costs

Electricity dispatch and sale segment

The costs of our electricity dispatch and sale segment increased by 14.0% from RMB188.724 million for the whole year of 2023 to RMB215.226 million for the whole year of 2024, which was primarily due to the purchase of electricity increased synchronously with electricity sales.

Power generation and supply segment

The costs of our power generation and supply segment decreased by 0.8% from RMB523.170 million for the whole year of 2023 to RMB519.246 million for the whole year of 2024.

PV power generation segment

The costs of our PV power generation segment increased by 104.5% from RMB2.613 million for the whole year of 2023 to RMB5.343 million for the whole year of 2024, which was primarily due to new energy power generation business grew in different regions.

Other segments

The costs of other segments decreased by 13.0% from RMB28.802 million for the whole year of 2023 to RMB25.045 million for the whole year of 2024, mainly due to the revenue of engineering projects decreased, and the cost decreased simultaneously in 2024.

(4) Segment gross profit

Electricity dispatch and sale segment

The gross profit from our electricity dispatch and sale segment decreased by 24.5% from RMB7.091 million for the whole year of 2023 to RMB5.356 million for the whole year of 2024, mainly due to the comprehensive electricity price reduced in 2024.

Power generation and supply segment

The gross profit of our energy generation and supply segment increased by 58.9% from RMB27.982 million for the full year of 2023 to RMB44.477 million for the full year of 2024, which was mainly due to the power generation of the gas distributed energy station project of Lingang Thermal Power has been partially put into commercial operation in the second half of 2023 and been in operation throughout 2024.

PV power generation segment

The gross profit of our PV power generation segment increased by 786.3% from RMB0.321 million for the full year of 2023 to RMB2.845 million for the full year of 2024, which was mainly due to new energy power generation business grew in different regions.

Other segments

The gross profit from other segments increased by 3.4% from RMB6.300 million for the whole year of 2023 to RMB6.512 million for the whole year of 2024.

(5) EBITDA

EBITDA increased by 30.2% from RMB87.312 million for the whole year of 2023 to RMB113.661 million for the whole year of 2024. The main reason is the power generation of the gas distributed energy station project of Lingang Thermal Power has been partially put into commercial operation in the second half of 2023 and been in operation throughout 2024, and the new energy power generation business grew in different regions.

(6) Finance costs

In 2024, the Group recorded finance costs of RMB17.073 million, representing an increase of 28.3% as compared with the corresponding period of the previous year of RMB13.311 million, which was primarily due to an increase in interest expense, because all interest related to the project has been expensed after the conversion of the gas distributed energy station project of Lingang Thermal Power to fixed assets.

(7) Fuel costs

In 2024, the Group recorded fuel costs of RMB403.043 million, representing a decrease of 0.3% as compared with the corresponding period of the previous year of RMB404.237 million.

(8) Profit before tax

The profit before tax increased by 366.9% from RMB3.372 million for the whole year of 2023 to RMB15.743 million for the whole year of 2024, which was mainly due to the power generation of the gas distributed energy station project of Lingang Thermal Power has been partially put into commercial operation in the second half of 2023 and been in operation throughout 2024, and the new energy power generation business grew in different regions.

(9) Income tax expenses

In 2024, the Group recorded income tax expenses of RMB4.326 million, representing an increase of 516.2% as compared with the year of 2023 of RMB0.702 million, which was primarily due to an increase in profit before taxation for the year.

(10) Profit for the year attributed to the parent company

Profit for the year attributed to the parent company increased by 1,655.8% from RMB0.258 million for the whole year of 2023 to RMB4.530 million for the whole year of 2024. The main reason for the change is the power generation of the gas distributed energy station project of Lingang Thermal Power has been partially put into commercial operation in the second half of 2023 and been in operation throughout 2024, and the new energy power generation business grew in different regions.

FINANCIAL POSITION

(1) Assets and liabilities

Total assets decreased by 1.7% from RMB1,089.093 million as at the end of 2023 to RMB1,070.774 million as at the end of 2024, mainly due to the decrease in inventory. Total liabilities decreased by 4.0% from RMB630.302 million as at the end of 2023 to RMB605.133 million as at the end of 2024, mainly due to the decrease in trade and other payables.

As of the end of 2024, our current assets amounted to RMB331.591 million, representing a decrease of 5.5% as compared with the end of 2023 of RMB351.061 million, of which cash and cash equivalents amounted to RMB128.795 million (end of 2023: RMB144.307 million), trade and bill receivables amounted to RMB126.354 million (end of 2023: RMB113.329 million), which was mainly due to the increase in steam and electricity sales receivable. Our current liabilities amounted to RMB334.767 million (end of 2023: RMB392.149 million), of which trade and other payables amounted to RMB92.459 million (end of 2023: RMB103.310 million), and non-current liabilities amounted to RMB270.366 million (end of 2023: RMB238.153 million).

(2) Cash and cash equivalents

As at the end of 2024, the Group recorded cash and cash equivalents of RMB128.795 million in aggregate, representing a decrease of 10.7% as compared with the end of the previous year of RMBB144.307 million, which was primarily due to an increase in investment expenditure, because the Group completed the acquisition of 95% equity interest in Yangzhou Qingchang.

(3) Gearing ratio

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

At the end of 2024, the Group recorded a gearing ratio of 1.30, representing a decrease by 5.1% as compared with the end of the previous year of 1.37, which was primarily due to the decrease in trade and other payables.

OTHER SIGNIFICANT EVENTS

(1) Capital expenditure and capital commitment

In 2024, cash capital expenditure of the Group (tax inclusive) was RMB31.029 million, of which, the expenditure for distributed energy station project of Lingang Thermal Power was RMB14.974 million; the expenditure for the flue gas condensate deep treatment and thermal energy utilization project was RMB1.929 million; the expenditure for the distributed PV project of Xiqi Road Tianbao Industrial Park was RMB3.516 million; and the expenditure for the payment of EPC project for Kaixiang Phase II was RMB10.610 million.

On December 31, 2024, the Group's provision for capital commitment was approximately RMB6.331 million, which was expected to be used for payment of the gas distributed energy station project of Lingang Thermal Power.

(2) Liquidity and financial resources

As at December 31, 2024, the Group had cash and cash equivalents amounting to RMB128.795 million in aggregate; loans and borrowings of RMB421.785 million which include short-term borrowings of RMB214.031 million and the non-current portion of long-term borrowings of RMB207.754 million, while secured and guaranteed borrowings amounted to RMB196.585 million and unsecured borrowings amounted to RMB225.200 million, of which RMB266.000 million were fixed rate borrowings and RMB155.785 million were floating interest rate borrowings. There were no financial instruments entered into by the Group for hedging purpose. In addition, the Group had no investments in foreign currency.

(3) Material acquisitions and disposals

On December 28, 2023, the Company entered into the Equity Transfer Agreement with Tianjin Yuanhai Jinfeng New Energy Co., Ltd.* (天津遠海金風新能源有限公司), in which the Company agreed to acquire 95% equity interest in Yangzhou Qingchang at a total consideration of approximately RMB15.372 million. Commercial registration change of the acquisition was completed in February 2024, and the Yangzhou Qingchang equity acquisition project was successfully completed.

For details of the project, please refer to the Company's announcement dated December 28, 2023.

(4) Significant investments

During the Reporting Period, the Group did not have any significant investment in any investees outside the Group that accounted for 5% or more of the Company's total assets as at the end of the Reporting Period.

(5) Contingent liabilities

As at December 31, 2024, the Group did not have contingent liabilities.

(6) Loans and borrowings of the Group

As at December 31, 2024, the Group had loans and borrowings of RMB421.785 million which include short-term borrowings of RMB214.031 million, including long-term borrowings due within one year of RMB40.831 million, and the non-current portion of long-term borrowings of RMB207.754 million, while secured and guaranteed borrowings amounted to RMB196.585 million and unsecured borrowings amounted to RMB225.200 million, of which RMB266.000 million were fixed rate borrowings and RMB155.785 million were floating interest rate borrowings.

(7) Other debts of the Group

As at December 31, 2024, the Group had lease liabilities of RMB1.591 million in addition to the loans and borrowings of the Group.

(8) Charges and pledges on the Group's assets

As at December 31, 2024, the gas supply facilities, equipment and related parts held by the Company at a value of RMB25.280 million was used as collateral for the financial lease with balance of RMB12.500 million as at December 31, 2024, and the equity of Lingang Thermal Power held by the Company was used as collateral for the bank loan with balance of RMB16.800 million as at December 31, 2024.

As at December 31, 2024, the secured bank loans of RMB12.870 million were pledged by the assets of 4.0 MW rooftop distributed PV power generation project in Kaixiang Phase II of Yangzhou Qingchang (including but not limited to modules, inverters, and support equipment) held by the Group, as well as all receivables for electricity charges and all related rights acquired by the relevant contracts held by the Group within the pledged period. As at December 31, 2024, the carrying amount of the pledged assets was RMB15.4727 million, and the aggregate carrying amount of the receivable related to the relevant contracts was RMB0.839 million.

(9) 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 Latest Practicable Date, the capital structure of the Company consists of H Shares only.

(10) Share scheme

For the year ended December 31, 2024, the Company had not implemented any share scheme.

(11) Foreign exchange and exchange rate risk

The Group mainly operates in China. Other than bank deposits denominated in foreign currencies (including bank deposits denominated in Hong Kong dollars and US dollars), the Group was 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 exchange rate fluctuation risk during the Reporting Period.

RISK FACTORS AND RISK MANAGEMENT

Currently, the operation and development of the Group are not exposed to any significant risk factors. The results of the Group's annual risk assessment showed that the top three important risks are mainly policy risk, safety risk and performance appraisal management risk.

(1) Policy risk

The slowdown in macro-economic growth may lead to a decrease in the demand for electricity and heating, affecting the production, operation and profitability of the Group. Changes in industrial policies, such as the increasingly stringent environmental protection requirements and the adjustment of the energy structure, may subject traditional cogeneration projects to the pressure of transformation or upgrading.

To address the above-mentioned risks, the Group took the following measures: First, the Group kept a close eye on the policy trends of the State and local governments, and promptly grasped the impact of policy changes on the thermal power industry. Second, the Group spurred technological innovation and upgrading by ramping up investments in technological research and development. Meanwhile, the Group enhanced the energy efficiency of cogeneration projects and actively promoted and adopted advanced energy-saving and emission-reduction technologies to cut down production costs and mitigate environmental pollution. Third, the Group optimized the energy structure and business model. In response to policy changes and market demand, the Group reconfigured the energy structure and business model and launched new energy projects.

(2) Safety risk

As a public utility enterprise, the Group shoulders a crucial responsibility as its safe production and operation are directly intertwined with the normal production rhythms of all industrial users in the park. Inadequate training and safety education, combined with the inexperience of front-line staff or their non-compliant operations, can not only undermine operational efficiency but also potentially trigger accidents. Moreover, the absence of fire-prevention and pollution-prevention equipment, along with the lack of well-crafted contingency plans for emergencies or insufficient emergency drills, will render the Group ill-equipped to safeguard its assets and equipment when unexpected events occur. Furthermore, the failure to maintain machinery, equipment, and pipelines in optimal condition can damage the Group's interests and disrupt normal production and operation.

In response to the aforementioned risks, the relevant responsible departments within the Group organized a total of 50 training and educational sessions during the Reporting Period, encompassing fire safety training, emergency rescue training, and warning education. These activities clearly defined the necessary precautions and facilitated the accumulation of technical experiences, thereby enhancing the professional skills and safety-consciousness of the operators. Simultaneously, regular checks were carried out on fire-prevention and pollution-prevention equipment at scheduled intervals, and records were maintained for each inspection. In addition, the Group standardized the emergency operation processes by formulating emergency response procedures specifically tailored to equipment-related incidents. In addition, a total of 41 emergency drills were conducted during the Reporting Period. Each drill was structured around different hypothetical scenarios, enabling employees are well-equipped to safeguard their own well-being and protect the Group's assets in emergency situations. Moreover, the Group placed great emphasis on the proper maintenance of its fixed assets. Both routine maintenance tasks and major overhauls were documented. Additionally, the Group conducted regular impairment tests.

(3) Performance appraisal management risk

If the appraisal criteria lack clarity or deviate from the actual work tasks, or if they are either too stringent or too lenient, they will fail to accurately reflect employees' job performance. This can dampen employees' enthusiasm and team morale. Moreover, the lack of an effective communication and feedback mechanism means that employees cannot promptly understand their performance and areas for improvement.

Improper utilization of appraisal results occurs when the results are solely used as the basis for salary adjustments and fail to be integrated with employees' promotion opportunities, training needs, and other aspects. This situation leads to a decrease in employees' sense of identity with the performance appraisal.

During the year, the Group revised the Performance Management Rules for Appointed Management (《聘任制經理層人員績效管理規則》) and the Employee Performance Management System (《員工績效管理制度》). Based on the Group's strategic objectives and actual work tasks, specific and measurable performance appraisal criteria were formulated to ensure that the appraisal criteria were aligned with employees' job responsibilities and post requirements, reflecting fairness and impartiality. The Group adopted a monthly monitoring and quarterly appraisal approach by conducting a performance appraisal of each functional department and employees once a quarter. After the completion of the performance appraisal, the results were communicated. Performance bonuses were distributed according to the appraisal scores. For those who failed the appraisal, face-to-face interviews were conducted to continuously drive improvement.

SUBSEQUENT EVENTS

No significant subsequent events have occurred since the Reporting Period and up to the date of this announcement.

BUSINESS OUTLOOK FOR 2025

1. To vigorously expand the new energy business

In 2025, the Group will continue to vigorously expand its new energy business, accelerate the construction of distributed PV power generation projects under construction and put them into operation as soon as possible, with a view to achieving an installed capacity of PV power generation of above 30MW by the end of 2025. The Group will focus on scenarios such as government offices, hospitals, schools and industrial parks, and explore leads for contract energy management projects in the areas of cooling, heating and power cogeneration as well as hosting of street lights, with an aim to achieve project implementation as soon as possible. We will study and explore the new energy industry chain to extend and supplement the chain, and participate in the related industries in the fields of PV modules, batteries and heat pumps through equity investment and strategic cooperation, so as to extend to the front-end of the industry chain.

2. To continuously promote the equity acquisition projects

In 2025, the Group will actively promote equity acquisitions and seek for investment opportunities in the expansion of the new energy business and the improvement of the profitability of the park heating business. We will continuously improve the pre-investment research on projects, control investment risks and explore new energy investment projects such as PV, wind power and hydrogen energy.

3. To further develop the potential of traditional energy business

In 2025, the Group will, by closely tracking the policy changes in the reform of the power system, consolidate and expand its power agency trading customers, actively implement the "carbon peaking and neutrality" goal and promote green power trading. We will build the second phase of the energy storage power station project based on our own distribution network in the seaport area of the Free Trade Zone, so as to further promote the integration of "source, network, load and storage" in the seaport area. We will strengthen customer visits in the park and business development outside the area, enhance our local development efforts, and consolidate and expand our electricity maintenance customers.

OVERVIEW OF HUMAN RESOURCES

As at December 31, 2024, the Group had 70 employees in total. The education level of employees is generally high, and the employees with a bachelor degree or above accounted for 90% of the total. The number of employees in each business segment are as follows:

1. Business Segment Structure

Function	**Number of employees**	**Percentage**
Management, administration, finance	24	34.3%
Marketing	7	10.0%
Procurement	5	7.1%
Engineering and technology	34	48.6%
Total	**70**	**100.0%**

To cope with its development, the Group, on the basis of the position-oriented accountability system, has established a sound performance appraisal mechanism covering all employees to assess employees quarterly. Guided by assessment and incentive, we added special rewards for new project development, continuously optimized the evaluation methods for performance appraisal of all posts, and practically exerted the role of assessment, so as to stimulate the enthusiasm of employees.

Employees' remuneration includes position salary, performance-based salary and incentive bonus, among which, the performance-based salary is related to both the performance evaluation of the Group and the performance evaluation results of the respective employees. During the Reporting Period, the Group had incurred labour cost (including salary, welfare and bonus) of RMB30.943 million.

The Group attaches great importance to employees' trainings and development. For the Group's sound development and employees' development, the Group provides continuous education and training programs for managers and other employees to continuously improve their skills and knowledge. The employees' internal trainings of the Group are conducted by the management and the head of relevant departments of the Group, or by external training institutions regarding professional trainings, ensuring that our employees can continue to have the required skills, gain relevant knowledge and capability required in their work, thereby helping the Group to maintain its market competitiveness.

In 2024, the Group carried out comprehensive and diversified trainings for management personnel, technical personnel and skilled personnel according to different layers and segments so as to improve the professional capacity and management level of the employees. In 2024, the Company organized 50 safety production trainings for all employees, and 63 professional skills trainings for the employees from different departments which involving work standards, continuing education, finance, taxation, legal and information system.

The Group strictly complies with the PRC Labor Law, the PRC Employment Contract Law, the PRC Social Insurance Law and the Regulations on Management of Housing Provident Fund, paying social insurance, housing provident fund as well as enterprise annuity to reinforce employees' sense of belonging and happiness.

Employees of the Group are required to participate in defined contribution retirement schemes which are administered and operated by the local municipal government. The Group contributes to the employees' retirement benefit scheme, the amount of which is calculated based on the applicable average wage and according to a certain percentage agreed by the local municipal government. The Group's contributions to the defined contribution plan, including the social pension insurance schemes and the annuity, are recognised as expenses when incurred. Forfeited contributions could not be utilized to reduce the existing level of contribution, thus, as at December 31, 2024, there were no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

The Group is committed to achieve gender equality by providing fair recruitment, training and promotion opportunities for all employees. By the end of 2024, women represented over 25% of the Group's total workforce. The Group adheres to the principle of gender equality in employment, actively increases the number of female employees, protects the legitimate rights and interests of female employees, provides equal opportunities for female employees in recruitment, training, promotion and career development, and actively creates a respectful, open and inclusive corporate culture. In addition, the Group is committed to fostering a working environment that is professional, inclusive and non-discriminatory for employees to unleash their potential. In our workplaces, differences are understood, appreciated and encouraged. Each employee, without regard to religion, age, gender or gender identity, disability, sexual orientation, is provided with fair opportunity on the Group's diverse platform.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

As a company listed on the Stock Exchange, the Group always strives to maintain a high level of corporate governance and has complied with the code provisions as set out in the Part I and Part II of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Listing Rules for the year ended December 31, 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 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 of the Model Code committed by any Director, Supervisor or relevant employee during the Reporting Period.

PLEDGE 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 Company's debts or to secure guarantees or other support of the Company's obligations for the year ended December 31, 2024.

LOAN AGREEMENTS OR FINANCIAL ASSISTANCE OF THE COMPANY

The Company has no affiliated companies and the Company did not provide any financial assistance nor guarantee to its affiliated companies for the year ended December 31, 2024 which gives rise to disclosure obligation under Rule 13.16 of the Listing Rules. The Company did not enter into any loan agreement with covenants relating to specific performance of its Controlling Shareholders nor breach the terms of any loan agreements for the year ended December 31, 2024.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") has formulated terms of reference in written form in accordance with the requirements of the Listing Rules. It comprises three members, namely, Mr. CHAN Wai Dune (independent non-executive Director), Ms. YANG Ying (independent non-executive Director) and Ms. SHI Wei (non-executive Director). Mr. CHAN Wai Dune currently serves as the chairperson of the Audit Committee.

The Audit Committee has reviewed the Group's 2024 annual results and the audited financial statements for the year ended December 31, 2024 prepared in accordance with the IFRSs.

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 (including sale of treasury shares) or redeemable securities during the year ended December 31, 2024.

FINAL DIVIDEND

The Board resolved to propose to the shareholders of the Company at the 2024 Annual General Meeting to be held on May 9, 2025, for their consideration and approval of the payment of a final dividend of RMB0.014 per share (tax inclusive) for the year ended December 31, 2024 (the "**2024 Final Dividends**") to the shareholders of the Company, whose names are listed in the register of members of the Company on May 21, 2025, in an aggregate amount of approximately RMB2.2 million. The 2024 Final Dividends will be denominated and declared in RMB and paid in RMB or Hong Kong dollars. Subject to the passing of the relevant resolution at the AGM, the 2024 Final Dividends are expected to be paid on or around July 4, 2025.

Pursuant to the PRC Enterprise Income Tax Law and its implementation rules, which came into force since January 1, 2008 and were amended on December 29, 2018 and other relevant rules, where the Company distributes the dividends to non-resident enterprise Shareholders whose names appear on the register of members of H Shares of the Company, it is required to withhold enterprise income tax at a rate of 10%. Any H Shares registered in the name of non-individual Shareholders, including HKSCC Nominees Limited, other nominees or trustees, or other organizations or groups, will be treated as Shares being held by non-resident enterprise Shareholders, and consequently the dividends payable (if any) on such Shares will be subject to the withholding of the enterprise income tax.

Pursuant to the PRC Individual Income Tax Law, the PRC Regulations for Implementation of the Individual Income Tax Law and other relevant laws and regulations, the foreign individuals who are the holders of H Shares shall pay individual income tax at a tax rate of 20% upon their receipt of distribution of dividend from domestic enterprises which issued such H Shares, which shall be withheld and paid by such domestic enterprises on behalf of such individual H Shareholders. However, the Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》) effective from May 13, 1994 (the "**1994 Notice**") grants exemption to foreign individuals from PRC individual income tax on dividend from foreign-invested enterprises. Since the Company has obtained the record-filing receipt for the incorporation of foreign-invested enterprises and has completed registration processes with relevant industrial and commercial administration in November 2018, it is classified as a foreign-invested enterprise, the foreign individual Shareholders who hold the Company's H Shares and whose names appear on the register of members of H Shares of the Company (the "**Individual H Shareholders**") are not required to pay PRC individual income tax when the Company distributes the dividends based on the 1994 Notice. Therefore, the Company will not withhold any amount of the dividends (if any) to be distributed to the Individual H Shareholders to pay the PRC individual income tax.

Shareholders are recommended to consult their taxation advisors for advice on the PRC, Hong Kong and other tax effects with respect to the holding and disposing of H Shares of the Company.

According to the Articles of Association, the Hong Kong dollars to be used by the Company to pay cash dividends and other payments to the Individual H Shareholders shall be handled in accordance with the relevant foreign exchange administration regulations of the PRC.

The Company was not aware of any Shareholders that had waived or agreed to waive any dividend arrangement for the year ended December 31, 2024.

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain Shareholders' entitlement to attend and vote at the AGM and Shareholders' entitlement to the proposed 2024 Final Dividends, the H Share register of members of the Company will be closed from May 7, 2025 to May 9, 2025 (both days inclusive) and from May 16, 2025 to May 21, 2025 (both days inclusive), during such periods no transfer of H Shares will be registered.

In order to qualify for attending and voting at the forthcoming AGM, holders of H Shares of the Company must lodge transfer documents with the Company's H Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration before 4:30 p.m. on May 6, 2025.

In order to qualify for the proposed 2024 Final Dividends, which are subject to the approval of the Shareholders at the forthcoming AGM, holders of H Shares of the Company must lodge their transfer documents with the Company's H Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at the above address for registration no later than 4:30 p.m. on May 15, 2025.

THE ARTICLES OF ASSOCIATION

During the Reporting Period, in accordance with the Trial Measures of Overseas Securities Offering and Listing by Domestic Companies* (《境內企業境外發行證券和上市管理試行辦法》) issued by the China Securities Regulatory Commission and the relevant requirements of the Listing Rules, the Company amended the Articles of Association with reference to the Guidance on the Articles of Association of Listed Companies and the actual situation of the Company. Such amendment was approved by the shareholders by a special resolution at the 2023 annual general meeting of the Company held on June 7, 2024. Details of the amendment are set out in the circular of the general meeting of the Company dated April 30, 2024.

The latest version of the Articles of Association is available on the Company's website and the website of the Stock Exchange.

SCOPE OF WORK OF SHINEWING (HK) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out in this preliminary results announcement have been agreed by the Group's auditor, SHINEWING (HK) CPA Limited ("**SHINEWING**"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by SHINEWING in this respect did not constitute an assurance engagement in accordance with HKSAs, Hong Hong Kong Standard on Review Engagements or Hong Kong Standard on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by SHINEWING on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the HKEXnews websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.tjtbny.com). The Company's 2024 annual report containing all the information required under the Listing Rules will be despatched to the Shareholders and will be available on the websites of the Company and the Stock Exchange in due course.

DEFINITIONS

"AGM"	the 2024 annual general meeting of the Company to be held on May 9, 2025
"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
"Director(s)"	director(s) of the Company

"Domestic Shares"	the ordinary shares issued 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" or "our 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"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars"	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, 2024 to December 31, 2024, being the financial year of this announcement
"RMB"	the lawful currency of the PRC

"Share(s)"	ordinary share(s) in the share capital of our Company
"Shareholders(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	supervisors 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 limited liability company established in the PRC on December 17, 2008 and a non-wholly owned holding company of the Finance Bureau of Tianjin Port Free Trade Zone* (天津港保稅區財政局), 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
"Yangzhou Qingchang"	Yangzhou Qingchang Solar Energy Technology Co., Ltd.* (揚州晴昌太陽能科技有限公司), a limited liability company established in the PRC on July 16, 2019 and a non-wholly owned subsidiary of the Company

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

Tianjin, the People's Republic of China, March 27, 2025

As of 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. WU Guoqi and Ms. SHI Wei 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*