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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)

VERY SUBSTANTIAL ACQUISITION AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF EQUITY INTEREST IN LINGANG THERMAL POWER

BACKGROUND

The Board hereby announces that, on May 26, 2026, the Company (as the purchaser) and the Vendor entered into the Equity Transfer Agreement, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell, the Sale Equity Interest which represents 40% of the total equity interest and actual paid-up registered capital of the Target Company for the Consideration of RMB106.522 million.

Upon the Completion, the Company will hold 85% of the equity interest in the Target Company, and the Target Company will remain as a non-wholly owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

Chapter 14 of the Listing Rules

As one or more of the applicable percentage ratio(s) calculated in accordance with the Listing Rules in respect of the Acquisition under the Equity Transfer Agreement and the transactions contemplated thereunder exceed 100%, the Acquisition constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Chapter 14A of the Listing Rules

Immediately prior to the Completion, the Target Company is a non-wholly owned subsidiary of the Company. The Vendor which holds 40% equity interest in the Target Company, together with its associates, are therefore connected persons of the Company at the subsidiary level immediately prior to the Completion. Accordingly, the acquisition of Sale Equity Interest under the Acquisition shall constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

As (i) the Board considers that the Equity Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole; (ii) the Board has approved the Equity Transfer Agreement and the transactions contemplated thereunder; and (iii) the independent non-executive Directors have confirmed that the terms of the Equity Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole, the Equity Transfer Agreement and the transactions contemplated thereunder fall within the exemption under Rule 14A.101 of the Listing Rules and are subject to the reporting and announcement requirements but exempted from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Equity Transfer Agreement, the Acquisition and the transactions contemplated thereunder.

The voting in respect of the Acquisition at the EGM will be conducted by way of poll. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of their associates has any material interest in the Equity Transfer Agreement, the Acquisition and the transactions contemplated thereunder; and (ii) no Shareholder will be required to abstain from voting on the relevant resolution(s) to approve the Equity Transfer Agreement, the Acquisition and the transactions contemplated thereunder at the EGM.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further information on the Equity Transfer Agreement, the Acquisition and the transactions contemplated thereunder; (ii) financial information of the Target Company; (iii) pro forma financial information of the Enlarged Group; (iv) valuation report of the Target Company; (v) other information as required under the Listing Rules; and (vi) the notice of the EGM, is expected to be despatched to the Shareholders on or before June 16, 2026 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

As the Completion is subject to the satisfaction of a number of conditions precedent as set out in the Equity Transfer Agreement, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).

BACKGROUND

The Board hereby announces that, on May 26, 2026, the Company (as the purchaser) and the Vendor entered into the Equity Transfer Agreement, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell, the Sale Equity Interest which represents 40% of the total equity interest and actual paid-up registered capital of the Target Company for the Consideration of RMB106.522 million.

THE EQUITY TRANSFER AGREEMENT

The major terms of the Equity Transfer Agreement are set forth as follows:

Date: May 26, 2026 (after trading hours)

Parties:

(1) the Vendor, Tianjin Pilot Free Trade Zone Emerging Technology Industry Group Co., Ltd.; and

(2) the Purchaser, the Company.

Immediately prior to the Completion, the Company holds 45% of the equity interest in the Target Company, which is a non-wholly-owned subsidiary of the Company. The Vendor, holding a 40% of the equity interest in the Target Company, together with its associates, is therefore a connected person of the Company at the subsidiary level immediately prior to the Completion. The agreement in respect of the Vendor's original acquisition of the 40% equity interest in the Target Company was entered into in December 2024 with an original acquisition cost of approximately RMB98.914 million, which represented the Vendor's pro rata share of the assessed value of the entire equity interest in the Target Company as determined in accordance with the applicable PRC state-owned asset transfer regulations at the time of acquisition.

Subject Matter

Pursuant to the Equity Transfer Agreement, the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Equity Interest, which represents 40% of the total equity interest and the actual paid-up registered capital of the Target Company. Upon the Completion, the Company will hold 85% of the equity interest in the Target Company, and the Target Company will remain as a non-wholly owned subsidiary of the Company.

Consideration and Payment Terms

The Consideration of the Acquisition is approximately RMB106.522 million. Such Consideration shall be paid by the Company in one lump sum to the designated account of the Vendor within 10 business days from the date on which the Equity Transfer Agreement becomes effective. The cash Consideration will be satisfied in cash from long term bank loan and the Group's internal resources.

Basis of Determination of the Consideration

The Consideration was determined based on arm's length negotiations between the Vendor and the Company with reference to, among other things, (i) the appraised value of 40% equity interest of the Target Company as at December 31, 2025 (the "**Valuation Date**"); (ii) the financial position of the Target Company (including the payment and distribution of dividends by the Target Company prior to the Acquisition); and (iii) the business prospects of the Target Company. Further details of the valuation will be disclosed in the valuation report appended to the circular to be dispatched to Shareholders in this regard.

The Consideration represents an increase of approximately RMB7.608 million, or approximately 7.7%, over the Vendor's original acquisition cost. The Directors consider that such increase is principally attributable to (i) the Target Company's enhanced revenue-generating capacity following the full commercial operation of its gas distributed energy station project; and (ii) the valuation methodology adopted by the Valuer (being the guideline public company method under the market approach), which reflects the profitability of the Target Company as benchmarked against current market conditions and trading multiples of comparable listed companies as at December 31, 2025, whereas the Vendor's original acquisition cost was based on historical data and market conditions at the relevant time. The Directors (including the independent non-executive Directors) consider that such increase is reasonable.

Conditions precedent

The Completion is conditional upon, amongst others, the satisfaction (or waiver, as the case may be) of all of the following conditions precedent:

(i) the passing of necessary resolution(s) by the Shareholders at an extraordinary general meeting approving the Equity Transfer Agreement and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules;

(ii) the formal approval of the Acquisition by the competent authorities in accordance with the relevant laws and regulations of the PRC; and

(iii) there having been no material adverse changes in respect of Target Company since the date of the Equity Transfer Agreement.

The transfer of the 40% equity interest in the Target Company by the Vendor constitutes a transfer of state-owned equity and is subject to the relevant procedures of the state-owned assets supervision and administration authority in accordance with, among others, Article 8 of the Measures for the Supervision and Administration of the Transfer of State-owned Assets of Enterprises (《企業國有資產交易監督管理辦法》) (Order No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance). As at the date of this announcement, the requisite materials have been submitted to the Tianjin Port Free Trade Zone State-owned Assets Supervision and Administration Bureau in accordance with the applicable state-owned asset transfer regulations, and communications with the relevant authority are ongoing. As at the date of this Announcement, the formal letter from the relevant authority is pending issuance. Save as disclosed above, and to the best knowledge of the Directors having made all reasonable enquiries and having obtained PRC legal advice, no other PRC regulatory approval is required for the Completion.

Save for paragraph (i) above which shall not be waived, the Purchaser and the Vendor may jointly waive the conditions precedent set out in paragraph (ii) and/or (iii) in writing. The Purchaser and the Vendor may jointly waive condition (ii) in writing in circumstances where, following further assessment or upon receipt of PRC legal advice subsequent to the signing of the Equity Transfer Agreement, it is determined that an approval initially contemplated as necessary is in fact not required or not applicable to the transaction under the then-prevailing PRC laws, regulations or administrative practice. In such case, both parties must be satisfied that Completion can lawfully proceed without such approval, and neither party may unilaterally effect the waiver. The Purchaser and the Vendor may jointly waive condition (iii) in writing in circumstances where a change has occurred that, while technically falling within the scope of a material adverse change, is of a nature or magnitude that both parties, having assessed its impact on the Target Company's business, financial condition and prospects, consider acceptable and not materially detrimental to the commercial rationale for the Acquisition. For the avoidance of doubt, neither condition (ii) nor condition (iii) may be waived unilaterally by either party, and any such waiver requires the mutual written agreement of both the Purchaser and the Vendor.

In view of the circumstances under which conditions (ii) and (iii) may be waived as described above, the Directors consider that any such waiver would not have any material adverse implication for the Completion or the ongoing operations of the Target Company.

As at the date of this announcement, none of the Conditions have been fulfilled or waived. If any of the conditions is not fulfilled or waived by the Purchaser by the Long Stop Date (or such other date as the Vendor and the Purchaser may agree), the Purchaser shall not be required to proceed with the acquisition of the Sale Equity Interest and the Vendor shall return to the Company all cash Consideration within three business days of the Long Stop Date.

INFORMATION OF THE PARTIES TO THE EQUITY TRANSFER AGREEMENT

The Company

The Company is a joint stock company with limited liability incorporated in the PRC on February 28, 2017, and the H Shares are listed on the Main Board of the Stock Exchange (stock code: 1671). The Company is mainly responsible for the power supply and service guarantee of electricity and heating for the Tianjin Port Free Trade Zone (Seaport) and the heating supply and service guarantee for the Grain and Oil Industrial Park of Tianjin Port Free Trade Zone (Lingang).

The Vendor

Tianjin Pilot Free Trade Zone Emerging Technology Industry Group Co., Ltd.* (天津自貿試驗區新興科技產業集團有限公司) was established in August 1992 with a registered capital of RMB1.53 billion. Located at No. 166 West Third Road, Tianjin Pilot Free Trade Zone (Airport Economic Area), it is a large state-owned enterprise under the Tianjin Port Free Trade Zone State-owned Assets Supervision and Administration Bureau. It focuses on key sectors such as the aviation industry, new energy, and the digital economy.

INFORMATION OF THE TARGET COMPANY

The Target Company, a company with limited liability incorporated in the PRC on May 8, 2009, is a non-wholly-owned subsidiary of the Company. It is engaged in steam production and supply business for the production process of the enterprises in the Grain and Oil Industrial Park of Tianjin Port Free Trade Zone (Lingang). Immediately prior to the Completion, the Company, the Vendor and PetroChina Kunlun hold 45%, 40% and 15% of its equity interests, respectively. Save for being connected persons of the Company at the subsidiary level, each of the Vendor and PetroChina Kunlun and their respective ultimate beneficial owners is an independent third party.

The financial information of the Target Company for the two years ended December 31, 2024 and 2025 and prepared in accordance with the IFRS Accounting Standards are as follows:

	For the year ended 31 December	
	2024	**2025**
	RMB'000	*RMB'000*
Revenue	409,348	381,017
Profit before tax	16,999	8,892
Profit for the year	12,749	5,909

As at December 31, 2025, the net asset value of the Target Company was approximately RMB261.395 million.

EQUITY VALUATION OF THE TARGET COMPANY

The Consideration was determined and adjusted based on, among others, the valuation that the market value of the Sale Equity Interest as at the Valuation Date was RMB106.900 million, as appraised by Cushman & Wakefield Limited (the "**Valuer**"), an independent qualified valuer engaged by the Company, under the market approach.

Valuation Methodology

For the valuation analysis, the market approach was adopted by the Valuer in deriving the fair value of the 40% equity interest in the Target Company as at December 31, 2025 taking into account of the following factors:

1. The asset approach was not adopted as the approach does not take into account the future growth potential;

2. The income approach was not adopted as it involves more assumptions and estimates while not all of the assumptions and estimates can be easily quantified or reliably measured, and there is no sufficient information to allow detailed planning for reliable cashflow projections;

3. The market approach was adopted as there are sufficient comparable companies that could be identified in the market to facilitate a meaningful comparison and to form a reliable opinion of value.

Major assumptions of the valuation

The major assumptions of the valuation of the Target Company are summarized as follows:

- The information provided has been prepared on a reasonable basis after due and careful consideration by the management of the Target Company;

- All relevant legal approvals and business certificates or licenses to operate the business in the localities in which the Target Company operates or intends to operate were assumed to be successfully obtained and renewable upon expiry;

- There will be no major change in the current taxation laws in the localities in which the Target Company operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;

- There will be no major change in the political, legal, economic or financial conditions in the localities in which the Target Company operates or intends to operate, which would adversely affect the revenues attributable to and profitability of the Target Company;

- Interest rates and exchange rates in the localities for the operation of the Target Company will not differ materially from those presently prevailing;

- The core business operations of the Target Company will not differ materially from those currently prevailing or anticipated; and

- The information provided by management regarding the Target Company is true and accurate.

Key inputs of the valuation

Selection Criteria for Comparable Companies

For valuation analysis for the Target Company, the guideline public company method has been adopted by the Valuer, which has taken into account various commonly used value multiples, including (i) price to earnings ("**P/E**"); (ii) price to book ("**P/B**"); (iii) enterprise value to earnings before interest, tax, depreciation and amortization ("**EV/EBITDA**"). P/E multiple is commonly used in the valuation of profitable enterprises. However, it ignores the capital structure of a company, which is critical in reflecting the fair value of the equity interest in the Target Company. P/B multiple is usually adopted in the valuation of asset-intensive companies. However, it does not take into consideration of the profitability of a company.

The Valuer considers that EV/EBITDA is an appropriate multiple for the valuation of the Target Company, primarily because this multiple has taken both profitability factor and capital structure into consideration.

Selection Basis for Comparable Companies

In the course of the valuation of the Target Company, nine guideline public companies have been identified and selected by the Valuer as the Comparable Companies for the valuation analysis details of which are as follows:

Stock Code	Company Name	Description	EV/EBITDA
2481.HK	Wise Living Technology Co Ltd	Wise Living Technology Co., Ltd operates a cross provincial heat service provider. The Comparable Company provides heat services to residential and non residential heat service customers. The Comparable Company also offers engineering construction services, energy management contract services, and other services.	1.55x

Stock Code	Company Name	Description	EV/EBITDA
1853.HK	Jilin Province Chuncheng Heating Co Ltd	Jilin Province Chuncheng Heating Company Limited operates as a heat service provider in Jilin Province. The Comparable Company supplies heat procured from local cogeneration plants and coal-fired boilers. The Comparable Company also offers engineering construction, engineering maintenance, design services, and electrical and instrument maintenance and repair services.	0.30x
0090.HK	Puxing Energy Ltd	Puxing Energy Limited operates power plants. The Comparable Company offers natural gas-fired power plants development, electricity supply, operation, management, and other services. The Comparable Company conducts businesses in Zhejiang and Hong Kong.	7.77x
1671.HK	Tianjin Tianbao Energy Co Ltd	Tianjin Tianbao Energy Co., Ltd. provides electricity generation services. The Comparable Company offers electricity transmission, distribution, power transformation, and other related services. The Comparable Company also provides steam supplying services.	6.45x
000692.SZ	Shenyang Huitian Thermal Power Co Ltd	Shenyang Huitian Thermal Power Co., Ltd. operates in city centralized heat supply business and provides heating engineering services. The Comparable Company also develops and manages in real estate properties.	11.40x

Stock Code	Company Name	Description	EV/EBITDA
600719.SH	Dalian Thermal Power Co Ltd	Dalian Thermal Power Co., Ltd. operates thermal electric stations in the city of Dalian. The Comparable Company generates electricity and distributes and sells steam to residential, commercial, and industrial customers.	31.85x
002893.SZ	Beijing Jingneng Thermal Co Ltd	Beijing Jingneng Thermal Co,. Ltd. operates as a heating company. The Comparable Company offers heat supply project investment, heat supply trusteeship operation, contract energy management, heat supply energy saving technology development, heat supply management consulting, and other services. The Comparable Company also operates office equipment repairing.	11.86x
600396.SH	Huadian Liaoning Energy Development Co Ltd	Huadian Liaoning Energy Development Co., Ltd. generates and sells electricity. The Comparable Company produces heat and steam. The Comparable Company sells energy to residential and industrial customers in the northeast of China.	13.24x
600982.SH	Ningbo Energy Group Co Ltd	Ningbo Energy Group Co., Ltd. offers cogeneration services. The Comparable Company provides district heating, thermal power generation, ash production, and other services. The Comparable Company also conducts nickel and natural rubber products sales, investment, and other businesses.	17.90x

Such companies were selected with reference to the following selection criteria:

- mainly engage in traditional electricity, heating or steam generation business which combined contribute more than 60% of total revenue;

- the earnings before interest, tax, depreciation and amortization (EBITDA) were positive as at the Valuation Date, which is a key factor in determining the enterprise value to EBITDA (EV/EBITDA) multiple;

- the market capitalization as at the Valuation Date was less than RMB5 billion; and

- listed on the Hong Kong Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange, with their financial information publicly available.

Comparable Data on the Market

Based on the market data from the nine comparable public companies, the median of the EV/EBITDA ratio of these Comparable Companies are approximately 11.4 times.

During the course of the valuation of the Target Company, the Valuer adopted the median rather than mean as the multiple due to the fact that the median is a better measure of the central tendency of the group as it is not skewed by exceptionally high or low characteristic values.

As such, the Valuer adopted the median for the determination of multiple in the valuation of the Target Company.

Discount for Lack of Marketability

The Valuer imposed a discount for lack of marketability ("**DLOM**") on the Target Company, since there is a major difference between a closely-held private company's common shares and those of its comparable public companies which is its lack of marketability. The Valuer has made reference to Stout Restricted Stock Study, and adopted an 8.7% DLOM in the valuation of the Target Company.

The Board considers that the Comparable Companies adopted by the Valuer are fair and representative, taking into account their listing status in open and established market (which all the Comparable Companies are listed in the PRC or Hong Kong stock exchanges) and their substantial operations in the traditional electricity, heating or steam business, which is consistent with the Target Group's principal business.

Having considered the above, the Directors concur with the valuation methodology and multiples adopted and the Comparable Companies selected by the Valuer, and are of the view that the Equity Valuation is fair and reasonable.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Directors (including the Independent Non-executive Directors) consider that the Acquisition is in line with the overall development strategy of the Group and will bring multifaceted strategic and operational benefits to the Group. Upon the Completion, the Company's shareholding interest in the Target Company will increase from 45% to 85%, enabling the Company to achieve absolute controlling interest in the Target Company, further strengthening its control over the operation, management and strategic development of the Target Company, as well as enhancing decision-making efficiency and resource allocation capability.

The Target Company is an important cogeneration enterprise located in the Tianjin Port Free Trade Zone (Lingang). The Acquisition will assist the Group in integrating core business resources such as cogeneration and regional heating, optimizing the layout of its energy business, and improving the industrial chain covering energy production through end-user supply, thereby enhancing the stability, reliability and cost-effectiveness of energy supply. In addition, against the backdrop of the national "dual carbon" policy and energy structure transition, the Company may, through holding a controlling interest in the Target Company, take the lead in its low-carbon transformation and technological upgrading (including projects related to waste heat utilization, distributed energy and energy storage), so as to explore new business growth drivers for the Group and enhance its long-term competitiveness.

The Acquisition will also enable synergies between the Group and the Target Company in procurement, operation and management, lowering overall operating costs and improving operational efficiency, thereby enhancing profitability and the level of return on assets. Meanwhile, the Target Company boasts a stable regional customer base and market demand. The Acquisition will help the Group consolidate its market position in the energy supply sector within the Tianjin Port Free Trade Zone and surrounding areas.

Based on the above, the Directors consider that the terms of the Equity Transfer Agreement are on usual commercial terms, are fair and reasonable and are in the interests of the Company and the Shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

Chapter 14 of the Listing Rules

As one or more of the applicable percentage ratio(s) calculated in accordance with the Listing Rules in respect of the Acquisition under the Equity Transfer Agreement and the transactions contemplated thereunder exceed 100%, the Acquisition constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Chapter 14A of the Listing Rules

Immediately prior to the Completion, the Target Company is a non-wholly owned subsidiary of the Company. The Vendor which holds 40% equity interest in the Target Company, together with its associates, are therefore connected persons of the Company at the subsidiary level immediately prior to the Completion. Accordingly, the acquisition of Sale Equity Interest under the Acquisition shall constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

As (i) the Board considers that the Equity Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole; (ii) the Board has approved the Equity Transfer Agreement and the transactions contemplated thereunder; and (iii) the independent non-executive Directors have confirmed that the terms of the Equity Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole, the Equity Transfer Agreement and the transactions contemplated thereunder fall within the exemption under Rule 14A.101 of the Listing Rules and are subject to the reporting and announcement requirements but exempted from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Equity Transfer Agreement, the Acquisition and the transactions contemplated thereunder.

The voting in respect of the Acquisition at the EGM will be conducted by way of poll. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of their associates has any material interest in the Equity Transfer Agreement, the Acquisition and the transactions contemplated thereunder; and (ii) no Shareholder will be required to abstain from voting on the relevant resolution(s) to approve the Equity Transfer Agreement, the Acquisition and the transactions contemplated thereunder at the EGM.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further information on the Equity Transfer Agreement, the Acquisition and the transactions contemplated thereunder; (ii) financial information of the Target Company; (iii) pro forma financial information of the Enlarged Group; (iv) valuation report of the Target Company; (v) other information as required under the Listing Rules; and (vi) the notice of the EGM, is expected to be despatched to the Shareholders on or before June 16, 2026 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

As the Completion is subject to the satisfaction of a number of conditions precedent as set out in the Equity Transfer Agreement, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).

DEFINITIONS

"Acquisition"	the acquisition of the Sale Equity Interest by the Company from the Vendor pursuant to the Equity Transfer Agreement
"associates"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	a day on which licensed banks in the PRC are open for general commercial business, other than a Saturday, Sunday or public holiday in the PRC
"Company" or "we" or "Purchaser"	Tianjin Tianbao Energy Co., Ltd.* (天津天保能源股份有限公司), a joint stock company with limited liability incorporated in the PRC on February 28, 2017, and the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1671)

"Completion"	the completion of the Acquisition as defined under the Equity Transfer Agreement
"connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	the second extraordinary general meeting of the Company in 2026 to be convened at 10 a.m. on July 8, 2026 (Wednesday) and any adjournment thereof
"Enlarged Group"	the Group and the Target Company immediately after the Completion
"Equity Transfer Agreement"	the equity transfer agreement dated May 26, 2026 entered into between the Company and the Vendor in relation to the Acquisition
"Group"	the Company and its subsidiaries
"H Shares(s)"	overseas listed ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed and traded on the Main Board of the Stock Exchange
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as may be amended from time to time)
"Long Stop Date"	December 31, 2026 (or such other date as the Purchaser and the Vendor may agree in writing)
"PetroChina Kunlun"	PetroChina Kunlun Gas Co., Ltd.* (中石油昆侖燃氣有限公司), a company with limited liability established in the PRC and a wholly owned subsidiary of Kunlun Energy Company Limited (listed on the Stock Exchange, stock code: 135)
"PRC"	the People's Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

"RMB"	Renminbi, the lawful currency of the PRC
"Sale Equity Interest"	the 40% equity interest in the Target Company held by the Vendor immediately prior to the Completion
"Share(s)"	ordinary share(s) in the share capital of the Company
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company" or "Lingang Thermal Power"	Tianjin Tianbao Lingang Thermal Power Co., Ltd.* (天津天保臨港熱電有限公司), a company with limited liability established in the PRC on May 8, 2009, which is owned as to 45%, 40% and 15% by the Company, the Vendor and PetroChina Kunlun, respectively, immediately prior to the Completion
"Vendor"	Tianjin Pilot Free Trade Zone Emerging Technology Industry Group Co., Ltd.* (天津自貿試驗區新興科技產業集團有限公司), a company with limited liability established in the PRC and a wholly-owned subsidiary of the Tianjin Port Free Trade Zone State-owned Assets Supervision and Administration Bureau
"%"	per cent.

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

Tianjin, the People's Republic of China, May 26, 2026

As at the date of this announcement, the Board comprises Mr. ZHOU Shanzhong, Mr. MAO Yongming, Mr. YAO Shen and Ms. YIN Ning as executive Directors; Ms. YANG Dingjing and Ms. SHI Wei as non-executive Directors; and Mr. CHAN Wai Dune, Ms. ZHANG Huan and Ms. YANG Wei as independent non-executive Directors.

* *For identification purpose only*