



TITANS

China Titans Energy Technology Group Co., Limited
中國泰坦能源技術集團有限公司*

Incorporated in the Cayman Islands with members' limited liability
Stock Code : 2188



2022
INTERIM REPORT

* For identification purpose only

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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Li Xin Qing (*Chairman*)

Mr. An Wei (*Chief Executive Officer*)

Independent non-executive Directors

Mr. Li Wan Jun

Mr. Pang Zhan

Mr. Li Xiang Feng

Audit Committee

Mr. Li Wan Jun (*Committee Chairman*)

Mr. Pang Zhan

Mr. Li Xiang Feng

Remuneration Committee

Mr. Li Xiang Feng (*Committee Chairman*)

Mr. Li Wan Jun

Mr. Pang Zhan

Nomination Committee

Mr. Li Xin Qing (*Committee Chairman*)

Mr. Pang Zhan

Mr. Li Xiang Feng

Authorised Representatives

Mr. Li Xin Qing

Ms. Ho Wing Yan

Company Secretary

Ms. Ho Wing Yan

Auditor

SHINEWING (HK) CPA Limited

Registered Office

Cricket Square

Hutchins Drive

P.O. Box 2681

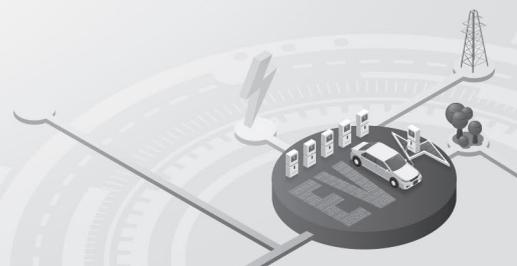
Grand Cayman KY1-1111

Cayman Islands



CORPORATE INFORMATION

Principal Place of Business and Address of Headquarters in the PRC	Titans Science and Technology Park No. 60 Shihua Road West Zhuhai Guangdong Province The PRC
Principal Place of Business in Hong Kong	Suite 2703, 27/F., Shui On Centre Nos. 6-8 Harbour Road Wanchai Hong Kong
Principal Share Registrar and Transfer Office	SMP Partners (Cayman) Limited Royal Bank House – 3rd Floor 24 Shedden Road P.O. Box 1586, Grand Cayman KY1-1110 Cayman Islands
Hong Kong Branch Share Registrar and Transfer Office	Computershare Hong Kong Investor Services Limited 17M Floor Hopewell Centre 183 Queen’s Road East Wanchai Hong Kong
Legal Adviser (<i>as to Hong Kong law</i>)	Wan & Tang
Principal Banker	Bank of Communications
Stock Code	2188
Website	www.titans.com.cn



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 June 2022, China Titans Energy Technology Group Co., Limited (the “Company”) and its subsidiaries (collectively, the “Group”) recorded revenue of approximately RMB125,245,000, representing a decrease of approximately 5.59% over that of the corresponding period last year. Revenue was mainly derived from the Group’s principal businesses including manufacturing and sales of direct current power system products (“DC Power System” or “electrical DC products”), charging equipment for electric vehicles and provision of charging services for electric vehicles. The table below shows the revenue of different series of products of the Group for the six months ended 30 June 2021 and 2022.

	Six months ended 30 June			
	2022		2021	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Electrical DC products	46,119	36.82	49,217	37.10
Charging equipment for electric vehicles	67,973	54.27	70,725	53.31
Charging services for electric vehicles	11,084	8.85	12,481	9.41
Others	69	0.06	241	0.18
Total	125,245	100	132,664	100

The Group recorded a loss for the period attributable to owners of the Company of approximately RMB11,037,000 for the six months ended 30 June 2022 (the “Reporting Period”), representing an increase of approximately RMB1,533,000 over the loss of approximately RMB9,504,000 in the corresponding period last year. Due to the decrease in revenue of products such as electrical DC products and equipment for electric vehicles during the Reporting Period and other comprehensive factors, the Group’s losses increased.

Electrical DC products

During the six months ended 30 June 2022, sales of the electrical DC products was approximately RMB46,119,000 (for the six months ended 30 June 2021: approximately RMB49,217,000), representing a decrease of approximately 6.29%. The sales of electrical DC products recorded a slight decrease as compared with the corresponding period last year.

Charging equipment for electric vehicles

For the six months ended 30 June 2022, sales of the charging equipment for electric vehicles amounted to approximately RMB67,973,000 (for the six months ended 30 June 2021: approximately RMB70,725,000), representing a decrease of approximately 3.89%. The decrease in revenue during the Reporting Period was mainly due to the delay in the Reporting Period compared with the corresponding period of the previous year caused by the suspension of construction of charging facilities projects in various regions as the overall investment was affected by the repeated flaring up of the epidemic across the country.



MANAGEMENT DISCUSSION AND ANALYSIS

Charging services for electric vehicles

For the six months ended 30 June 2022, the Group's sales of charging services for electric vehicles amounted to approximately RMB11,084,000 (for the six months ended 30 June 2021: approximately RMB12,481,000), representing a decrease of approximately 11.19%. The Directors are of the view that the decrease in revenue from the charging services for electric vehicles was mainly due to the decrease in demand for the charging services for electric vehicles due to the epidemic.

Others

During the Reporting Period, the Group's revenue of other business amounted to approximately RMB69,000 (for the six months ended 30 June 2021: approximately RMB241,000), which represented the income from the leasing business in relation to electric vehicles, and a decrease of approximately 71.37%. Such business is not regarded as the principal business of the Group.

Major operating activities in the first half of 2022:

As compared with the corresponding period last year, the domestic production and sales volume of electric vehicles decreased, but the number of charging infrastructure experienced significant growth, with the vehicle-to-charging-pole ratio decreasing. According to the data released by China Association of Automobile Manufacturers, the domestic cumulative production and sales volume of new energy vehicles reached 12.117 million and 12.057 million as of the end of June 2022, a year-on-year decrease of 3.7% and 6.6% respectively, with the market penetration increasing from 5.4% at the beginning of the year to 9.4%, representing a gradually expanded market share of new kinetic energy. In addition, according to relevant data as of the end of June 2022 released by China Electric Vehicle Charging Infrastructure Promotion Alliance, the number of domestic charging infrastructure increased by 1,301,000, of which 381,000 were public charging infrastructure, representing a year-on-year increase of 228.4%.

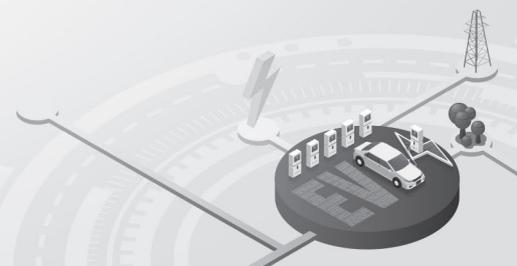
During the Reporting Period, the total revenue from the Group's principal business was approximately RMB125,245,000, representing a year-on-year decrease of 5.59%. The main operating conditions are set out as below:

1. Electrical DC products

During the Reporting Period, the Group's electrical DC products recorded a revenue of approximately RMB46,119,000, representing a decrease of 6.29%.

In order to better adapt to market changes, the Group has set up a new team for the sales of electrical DC products to major customers, and empowered it to actively tap into new markets. The number of provinces (cities) where we were awarded project contracts reached a new high during the Reporting Period. Although the sales and delivery volume in the first half of the year decreased year on year, the Directors believe that the annual sales volume will rise steadily.

With the implementation of China's Belt and Road Initiative, we saw an increase in the demand for power infrastructure construction in countries which are parties to the Initiative. During the Reporting Period, Titans' electrical DC products contributed to putting Karot hydropower station in Pakistan, the first large-scale hydropower station project under the Belt and Road Initiative, into commercial operation in June 2022, marking another milestone of Titans' overseas engineering projects. We expect our products to better cater to more countries.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group won the bid for a nuclear power engineering equipment project last year. During the Reporting Period, China National Nuclear Corporation (hereinafter, the “CNNC”) entrusted an independent third-party with the review of the business, technology, quality assurance and product qualification of Titans Technology Co., Ltd. (泰坦科技股份有限公司) (hereinafter, the “Titans Technology”), a subsidiary of the Group. Titans Technology continued to meet the requirements as a supplier of CNNC and remained as a “qualified supplier of CNNC”. The Group continued to possess the qualification for supplying nuclear power engineering equipment.

2. Charging equipment for electric vehicles

During the Reporting Period, revenue from the charging equipment for electric vehicles amounted to approximately RMB67,973,000, representing a year-on-year decrease of 3.89%.

During the Reporting Period, this series of products won the bids for many projects, and the contract value of orders increased year on year. The delivery volume decreased, however, mainly because major customers were seriously affected by the pandemic in Shanghai and other regions, and the delivery of products was postponed as required. The Directors believe that with the alleviation of the pandemic, revenue from this business will increase with the recovery in customer demand.

The Group continuously wins customers’ recognition by virtue of reliable quality and excellent services. During the Reporting Period, Titans won the bid again for the charging equipment procurement project in Hefei, Anhui Province in East China. Since 2017, Titans has provided over 2,800 sets of electric vehicle charging equipment in Hefei, covering buses, taxis, high-speed railway stations, government departments, schools, residential buildings, parks, industrial parks, logistics parks and other scenarios, winning high praise from customers. In South China, since Titans participated in the construction of charging and battery swap stations for Guangzhou Asian Games in 2010, it has provided equipment or operation and maintenance for many centralized charging stations or distributed charging poles, and services for various new energy vehicles such as buses, coaches, taxis and logistics vehicles in Guangzhou for 12 years. During the Reporting Period, the Wangchongwang charging station in Huangpu District and the charging station at Huacheng Plaza newly delivered by Titans in Guangzhou were also put into use.

In addition, with the accelerated launch of battery-swap heavy trucks, Titans’ battery swap business for heavy trucks was carried out during the Reporting Period, indicating our presence in this market segment. With the development of charging infrastructure, the cooperation between charging pole suppliers and vehicle manufacturers will become closer. During the Reporting Period, the Group made breakthroughs in this field.

The Group will maintain its leading edge in intelligent manufacturing, and enhance Titans’ influence in the industry with diversified and complete series of charging and battery swap products and comprehensive and meticulous after-sales services.



MANAGEMENT DISCUSSION AND ANALYSIS

3. Charging services for electric vehicles

During the Reporting Period, revenue from charging services for electric vehicles amounted to approximately RMB11,084,000, representing a year-on-year decrease of 11.19%. According to the Group's strategic planning, we did not set up any new self-operated station of charging infrastructure during the Reporting Period. Instead, we focused on improving and serving the existing stations and actively developing franchisees.

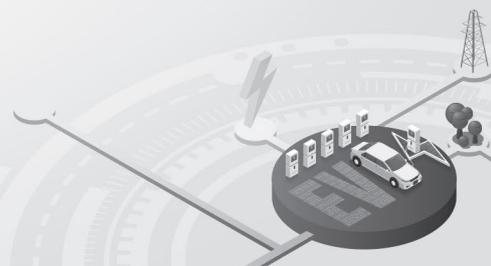
4. New products

Voltage sag protector products have been applied in semiconductor, automobile manufacturing, microelectronics and other industries, receiving high praise from users. In addition, against the current national strategic backdrop of "carbon neutrality and carbon peak", high-power parallel UPS and energy storage products are certain to become new market growth drivers of the Group in the future. The Company is steadily filling such product reserve.

5. Supporting measures

The Group attaches great importance to talent training. During the Reporting Period, the Group carried out various employee trainings and skill competitions, assisted employees in applying for technical titles, and made better career planning for them. We also helped employees find more suitable positions through job rotation and concurrent posts. The Group vigorously promoted a "struggler culture" by setting up models of strugglers and constantly caring for, cultivating and incentivizing the strugglers.

The Group paid close attention to quality, and refined product quality assessment standards, thus improving the one-time inspection qualification rate during the Reporting Period. Furthermore, as the Group considered its importance to reduce costs and improve efficiency, the technology department and the production department cooperated to reduce production costs through process optimization and other measures.



MANAGEMENT DISCUSSION AND ANALYSIS

Results analysis

Revenue

	Six months ended 30 June	
	2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Electrical DC products	46,119	49,217
Charging equipment for electric vehicles	67,973	70,725
Charging services for electric vehicles	11,084	12,481
Others	69	241
Total	125,245	132,664

For the six months ended 30 June 2022, the Group recorded revenue of approximately RMB125,245,000, representing a decrease of approximately 5.59% as compared to approximately RMB132,664,000 for the corresponding period in 2021. Due to the sporadic spread of the epidemic in many regions in China during the Reporting Period, delivery was delayed, leading to a decrease in revenue.

Cost of sales

The Group's cost of sales mainly included raw material costs, direct labour costs and manufacturing expenses. The cost of sales decreased from approximately RMB88,639,000 for the six months ended 30 June 2021 to approximately RMB84,257,000 for the six months ended 30 June 2022, which was mainly attributable to the decrease in sales during the Reporting Period.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately RMB3,037,000 to approximately RMB40,988,000 for the six months ended 30 June 2022 from approximately RMB44,025,000 for the corresponding period in 2021. For the six months ended 30 June 2022, sales of electrical DC products contributed approximately RMB14,014,000 to our gross profit whereas sales of charging equipment for electric vehicles contributed approximately RMB26,625,000 to our gross profit, charging services for electric vehicles contributed approximately RMB322,000 to our gross profit and sales and lease of electric vehicles contributed approximately RMB27,000 to our gross profit. Currently, as the prevention and control situation continues to improve, the production and living orders are recovering at an accelerated pace, the Group will strive to enhance the profitability of its products.



MANAGEMENT DISCUSSION AND ANALYSIS

Percentage of gross profit margin of respective reportable segments

Segment	Six months ended 30 June	
	2022 (Unaudited)	2021 (Unaudited)
Electrical DC products	30.39%	30.79%
Charging equipment for electric vehicles	39.17%	40.35%
Charging services for electric vehicles	2.91%	2.54%
Others	39.13%	7.69%

The Group's overall gross profit margin decreased to approximately 32.73% for the six months ended 30 June 2022 from approximately 33.19% for the corresponding period in 2021, and decreased by approximately 1.19% as compared to approximately 33.92% for the year ended 31 December 2021.

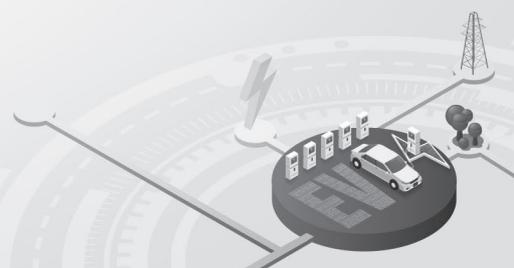
The gross profit margin of our electrical DC products for the six months ended 30 June 2022 decreased by approximately 0.40% as compared to that of the corresponding period in 2021, and increased by approximately 0.56% as compared to approximately 29.83% for the year ended 31 December 2021.

The gross profit margin of our charging equipment for electric vehicles for the six months ended 30 June 2022 decreased by approximately 1.18% as compared to that of the corresponding period in 2021, and decreased by approximately 0.48% as compared to approximately 39.65% for the year ended 31 December 2021.

The gross profit margin of our charging services for electric vehicles for the six months ended 30 June 2022 increased by approximately 0.37% as compared to that of the corresponding period in 2021, and decreased by approximately 8.98% as compared to approximately 11.89% for the year ended 31 December 2021.

For the six months ended 30 June 2022, the gross profit margin of sales and lease of electric vehicles increased by approximately 31.44% as compared to that of the corresponding period in 2021, and decreased by approximately 4.32% as compared to approximately 43.45% for the year ended 31 December 2021. The gross profit margin of sales and lease business increased as compared to the corresponding period last year.

As the national economic order returned to normal, it is expected that our businesses will return to their original track in upcoming periods, and the Group's overall gross profit margin will remain at a normal level.



MANAGEMENT DISCUSSION AND ANALYSIS

Other revenue

Other revenue of the Group, which mainly included value added tax refunds and government grants, decreased by approximately 72.40% from approximately RMB3,663,000 for the six months ended 30 June 2021 to approximately RMB1,011,000 for the six months ended 30 June 2022.

Selling and distribution expenses

Selling and distribution expenses increased by approximately RMB2,745,000, or approximately 13.78%, from approximately RMB19,928,000 for the six months ended 30 June 2021 to approximately RMB22,673,000 for the six months ended 30 June 2022. The increase in selling and distribution expenses was primarily due to the effects of the following reasons: (1) expenses such as sales-related remuneration and benefits increased by approximately RMB788,000; (2) sales-related expenses including installation and testing, tendering and amortisation expenses increased by approximately RMB803,000; (3) sales-related fees including entertainment, transportation and advertising expenses increased by approximately RMB167,000; (4) sales-related fees including travelling, office and other sundry expenses increased by approximately RMB1,215,000; and (5) sales-related depreciation charges decreased by approximately RMB228,000.

Administrative and other expenses

Administrative expenses decreased by approximately RMB3,155,000, or approximately 10.13%, from approximately RMB31,139,000 for the six months ended 30 June 2021 to approximately RMB27,984,000 for the six months ended 30 June 2022. The decrease in the administrative expenses of the Group during the Reporting Period was primarily due to the combined effects of the following reasons: (1) rental, transportation and other sundry expenses decreased by approximately RMB932,000; (2) travelling fee relating to management staff and maintenance fees decreased by approximately RMB250,000; (3) depreciation charges and research and development cost decreased by approximately RMB1,473,000; (4) office and entertainment expenses decreased by approximately RMB938,000; (5) bank charges and payment to lawyers and professional individuals decreased by approximately RMB511,000; (6) losses on disposal of assets decreased by approximately RMB187,000; and (7) expenses such as salaries and benefits relating to management staff increased by approximately RMB1,136,000.

Share of results of associates

During the Reporting Period, the Group owned 20% (as at 31 December 2021: 20%) equity interests in Beijing Aimeisen Information Technology Co., Ltd* (北京埃梅森資訊技術有限公司) (“Beijing Aimeisen”), which principally engaged in the construction of charging equipment network for electric vehicles business. Beijing Aimeisen was accounted for as the Group’s associate, and the Group’s share of loss from Beijing Aimeisen for the Reporting Period was approximately RMB1,000.

During the Reporting Period, the Group owned 49% (as at 31 December 2021: 49%) equity interest in Qingdao Jiaoyun Titans New Energy Vehicle Leasing Service Co., Ltd* (青島交運泰坦新能源汽車租賃服務有限公司) (“Jiaoyun Titans”). Jiaoyun Titans is mainly engaged in the construction of charging equipment network for electric vehicles and lease business for electric vehicles. Jiaoyun Titans was accounted for as the Group’s associate, and the Group’s share of loss from Jiaoyun Titans during the Reporting Period was approximately RMB18,000.

* English name for identification purposes only



MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Group owned 20% (as at 31 December 2021: 20%) equity interest in Qingdao Titans Yilian New Energy Technology Co., Limited* (青島泰坦驛聯新能源科技有限公司) (“Qingdao Titans”). Qingdao Titans is engaged in the construction of charging network for electric vehicles, as well as the sale, lease and maintenance of electric vehicles. Qingdao Titans was accounted for as the Group’s associate, and the Group’s share of profit from Qingdao Titans during the Reporting Period was approximately RMB11,000.

During the Reporting Period, the Group owned 20% (as at 31 December 2021: 20%) equity interest in Guangdong Titans Intelligent Power Co., Ltd* (廣東泰坦智能動力有限公司) (“Guangdong Titans”). Guangdong Titans is principally engaged in the research and development, sales and manufacturing of charging equipment for Automated Guided Vehicles (“AGV”). Guangdong Titans was accounted for as the Group’s associate, and the Group’s share of profit from Guangdong Titans during the Reporting Period was approximately RMB795,000.

During the Reporting Period, the Group owned 17% (as at 31 December 2021: 17%) equity interests in Jiangsu Titans Smart Technology Co., Limited* (江蘇泰坦智慧科技有限公司) (“Jiangsu Titans”). Jiangsu Titans is primarily engaged in the technology development, technology transfer and technology consultancy of computer software and hardware; computer system integration and network engineering; development and subcontracting of computer software and sales of computer equipment. Jiangsu Titans is accounted for as the Group’s associate and the Group’s share of loss from Jiangsu Titans during the Reporting Period amounted to approximately RMB673,000.

Finance costs

Finance costs of the Group decreased by approximately 8.62% from approximately RMB5,068,000 for the six months ended 30 June 2021 to approximately RMB4,631,000 for the six months ended 30 June 2022. Finance costs of the Group as a percentage of the Group’s revenue decreased from 3.82% for the six months ended 30 June 2021 to 3.70% for the six months ended 30 June 2022. The decrease in finance costs of the Group was attributable to the decrease in the average borrowing interest expense during the Reporting Period as compared to the corresponding period last year.

Loss attributable to non-controlling interests

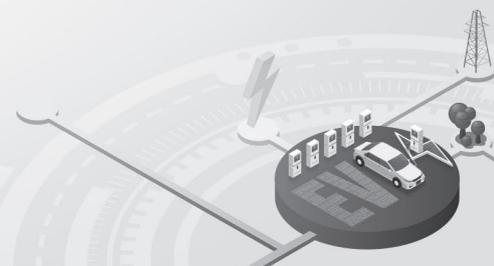
For the six months ended 30 June 2022, loss attributable to the non-controlling interests of the Group’s non-wholly-owned subsidiaries was RMB500,000, representing a decrease in loss of approximately RMB32,000 as compared to an attributable loss of RMB532,000 in the corresponding period last year.

Loss attributable to owners of the Company

The Group recorded loss attributable to owners of the Company of approximately RMB11,037,000 for the six months ended 30 June 2022, representing an increase in loss for the period of approximately RMB1,533,000 as compared to a loss of approximately RMB9,504,000 for the corresponding period in 2021.

The loss recorded in the Reporting Period was mainly because our operating revenue decreased due to the delay in the Group’s order delivery and project acceptance as the operations of customers in the certain regions of China were disrupted due to the COVID-19 pandemic, while fixed expenses such as costs and charges did not decrease pro rata.

* English name for identification purposes only



MANAGEMENT DISCUSSION AND ANALYSIS

Loss per share

For the six months ended 30 June 2022, basic and diluted losses per share of the Company (“Share(s)”) were both RMB1.19 cent whilst the basic and diluted losses per share for the corresponding period in 2021 were both RMB1.03 cent. The basic and diluted losses per share were attributable to the loss recorded for the Reporting Period.

Employees and remuneration

As at 30 June 2022, the Group had 405 employees (as at 30 June 2021: 400) in total. During the six months ended 30 June 2022, total employees’ remuneration amounted to approximately RMB26,125,000 (for the six months ended 30 June 2021: approximately RMB24,335,000). The remuneration paid to our employees and the Directors is based on their experience, responsibility, workload and the time devoted to the Group.

The Group participates in various employees’ benefit plans, such as retirement benefit scheme and medical insurance. The Group also makes pension contributions in compliance with all material respects of the requirements of the laws and regulations of the jurisdictions where the Group operates.

All PRC-based employees are entitled to participate in a defined contribution basic pension insurance plan in the social security insurance operated by the Ministry of Labour and Social Security of the PRC, and the premium in respect of which is undertaken by the Group and the employees respectively based on percentages fixed by relevant PRC laws. The only obligation of the Group in the PRC with respect to the retirement scheme is the required contributions under the retirement scheme. The Group has no other legal constructive obligations to pay further contributions.

During the six months ended 30 June 2021 and 2022, there were no contributions forfeited by the Group on behalf of its employees who left the plan prior to vesting fully in such contribution, nor had there been any utilization of such forfeited contributions to reduce future contributions. As at 30 June 2022 and 31 December 2021, no forfeited contributions were available for utilization by the Group to reduce the existing level of contributions as described in paragraph 26(2) of Appendix 16 to the Listing Rules.

The Company adopted the share option scheme on 18 December 2020 (the “Share Option Scheme”). The purpose of the Share Option Scheme is to provide incentives to the eligible persons (including but not limited to employees, officers, agents, consultants or representatives of any members of the Group (including the executive or non-executive directors of any members of the Group)) for their contributions to the Group and to enable the Group to recruit and retain high-calibre employees and attract and retain human resources that are valuable to the Group. Details of the Share Option Schemes is set out in the section headed “2020 Share Option Schemes” in the interim report of the Company.



MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity, financial resources and capital structure

There has been no change in the capital structure of the Group during the six months ended 30 June 2022. The capital of the Group only comprises ordinary shares.

The Group generally finances its operation through internal resources, bank and other borrowings. As at 30 June 2022, the Group had short-term bank deposits, bank balances and cash of approximately RMB73,101,000 (as at 31 December 2021: approximately RMB78,988,000), excluding restricted bank balances of approximately RMB15,817,000 (as at 31 December 2021: approximately RMB18,257,000).

The net current assets of the Group as at 30 June 2022 were approximately RMB344,233,000 (as at 31 December 2021: approximately RMB328,852,000).

Significant investments

The Group did not hold any significant investment during the six months ended 30 June 2022.

Material acquisition and disposal of subsidiaries, associates and joint ventures

During the six months ended 30 June 2022, the Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures.

Bank and other borrowings

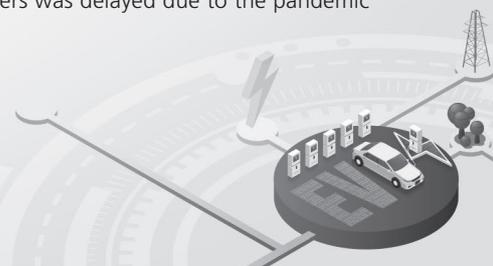
As at 30 June 2022, total bank and other borrowings of the Group amounted to RMB163,757,000 (among which RMB163,757,000 are secured loans) (as at 31 December 2021: RMB163,778,000, among which RMB160,778,000 were secured loans). Secured bank loans as at 30 June 2022 were subject to the floating interest rates ranging from 4.70% to 5.88% per annum. As at 30 June 2022, the total bank borrowings recorded by the Group decreased by RMB21,000 as compared with those as at 31 December 2021.

As at 30 June 2022, the Group's current ratio (i.e. current assets divided by current liabilities) was 2.10 as compared with 2.17 as at 31 December 2021, and the gearing ratio (i.e. borrowings divided by total assets x 100%) was 18.18% as compared with 18.90% as at 31 December 2021.

Trade and bills receivables

As at 30 June 2022, the Group recorded trade and bills receivables (net of allowance) of approximately RMB304,032,000 (as at 31 December 2021: approximately RMB274,405,000). The Group did not make additional allowance for impairment loss in respect of trade and bills receivables during the six months ended 30 June 2022 (for the six months ended 30 June 2021: nil). The allowances for impairment of trade receivables as at 30 June 2022 and 31 December 2021 were RMB48,375,000 and RMB53,435,000 respectively.

Trade receivables increased during the Reporting Period as the project time of certain customers was delayed due to the pandemic outbreak.



MANAGEMENT DISCUSSION AND ANALYSIS

The table below sets out the ageing analysis of trade receivables (net of allowance for impairment loss of trade receivables) of the Group as at 31 December 2021 and 30 June 2022.

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Within 90 days	102,309	172,665
91 days to 180 days	81,905	21,854
181 days to 365 days	53,966	53,703
Over 1 year to 2 years	59,989	20,085
Over 2 years to 3 years	5,863	6,098
	304,032	274,405

Our key products, namely electrical DC product series, are supplied to, among others, power generation plants and power grid companies. Sales are recognised upon product delivery which may be conducted before the date when trade receivables are due for payment. Our customers are only required to pay us the purchase amount pursuant to the terms of the sales contracts. For the purpose of selling our electrical DC products, we may require the payment of a deposit of approximately 10% of the total contract sum to be paid after signing the contract, and 80% of the contract sum by the customer after our products have been delivered and properly installed and tested. It is normally stipulated in the contract that the balance of 10% will be withheld, being retention money as a form of product performance surety, and be settled by the customer to us 12 to 18 months after the on-site installation and testing.

We consider that longer trade and bills receivables turnover days and the higher proportion of overdue trade and bills receivables were mainly due to (1) the time lag between our accounting policy to recognise the full sales amount and trade receivables amount upon delivery of product until the due dates of trade receivables; (2) some of our customers in the power generation or transmission sectors settle the amounts payable to their suppliers, including us, after completion of the construction of their whole power generation units or transforming stations; and (3) delay in the schedule of some of the customers' projects.

Whilst we believe it is a special feature of the power electronic market that equipment suppliers will face a relatively long trade receivables turnover period, we will continue to monitor, control and speed up the collection of our trade receivables by closely liaising with the customers and monitoring progress of their projects.

Pledge of assets

As at 30 June 2022, the Group's leasehold land and buildings with carrying amounts of approximately RMB121,438,000 (as at 31 December 2021: RMB142,575,000) were pledged to secure bank borrowings and other facilities granted to the Group.



MANAGEMENT DISCUSSION AND ANALYSIS

Capital commitments and contingent liabilities

As at 30 June 2022, the Group had capital expenditure contracted for but not provided in the consolidated financial information of approximately RMB9,170,000 (as at 31 December 2021: approximately RMB11,132,000).

As at 30 June 2022 and the date of this report, the Group had no significant contingent liabilities.

Foreign exchange

The Group conducts its business primarily in the PRC with substantially all of its transactions denominated and settled in Renminbi. The Group's consolidated financial information is expressed in Renminbi, whereas dividends on Shares, if any, will be paid in Hong Kong dollars. Thus, any fluctuation of Renminbi could affect the value of Shares.

During the Reporting Period, the Group recorded no exchange loss (corresponding period in 2021: nil). As at 30 June 2022, the Group had no hedging arrangement in place with respect to foreign currency exchange.

The Group adopted a prudent approach towards its treasury policies. Our treasury function mainly involves the management of our cash flow. Cash is mainly deposited in banks in Renminbi for our working capital purposes. We did not have any material holding in foreign exchange (except for business purposes) during the six months ended 30 June 2022.

Our accounts department projects monthly cash receipts and plans for cash payments based on the data provided by our marketing management and supporting teams regarding the progress on the customers' projects and relevant payment plans. Thereafter, our accounts department plans for cash payments based on the projections.

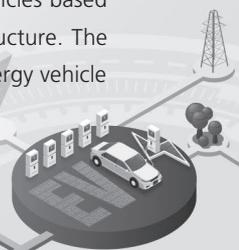
The Group strives to reduce exposure to credit risk by performing on-going credit evaluations of the financial conditions of its customers. Our sales representatives and other sales staff together with our sales partners will monitor the development of our customers' projects on a timely basis and communicate with our customers regarding the settlement of our trade and bills receivables.

Future business prospect and plans

Business and prospect plans in the second half of the year:

In order to better promote the construction of electric vehicle charging infrastructure, the central and local governments have continuously introduced various supporting measures. In July 2022, the Ministry of Housing and Urban-Rural Development and the National Development and Reform Commission issued the notice of Urban Infrastructure Construction Plan under the 14th Five-Year Plan (hereinafter, the "Plan").

The Plan explicitly states that new parking spaces shall allow sufficient room for the construction and installation of charging facilities. For old residential areas with insufficient parking spaces and difficulties in increasing power capacity, charging poles are encouraged to be built in public parking areas. The Plan specifies that we shall strengthen the construction of new energy vehicle charging and battery swap facilities, accelerate the formation of an urban public charging network for new energy vehicles based on fast charging services, and provide information services for new energy vehicle charging and battery swap infrastructure. The Plan specifies that intelligent urban infrastructure shall be constructed and upgraded. It is expected that over 60 new energy vehicle charging and battery swap stations and a total of 1.5 million public charging facilities will be built.



MANAGEMENT DISCUSSION AND ANALYSIS

As of the end of June 2022, China has built a total of 3.92 million electric vehicle charging infrastructure, forming the largest charging and battery swap network in the world. It is expected that the charging demand of over 20 million electric vehicles will be met by 2025, which is of great significance to achieving the goal of carbon peak. As such, the Group's main product, i.e. electric vehicle charging equipment, still has a large untapped market. With the implementation of the "carbon peak and carbon neutrality" strategy, clean energy is taking up a larger proportion of the energy consumed by end users. New power systems continue to thrive, and the continuous demand for power equipment is conducive to the development of the Group's DC products.

In the second half of 2022, the focuses of the Group's operation and management are as follows:

1. The Group will tap deeper into the market to offset the adverse impacts of the pandemic in the first half of the year. Specifically, we will enhance the Company's market ability by improving our penetration into customers' industries, our relationship with customers, and our comprehensive service system. While ensuring the sales growth of electric DC products and electric vehicle charging products, we will vigorously promote the sales of new products such as heavy trucks battery swap and voltage sag protector products, striving to achieve a large increase in the contract value in 2022 compared with last year.
2. The Group will stay committed to improving the core competitiveness and building a new pattern of our products. Most of the Group's products are customized. Facing intensified market competition, the Company adheres to a "product-focused" strategy, and enhances its core competitiveness based on technological progress and innovation. Meanwhile, it provides one-stop overall solution service, and quickly and flexibly solves problems for customers, thereby forming a healthy interactive relationship with customers, and enhancing customer stickiness. In addition, we actively invest in new products such as parallel UPS, heavy trucks battery swap, and two-way PCS to establish the Group's new product mix.
3. We proactively build up the core competitiveness of the Group's supply chain mainly from four aspects, including "comprehensive bargaining ability (cost control), quality control ability (quality control), inventory liquidity (inventory control), and inventory financing ability (dynamic mortgaged and pledged credit extension)". By sorting out processes, improving systems and supplementing personnel, the Group's supply chain management will step up to a new level.
4. The Group will continue to refine its management, and press ahead with various internal management works guided by OKR (objectives and key results) and KPI (key performance indicators).

This golden September marks Titans' 30th anniversary since its inception (1992-2022). The past 30 years witnessed the unremitting efforts of us at Titans. Just as every smooth and shiny pearl is made out of a grain of coarse sand with great efforts by mussels, Titans braves the wind and waves, cuts through brambles and thorns, and flourishes in the industry of power and electronics technologies. In the next 30 years, Titans will forge ahead with its original aspiration and mission in mind. Through continuous efforts, we will diversify the usage, enhance the application, widen the sources and improve the quality of electrical energy, or simply put, make it more valuable.



MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

The Board did not declare an interim dividend for the six months ended 30 June 2022 (for the six months ended 30 June 2021: nil).

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with all applicable code provisions (the “Code Provisions”) of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2022 and there has been no material deviation from the Code Provisions.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its model code regarding directors securities transactions. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standards of the Model Code during the six months ended 30 June 2022.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2022.

MATERIAL LITIGATION AND ARBITRATION PROCEEDINGS

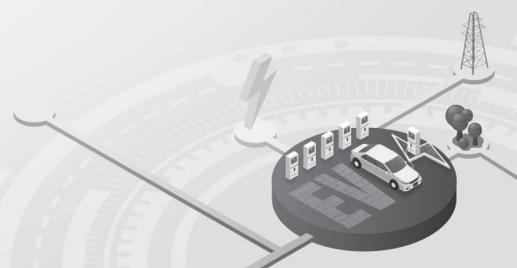
The Group had no material litigation or arbitration during the six months ended 30 June 2022.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company has reviewed and discussed with the management the accounting principles and practices adopted by the Group and the Group’s risk management, internal control systems and financial reporting matters, including the review of the unaudited consolidated interim results of the Group for the six months ended 30 June 2022.

EVENT AFTER THE REPORTING PERIOD

Save as disclosed in this report, there was no significant event after the Reporting Period.



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2022

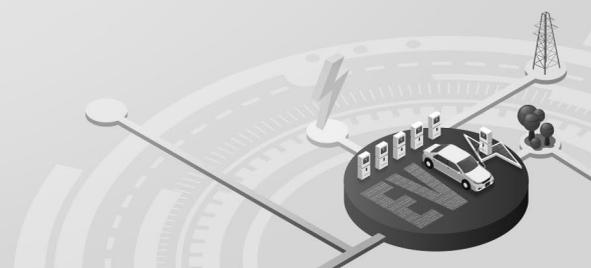
	Notes	Six months ended 30 June	
		2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Revenue	4	125,245	132,664
Cost of revenue		(84,257)	(88,639)
Gross profit		40,988	44,025
Other revenue		1,011	3,663
Selling and distribution expenses		(22,673)	(19,928)
Administrative and other expenses		(27,984)	(31,139)
Reversal of impairment losses/(impairment losses) of financial assets	6	2,366	(1,795)
Other gains and losses		(130)	(3,053)
Share of results of associates		114	2,090
Finance costs		(4,631)	(5,068)
Loss before taxation		(10,939)	(11,205)
Income tax (expense)/credit	5	(598)	1,169
Loss for the period	6	(11,537)	(10,036)
Other comprehensive (expense)/income for the period			
Items that will not be reclassified subsequently to profit or loss:			
Net fair value (loss)/gain on financial assets at fair value through other comprehensive income		(2,032)	1,340
Income tax relating to item that will not be reclassified subsequently to profit or loss		82	–
Other comprehensive (expense)/income for the period, net of tax		(1,950)	1,340
Total comprehensive expense for the period		(13,487)	(8,696)



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2022

	Note	Six months ended 30 June	
		2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Loss for the period attributable to:			
– Owners of the Company		(11,037)	(9,504)
– Non-controlling interests		(500)	(532)
		(11,537)	(10,036)
Total comprehensive expense for the period attribute to:			
– Owners of the Company		(12,987)	(8,164)
– Non-controlling interests		(500)	(532)
		(13,487)	(8,696)
Loss per share	8		
Basic and diluted (RMB cent)		(1.19)	(1.03)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

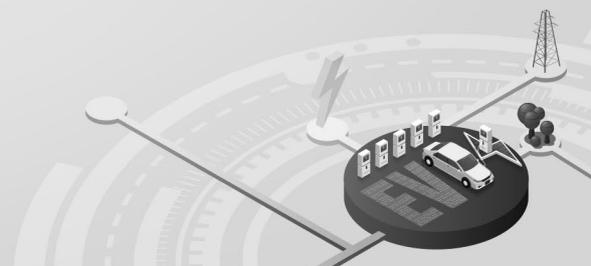
	Notes	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	9	158,090	163,479
Right-of-use assets		7,208	7,364
Goodwill		–	–
Intangible assets		23,006	26,134
Interests in associates	10	18,481	18,367
Financial assets at fair value through other comprehensive income	14	22,483	24,515
Financial asset at fair value through profit or loss	14	4,016	4,146
Finance lease receivable		187	187
Loan receivable		–	1,308
Deferred tax assets		9,409	9,925
		242,880	255,425
Current assets			
Inventories		157,303	130,430
Trade receivables	11	304,032	274,405
Contract assets		36,127	41,856
Financial asset at fair value through profit or loss	14	–	500
Loan receivables		–	4,000
Prepayments, deposits and other receivables		67,915	58,976
Amounts due from associates		91	271
Finance lease receivable		163	163
Tax recoverable		3,361	3,161
Restricted bank balances		15,817	18,257
Short-term bank deposits		–	43,000
Bank balances and cash		73,101	35,988
		657,910	611,007



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Notes	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Current liabilities			
Trade and bills payables	12	151,296	127,000
Contract liabilities		18,270	28,401
Accruals and other payables		42,532	8,549
Amounts due to associates	13	338	617
Bank and other borrowings		99,650	115,994
Tax payable		1,591	1,594
		313,677	282,155
Net current assets		344,233	328,852
Total assets less current liabilities		587,113	584,277
Non-current liabilities			
Deferred tax liabilities		13,574	13,574
Bank and other borrowings	13	64,107	47,784
		77,681	61,358
Net assets		509,432	522,919
Capital and reserves			
Share capital		8,087	8,087
Share premium and reserves		489,918	502,905
Equity attributable to owners of the Company		498,005	510,992
Non-controlling interests		11,427	11,927
Total equity		509,432	522,919



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022

	Attributable to Owner of the Company											
	Share capital	Share premium	Share option reserve	Merger reserve	Exchange translation reserve	Investments revaluation reserve	Capital reserve	Statutory reserve fund	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Note (a))			(Note (b))					
At 1 January 2021 (audited)	8,087	325,141	-	8,640	504	2,268	(4,771)	63,416	89,414	492,699	12,194	504,893
Loss for the period	-	-	-	-	-	-	-	-	(9,504)	(9,504)	(532)	(10,036)
Other comprehensive income for the period:	-	-	-	-	-	-	-	-	-	-	-	-
Net fair value gain on financial assets at other comprehensive income	-	-	-	-	-	1,340	-	-	-	1,340	-	1,340
Total comprehensive (expense)/income for the period	-	-	-	-	-	1,340	-	-	(9,504)	(8,164)	(532)	(8,696)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,000	1,000
At 30 June 2021 (unaudited)	8,087	325,141	-	8,640	504	3,608	(4,771)	63,416	79,910	484,535	12,662	497,197
At 1 January 2022 (audited)	8,087	325,141	1,112	8,640	504	854	(4,771)	66,907	104,518	510,992	11,927	522,919
Loss for the period	-	-	-	-	-	-	-	-	(11,037)	(11,037)	(500)	(11,537)
Other comprehensive expense for the period:	-	-	-	-	-	-	-	-	-	-	-	-
Net fair value loss on financial assets at other comprehensive income	-	-	-	-	-	(2,032)	-	-	-	(2,032)	-	(2,032)
Income tax relating to items that will not be classified subsequently	-	-	-	-	-	82	-	-	-	82	-	82
Total comprehensive expense for the period	-	-	-	-	-	(1,950)	-	-	(11,037)	(12,987)	(500)	(13,487)
Lapse of share option	-	-	(32)	-	-	-	-	-	32	-	-	-
At 30 June 2022 (unaudited)	8,087	325,141	1,080	8,640	504	(1,096)	(4,771)	66,907	93,513	498,005	11,427	509,432

Notes:

- (a) Merger reserve represents the amount of consideration paid to Zhuhai Titans Group Company Limited, in excess of the net book value of the subsidiary acquired from Zhuhai Titans Technology Co., Ltd.* 珠海泰坦科技股份有限公司 (“Titans Technology”) in previous years.
- (b) Capital reserve represents the difference between the consideration paid for the acquisition of additional equity interests in subsidiaries and the carrying value of the additional equity interests of the subsidiaries acquired.

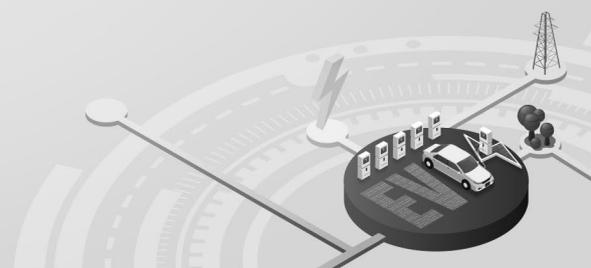
* English name is for identification purpose only.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2022

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
NET CASH USED IN OPERATING ACTIVITIES	(7,534)	(29,604)
INVESTING ACTIVITIES		
Withdrawal of short-term bank deposits	43,000	27,500
Withdrawal of restricted bank balances	16,065	14,866
Repayment of loan receivables	4,000	5,025
Proceeds from disposal of property, plant and equipment	–	262
Purchase of property, plant and equipment	(250)	(132)
Placement of restricted bank balances	(13,625)	(12,861)
Other cash flows arising from investing activities	102	656
NET CASH FROM INVESTING ACTIVITIES	49,292	35,316
FINANCING ACTIVITIES		
Repayment of bank and other borrowings	(51,984)	(32,818)
Interest paid	(4,631)	(5,068)
Payment of lease liabilities	–	(41)
Bank and other borrowings raised	51,963	45,500
Receipts from government grants	7	556
Other cash flows used in financing activities	–	1,000
NET CASH USED IN FINANCING ACTIVITIES	(4,645)	9,129
NET INCREASE IN CASH AND CASH EQUIVALENTS	37,113	14,841
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	35,988	45,303
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, representing bank balances and cash	73,101	60,144



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

1. GENERAL INFORMATION

China Titans Energy Technology Group Co., Limited (the “Company”) was incorporated and registered as an exempted company in the Cayman Islands with limited liability. The address of the registered office is Cricket Square, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands. The address of the principal place of business and headquarters in the People’s Republic of China (the “PRC”) is Titans Science and Technology Park, No. 60 Shihua Road West, Zhuhai, Guangdong Province, the PRC. The address of the principal place of business in Hong Kong is Suite 2703, 27/F., Shui On Centre, Nos. 6-8 Harbour Road, Wanchai, Hong Kong.

The principal activities of the Company and its subsidiaries (hereinafter collectively referred to as the “Group” or “Titans”) are (i) supply of power electric products and equipment; (ii) sales and leases of electric vehicles; (iii) provision of charging services for electric vehicles; and (iv) construction services of charging poles for electric vehicles under Build-Operate-Transfer (“BOT”) arrangements.

The condensed consolidated interim financial information of the Group are presented in Renminbi (“RMB”) which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated interim financial information of the Group for the six months ended 30 June 2022 have been prepared in accordance with the applicable disclosure provisions requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial information have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2021 except as described below.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

3. PRINCIPAL ACCOUNTING POLICIES (continued)

In the current interim period, the Group has applied, for the first time, the Amendments to References to the Conceptual Framework in Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA which are effective for the Group’s financial year beginning 1 January 2022:

Amendment to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKAS 16	Property, plant and Equipment: Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendment to HKFRSs	Annual Improvements to HKFRSs 2018 – 2020 cycle

The directors of the Company consider that, the application of new and revised HKFRSs in the current interim period 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 condensed consolidated financial statements.

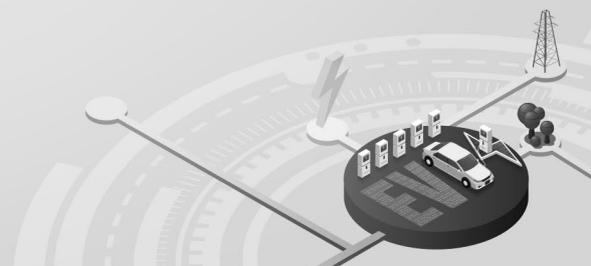
4. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable for goods sold and services provided to external customers, net of discounts, returns and sales related taxes.

Information reported to the executive directors of the Company, being the chief operating decision maker (the “CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The CODM has chosen to organise the Group around differences in products and services.

The Group’s reporting segments under HKFRS 8 are as follows:

- (i) DC Power System – Manufacturing and sales of direct current power system
- (ii) Charging Equipment – Manufacturing and sales of charging equipment for electric vehicles
- (iii) Charging Services and Construction – Provision of charging services for electric vehicles and construction services of charging poles for electric vehicles under BOT arrangements
- (iv) Others – Including two operating segments namely (i) Energy Storage Equipment; and (ii) Electric Vehicles – sales and leases of electric vehicles



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

4. REVENUE AND SEGMENT INFORMATION (continued)

Charging Services and Construction which do not meet any of the quantitative thresholds under HKFRS 8, is considered as individual reporting segment and separately disclosed as the CODM concludes that segment information is useful to users of the financial information as the nature of products and services of Charging Services and Construction is distinct to other reporting segments.

Operating segments of Energy Storage Equipment and Electric Vehicles are combined as one reporting segment namely as "Others" since they do not meet the quantitative thresholds under HKFRS 8 and the CODM considers that the segment information is not useful to users of the financial information as the business is insignificant when compared to other operating segments.

Segment revenue and results

The following is an analysis of the Group's revenue and the results by reportable and operating segments:

For the six months ended 30 June 2022

	DC Power System RMB'000 (Unaudited)	Charging Equipment RMB'000 (Unaudited)	Charging Services and Construction RMB'000 (Unaudited)	Others RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue	46,119	67,973	11,084	69	125,245
Segment results	14,014	26,625	322	27	40,988
Other revenue					1,011
Other gains and losses					(130)
Share of results of associates					114
Finance costs					(4,631)
Unallocated head office and corporate expenses					(48,291)
Loss before taxation					(10,939)



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

4. REVENUE AND SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

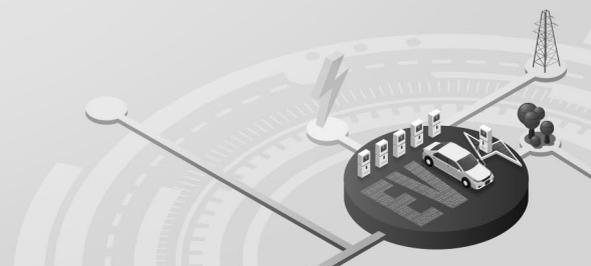
The following is an analysis of the Group's revenue and the results by reportable and operating segments: (continued)

For the six months ended 30 June 2021

	DC Power System RMB'000 (Unaudited)	Charging Equipment RMB'000 (Unaudited)	Charging Services and Construction RMB'000 (Unaudited)	Others RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue	49,217	70,725	12,481	241	132,664
Segment results	15,155	28,534	317	19	44,025
Other revenue					3,663
Other gains and losses					(3,053)
Share of results of associates					2,090
Finance costs					(5,068)
Unallocated head office and corporate expenses					(52,862)
Loss before taxation					(11,205)

Note: All of the segment revenue reported above is from external customers.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the profit earned from each segment without allocation of other revenue, other gains and losses, share of results of associates, finance costs and unallocated head office and corporate expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

4. REVENUE AND SEGMENT INFORMATION (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

Segment assets	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
DC Power System	275,082	274,139
Charging Equipment	410,047	371,111
Charging Services and Construction	23,006	54,872
Total segment assets	708,135	700,122
Unallocated	192,655	166,310
Consolidated assets	900,790	866,432
Segment liabilities	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
DC Power System	81,554	64,228
Charging Equipment	111,896	74,785
Charging Services and Construction	–	15,775
Total segment liabilities	193,450	154,788
Unallocated	197,908	188,725
Consolidated liabilities	391,358	343,513



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

4. REVENUE AND SEGMENT INFORMATION (continued)

Segment assets and liabilities (continued)

For the purpose of monitoring segment performance and allocating resource between reporting segments:

- all assets are allocated to operating segments other than interests in associates, financial assets at FVTOCI, financial assets at FVTPL, finance lease receivable, deferred tax assets, loan receivables, certain deposits and other receivables, tax recoverable, restricted bank balances, short-term bank deposits and bank balances and cash; and
- all liabilities are allocated to operating segments other than certain accruals and other payables, tax payable, bank and other borrowings and deferred tax liabilities.

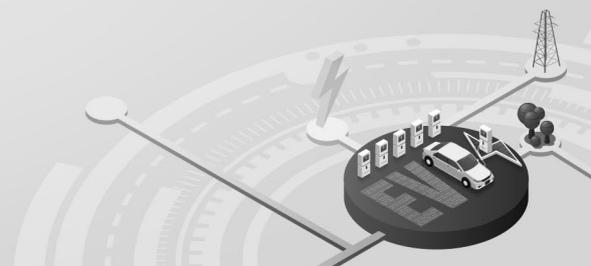
5. INCOME TAX (EXPENSE)/CREDIT

	For the six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
PRC Enterprise Income Tax ("EIT"):		
– Current period	(1)	–
Deferred tax	(597)	1,169
	(598)	1,169

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the six months ended 30 June 2022 and 2021. No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in, nor was derived from, Hong Kong for the six months ended 30 June 2022 and 2021.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the applicable tax rate of certain PRC subsidiaries is 25% (six months ended 30 June 2021: 25%). No provision for EIT has been made for the six months ended 30 June 2022 as the Group did not have any assessable profits subject to the EIT.

Zhuhai Titans Technology Co., Limited (珠海泰坦科技股份有限公司) ("Titans Technology") was recognised as an approved high technology enterprise and therefore is entitled to a tax concession period of reduction in EIT rate of 15% from 2020 to 2022.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

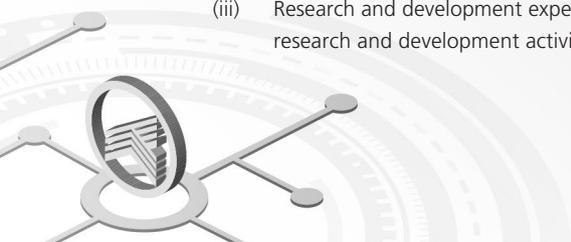
6. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging (crediting):

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Impairment losses on financial assets:		
– trade receivables	–	1,795
– loan receivables	1,308	–
– other receivables	1,386	–
Reversal of impairment losses on financial assets:		
– trade receivables	(5,060)	–
Total (reversal of impairment losses)/impairment losses on financial assets	(2,366)	1,795
Depreciation of property, plant and equipment	5,571	6,060
Depreciation of right-of-use assets	156	194
Amortisation of intangible assets	3,128	3,159
Total depreciation and amortisation	8,855	9,413
Bank interest income	(102)	(203)
Value added tax (“VAT”) refunds (note (i))	–	(2,904)
Government grants (note (ii))	(7)	(556)
Fair value loss on financial assets at fair value through profit or loss	(130)	(3,066)
Research and development expenses (including in administrative and other expenses) (note (iii))	10,129	13,460

Notes:

- (i) VAT refunds represent the refund of VAT charged on qualified sales of electric products by the PRC tax bureau.
- (ii) Included in government grants are subsidies of approximately RMB7,000 (2021: RMB556,000) received from Zhuhai Social Insurance Fund Management Center (“珠海市社會保險基金管理中心”), Zhuhai Finance Bureau (“珠海市財政局”) and the Ministry of Science and Technology of the PRC (“中華人民共和國科學技術部”), regarding the government’s subsidies to support employment and the research and development on technology innovation, of which there are no unfulfilled conditions or contingencies relating to these subsidies and recognised upon receipts during the six months ended 30 June 2022 and 2021.
- (iii) Research and development expenses included staff costs and depreciation of property, plant and equipment for the purpose of research and development activities.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

7. DIVIDENDS

No dividend has been paid or proposed by the Company for the six months ended 30 June 2022 and 2021 nor has any dividend been proposed since the end of reporting period.

8. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss		
Loss for the purpose of basic and diluted loss per share	(11,037)	(9,504)

	Six months ended 30 June	
	2022	2021
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	925,056	925,056

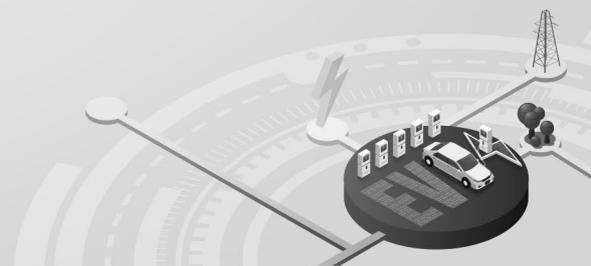
The dilutive loss per share is equal to the basic loss per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 June 2022 and 2021.

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2021, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of approximately RMB249,000, resulting in a gain on disposal of approximately RMB13,000.

During the six months ended 30 June 2022, the Group wrote off certain property, plant and equipment with an aggregate carrying amount of approximately RMB68,000 (six months ended 30 June 2021: nil).

During the six months ended 30 June 2022, the Group acquired of property, plant and equipment with a cost of approximately RMB250,000 (six months ended 30 June 2021: RMB132,000).



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

10. INTERESTS IN ASSOCIATES

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Cost of investment in unlisted associates	18,705	18,705
Share of post acquisition results, net of dividend received	(224)	(338)
	18,481	18,367

During the six months ended 30 June 2021, an associate of the Company, Zhuhai Huada Taineng Smart Energy Co., Ltd.* (珠海華大泰能智慧能源有限公司) (“Zhuhai Huada”), in which 11% equity interest was held by the Company and the Company is one of the five shareholders of Zhuhai Huada. The Company has its carrying amount of approximately RMB427,000 applied for deregistration and completed on 8 April 2021. Loss on deregistration of an associate of approximately RMB117,000 has been recognised for the year ended 31 December 2021.

As at 30 June 2022 and 31 December 2021, the Group had interests in the following material associates:

Name of entity	Form of entity	Place of establishment/ operation	Class of shares held	Proportion of ownership interests indirectly held by the Group		Proportion of voting power held		Principal activities
				30/6/2022	31/12/2021	30/6/2022	31/12/2021	
Jiangsu Titans Intelligent Technology Co., Ltd.* 江蘇泰坦智慧科技有限公司	Registered	The PRC	Contributed capital	17%	17% (Note (i))	20%	20% (Note (i))	Research and development of computer software and sales of computer equipment
Guangdong Titans Intelligence Power Co., Ltd.* 廣東泰坦智能動力有限公司	Registered	The PRC	Contributed capital	20%	20%	20%	20%	Research and development, sales and manufacturing of charging equipment automated guided vehicles

Note:

- (i) The Group is able to exercise significant influence over Jiangsu Titan Intelligent Technology Co., Ltd. (“Jiangsu Titans”) because it has 20% voting rights in the shareholders’ meeting of Jiangsu Titans under the provisions stated in the Articles of Association of Jiangsu Titans.

* English name for identification purpose only



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

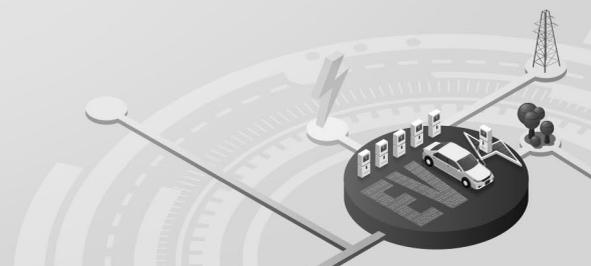
11. TRADE RECEIVABLES

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Trade receivables	352,407	327,840
Less: allowance for impairment losses of trade receivables	(48,375)	(53,435)
Total trade receivables	304,032	274,405

The following is an ageing analysis of trade receivables, net of allowance for impairment losses of trade receivables, presented based on the dates of delivery of goods or rendering services, which approximates the respective revenue recognition dates, at the end of the reporting period:

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
0 – 90 days	102,309	172,665
91 – 180 days	81,905	21,854
181 – 365 days	53,966	53,703
1 – 2 years	59,989	20,085
2 – 3 years	5,863	6,098
	304,032	274,405

The Group allows an average credit period of 90 days (31 December 2021: 90 days) to its trade customers. For certain customers with installment payments, initial payments are requested and due upon signing of sales contracts, while remaining payments are fallen due after installation and testing. Retention money will be fallen due from the end of the product quality assurance period. For the trade receivables from the state-owned enterprises, they normally settle their outstanding balances upon the completion of their constructions in accordance with the industry practice in the PRC.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

12. TRADE AND BILLS PAYABLES

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Trade payables	116,404	91,524
Bills payables	34,892	35,476
	151,296	127,000

The following is an ageing analysis of trade and bills payables, based on the dates of receipt of goods purchased, at the end of the reporting period:

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
0 – 90 days	83,696	76,686
91 – 180 days	27,171	41,066
181 – 365 days	26,985	4,489
1 – 2 years	8,893	2,803
Over 2 years	4,551	1,956
	151,296	127,000

The average credit period on purchases of goods is 90 days (31 December 2021: 90 days).



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

13. BANK AND OTHER BORROWINGS

During the six months ended 30 June 2022, the Group borrowed approximately RMB51,963,000 (six months ended 30 June 2021: RMB45,500,000) from banks. The loans are secured and are repayable in full within one year. The loans bear interests of ranging from 3.70% to 5.88% per annum. During the six months ended 30 June 2022, the Group repaid approximately RMB51,984,000 (six months ended 30 June 2021: RMB32,818,000) of secured bank and other borrowings bearing interest rates of ranging from 4.35% to 10.00% per annum.

14. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis

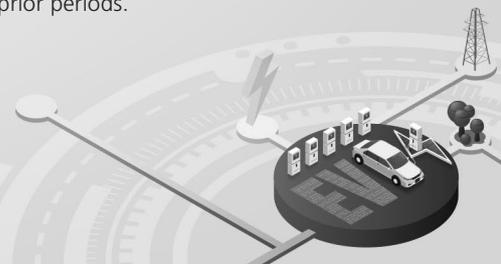
The table analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Group's financial instruments as at 30 June 2022 and 31 December 2021:

	Level 2		Level 3	
	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Financial assets at FVTPL				
Listed equity securities	–	–	4,016	4,146
Structured deposit	–	500	–	–
Financial assets at FVTOCI				
Unlisted equity securities	–	–	22,483	24,515

There were no transfers between levels of fair value hierarchy in the current and prior periods.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

14. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(a) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)

The valuation techniques and inputs used in the fair value measurement of the financial instruments on a recurring basis are set out below:

Financial instruments	Fair value as at		Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of key inputs and significant unobservable inputs to fair value
	30/6/2022 RMB'000 (Unaudited)	31/12/2021 RMB'000 (Audited)				
Listed equity securities at FVTPL	<u>4,016</u>	4,146	Level 3	Market approach – by applying market multiples from comparable companies and adjusted by marketability discount	(i) Price-to-earnings ("P/E") ratio of Nil (31/12/2021: 20.56); and (ii) Enterprise value ("EV")-to-earnings before interest, taxation, depreciation and amortisation ("EBITDA") ratio of 20.00 (31/12/2021: 10.56) (iii) Marketability discount of 20.60% (31/12/2021: 20.60%)	(i) The higher the P/E ratio, the higher the fair value. (ii) The higher of EV to EBITDA ratio, the higher the fair value. (iii) The higher of the marketability discount, the lower the fair value
Structured deposit at FVTPL	<u>–</u>	500	Level 2	Expected future cash flow	(i) Future cash flows (ii) Discount rate which reflects the credit risk of counterparty	(i) The higher the future cash flows, the higher the fair value. (ii) The higher of discount rate, the lower the fair value.
Unlisted equity securities at FVTOCI	<u>22,483</u>	24,515	Level 3	Market approach – by reference to the asset with identical or similar assets in the market	(i) Price-to-book ratio of 1.16 (31/12/2021: 1.99); (ii) Marketability discount of 43% (31/12/2021: 35%); and (iii) Specific business risk discount of 56% (31/12/2021: 56%)	(i) The higher the price-to-book ratio, the higher the fair value. (ii) The higher of marketability discount, the lower the fair value. (iii) The higher the specific business risk discount, the lower the fair value.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

14. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

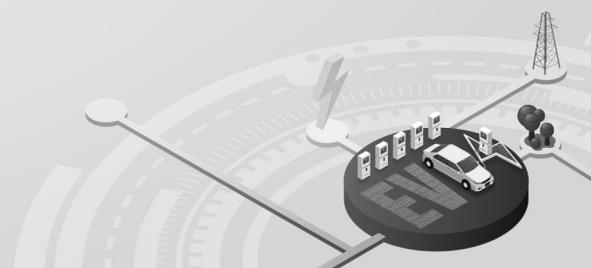
(a) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)

Reconciliation of Level 3 fair value measurement of financial instruments that are measured on a recurring basis are as follows:

	Listed equity security RMB'000	Unlisted equity securities RMB'000
At 1 January 2021 (Audited)	9,066	26,137
Changes in fair value through profit or loss	(4,920)	–
Changes in fair value through other comprehensive income	–	(1,622)
At 31 December 2021 (Audited)	4,146	24,515
Changes in fair value through profit or loss	(130)	–
Changes in fair value through other comprehensive income	–	(2,032)
At 30 June 2022 (Unaudited)	4,016	22,483

15. CAPITAL COMMITMENTS

	30 June 2022 RMB'000 (Unaudited)	31 December 2021 RMB'000 (Audited)
Capital expenditures contracted for but not provided in the consolidated financial statements in respect of establishment of associates	9,170	11,132



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2022

16. RELATED PARTY TRANSACTIONS

During the six months ended 30 June 2022, the Group entered into the following transactions with related parties:

(a) Compensation to key management personnel

The directors of the Company consider that the executive directors are the only key management personnel of the Group. The remuneration of the executive directors during the six months ended 30 June 2022 and 2021 was as follows:

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Short-term benefits	731	898

The remuneration of the executive directors is determined by the remuneration committee of the Company having regard to the performance of individuals and market trends.

(b) Guarantees from directors

At 30 June 2022 and 31 December 2021, certain bank and other borrowings of the Group were guaranteed by Mr. Li Xin Qing and Mr. An Wei, directors of the Company:

	30 June	31 December
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Audited)
To the extent of	35,250	328,000



OTHER INFORMATION

DIRECTORS' INTERESTS IN SHARES

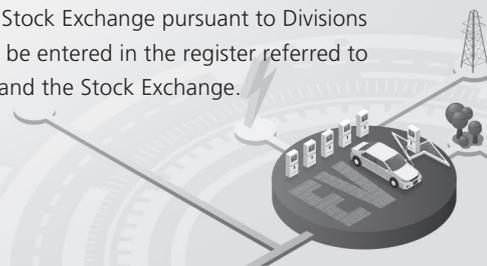
As at 30 June 2022, the interests of the Directors and their associates in the Shares which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO"), or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

Name of Director	Nature of interest	Number of Shares or underlying Shares	Approximate percentage of existing issued share capital of the Company
Mr. Li Xin Qing	Interest of controlled corporations	205,709,875 (Note 2)	22.24%
	Beneficial owner	800,000 (Note 3)	0.09%
Mr. An Wei	Interest of controlled corporations	195,869,875 (Note 4)	21.17%
	Beneficial owner	1,000,000 (Note 5)	0.11%

Notes:

- All interests in Shares were long positions.
- The entire issued share capital of Genius Mind Enterprises Limited ("Genius Mind") is beneficially owned by Mr. Li Xin Qing ("Mr. Li") who is deemed to be interested in 197,724,457 Shares held by Genius Mind by virtue of the SFO. Among 197,724,457 Shares, a total of 40,000,000 Shares were provided as security to a person other than a qualified lender. In addition, by virtue of the SFO, Mr. Li is also deemed to be interested in 7,985,418 Shares held by Rich Talent Management Limited ("Rich Talent"), a company which shareholding is owned as to 50% by him.
- Of these 800,000 Shares, 600,000 Shares are share options granted by the Company on 23 July 2021.
- The entire issued share capital of Great Passion International Limited ("Great Passion") is beneficially owned by Mr. An Wei ("Mr. An") who is deemed to be interested in 187,884,457 Shares held by Great Passion by virtue of the SFO. Among 187,884,457 Shares, a total of 20,000,000 Shares were provided as security to a person other than a qualified lender. In addition, by virtue of the SFO, Mr. An is also deemed to be interested in 7,985,418 Shares held by Rich Talent, a company which shareholding is owned as to 50% by him.
- Of these 1,000,000 Shares, 600,000 Shares are share options granted by the Company on 23 July 2021.

Save as disclosed above, as at 30 June 2022, none of the Directors or chief executive of the Company nor their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.



OTHER INFORMATION

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the Share Option Scheme, at no time during the six months ended 30 June 2022 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate and none of the Directors, their spouses or children under 18 years of age, had any rights to subscribe for securities of the Company, or had exercised any such rights.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2022 and up to the date of this report, as far as known to the Directors, the following persons or entities (not being a Director or a chief executive of the Company) who had interests in Shares which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of shareholder	Nature of interest	Number of Shares or underlying Shares	Approximate percentage of existing issued share capital of the Company
Ms. Zeng Zhen (Note 2)	Interests of spouse	206,509,875	22.32%
Genius Mind (Note 3)	Beneficial owner	197,724,457	21.37%
Ms. Yan Kai (Note 4)	Interests of spouse	196,869,875	21.28%
Great Passion (Note 5)	Beneficial owner	187,884,457	20.31%
Broad-Ocean Motor (Hong Kong) Co. Limited (Note 6)	Beneficial owner	84,096,000	9.09%
Zhongshan Broad-Ocean Motor Co., Ltd. (Note 6)	Interest of controlled corporations	84,096,000	9.09%
Mr. Lu Chuping (Note 6)	Interest of controlled corporations	82,458,117	8.91%
Honor Boom Investments Limited (Note 7)	Beneficial owner	82,458,117	8.91%
Mr. Li Xiao Bin (Note 7)	Interest of controlled corporations	82,458,117	8.91%
	Beneficial owner	3,740,000 (Note 8 and 9)	0.40%



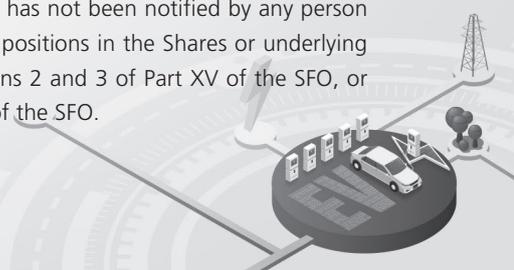
OTHER INFORMATION

Name of shareholder	Nature of interest	Number of Shares or underlying Shares	Approximate percentage of existing issued share capital of the Company
Ms. Zhang Lina (Note 10)	Interests of spouse	83,598,117	9.04%
Mr. Thomas Karl Amade Pilscheur	Beneficial owner	66,244,818	7.16%
Ms. Feng Yanlin (Note 11)	Interests of spouse	66,244,818	7.16%

Notes:

- All interests in Shares were long positions.
- Ms. Zeng Zhen is the spouse of Mr. Li Xin Qing. Therefore, Ms. Zeng Zhen is deemed to be interested in the Shares in which Mr. Li Xin Qing is interested by virtue of the SFO.
- The entire issued share capital of Genius Mind is beneficially owned by Mr. Li Xin Qing who is deemed to be interested in the Shares held by Genius Mind by virtue of the SFO. Mr. Li Xin Qing is the sole director of Genius Mind.
- Ms. Yan Kai is the spouse of Mr. An Wei. Therefore, Ms. Yan Kai is deemed to be interested in the Shares in which Mr. An Wei is interested by virtue of the SFO.
- The entire issued share capital of Great Passion is beneficially owned by Mr. An Wei who is deemed to be interested in the Shares held by Great Passion by virtue of the SFO. Mr. An Wei is the sole director of Great Passion.
- The entire issued share capital of Broad-Ocean Motor (Hong Kong) Co. Limited is owned by Zhongshan Broad-Ocean Motor Co. Ltd, which is in turn 27.1% of its interest was beneficially owned by Mr. Lu Chuping.
- The issued share capital of Honor Boom Investments Limited is owned as to 40% by Mr. Li Xiao Bin, 30% by Ms. Ou Yang Fen and 30% by Mr. Cui Jian respectively. Therefore, Mr. Li Xiao Bin is deemed to be interested in the 82,458,117 Shares held by Honor Boom Investments Limited by virtue of the SFO.
- These 1,140,000 Shares and 2,600,000 Shares are share options granted by the Company on 23 July 2021 and 15 July 2022, respectively.
- On 15 July 2022, the Company granted in aggregate 30,200,000 share options to 13 grantees to subscribe for the same number of ordinary Shares of HK\$0.01 each in the capital of the Company. The share options are granted under the share option scheme adopted by the Company on 18 December 2020. Out of these 30,200,000 options, 2,600,000 share options were granted to Mr. Li Xiao Bin. Please refer to the announcement of the Company dated 15 July 2022 for further details.
- Ms. Zhang Lina is the spouse of Mr. Li Xiao Bin. Therefore, Ms. Zhang Lina is deemed to be interested in the Shares in which Mr. Li Xiao Bin is interested by virtue of the SFO.
- Ms. Feng Yanlin is the spouse of Mr. Thomas Karl Amade Pilscheur. Therefore, Ms. Feng Yanlin is deemed to be interested in the Shares in which Mr. Thomas Karl Amade Pilscheur is interested by virtue of the SFO.

Save as disclosed above, as at 30 June 2022 and up to the date of this report, the Company has not been notified by any person (other than the Directors or the chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.



OTHER INFORMATION

2020 SHARE OPTION SCHEME

At the extraordinary general meeting of the Company held on 18 December 2020, an ordinary resolution was passed to adopt a 2020 Share Option Scheme.

The purpose of the 2020 Share Option Scheme is to enable the Group to grant share options to selected participants as incentives or rewards for their contributions to the Group. All officers, employees, agents, consultants or representatives of any member of the Group, (including any executive or non-executive Director) who the Board may determine in its absolute discretion, have made valuable contributions to the business of the Group based on their performance and/or years of service, or are regarded to be valuable human resources of the Group are eligible to participate in the 2020 Share Option Scheme subject to such conditions as the Board may think fit.

The remaining life of 2020 Share Option Scheme is 10 years.

When the 2020 Share Option Scheme was approved by the shareholders of the Company on 18 December 2020, it was also approved that the total number of Shares which may be allotted and issued upon exercise of all options to be granted under the 2020 Share Option Scheme and any other 2020 Share Option Scheme adopted by the Group must not in aggregate exceed 10% of the Shares in issue as at the date of the 2020 extraordinary general meeting, i.e. 925,056,000 Shares (the "2020 Scheme Mandate Limit"). The Company may renew the 2020 Scheme Mandate Limit with shareholders' approval provided that each such renewal may not exceed 10% of the Shares in issue as at the date of the shareholders' approval (i.e. 92,505,600 Shares).

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2020 Share Option Scheme and any other 2020 Share Option Scheme adopted by the Group must not in aggregate exceed 30% of the Shares in issue from time to time. Unless approved by shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the options granted under the 2020 Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued Shares of the Company for the time being.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

An option may be exercised in accordance with the terms of the 2020 Share Option Scheme at any time during a period to be notified by the Board to each grantee, which period must expire no later than 10 years from the date of the grant (subject to acceptance) of the option.

The right to exercise an option is not subject to or conditional upon the achievement of any performance target unless otherwise stated in the grant letter which is to be made by the Company to the participant of the 2020 Share Option Scheme upon granting of the option.



OTHER INFORMATION

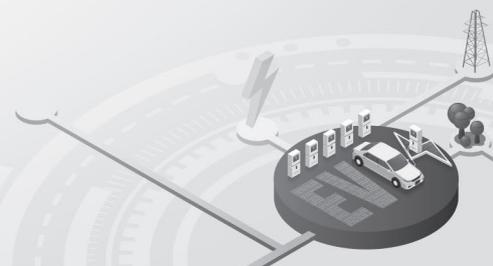
The subscription price for the Shares under the 2020 Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Shares.

1,050,000 share options were lapsed during the Period. No options were granted, exercised or cancelled by the Company under the 2020 Share Option Scheme during the Period. There were 37,980,000 and 36,780,000 outstanding share options under 2020 Share Option Scheme at the beginning and at the end of the Period respectively.

As at the date of this report, the total number of securities available for issue under the 2020 Share Option Scheme was 91,455,600 Shares, representing 9.89% of the issued Shares of the Company.

Below sets out the details of the share options granted to the executive Directors and other grantees under the Share Option Scheme for the six months ended 30 June 2022 (the "Period") and the share options outstanding during the period:

Name of Grantee	Date of grant	Number of Options					Cancelled/ forfeited during the Period	Outstanding as at 30 June 2022	Exercise price per Share	Vesting Period	Exercise period
		As at 1 January 2022	Granted during the Period	Exercised during the Period	Lapsed during the Period						
Li Xin Qing (Executive Director)	23 July 2021	200,000	-	-	-	-	200,000	HK\$0.445	From 23 July 2021 to 31 December 2021	1 June 2022 to 31 December 2023	
Li Xin Qing (Executive Director)	23 July 2021	200,000	-	-	-	-	200,000	HK\$0.445	From 1 January 2022 to 31 December 2022	1 June 2023 to 31 December 2024	
Li Xin Qing (Executive Director)	23 July 2021	200,000	-	-	-	-	200,000	HK\$0.445	From 1 January 2023 to 31 December 2023	1 June 2024 to 31 December 2025	
An Wei (Executive Director)	23 July 2021	200,000	-	-	-	-	200,000	HK\$0.445	From 23 July 2021 to 31 December 2021	1 June 2022 to 31 December 2023	
An Wei (Executive Director)	23 July 2021	200,000	-	-	-	-	200,000	HK\$0.445	From 1 January 2022 to 31 December 2022	1 June 2023 to 31 December 2024	
An Wei (Executive Director)	23 July 2021	200,000	-	-	-	-	200,000	HK\$0.445	From 1 January 2023 to 31 December 2023	1 June 2024 to 31 December 2025	



OTHER INFORMATION

Name of Grantee	Date of grant	As at 1 January 2022	Number of Options				Cancelled/ forfeited during the Period	Outstanding as at 30 June 2022	Exercise price per Share	Vesting Period	Exercise period
			Granted during the Period	Exercised during the Period	Lapsed during the Period						
Other grantees	23 July 2021	12,260,000	-	-	350,000	-	11,910,000	HK\$0.445	From 23 July 2021 to 31 December 2021	1 June 2022 to 31 December 2023	
Other grantees	23 July 2021	12,260,000	-	-	350,000	-	11,910,000	HK\$0.445	From 1 January 2022 to 31 December 2022	1 June 2023 to 31 December 2024	
Other grantees	23 July 2021	12,260,000	-	-	350,000	-	11,910,000	HK\$0.445	From 1 January 2023 to 31 December 2023	1 June 2024 to 31 December 2025	

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, the Company has maintained the prescribed public float under the Listing Rules.

CHANGE IN DIRECTORS' INFORMATION

As required under Rule 13.51(2) and Rule 13.51B(1) of Listing Rules, the change in Directors' biographical details is set out below:

The remuneration of Mr. Li Xin Qing and Mr. An Wei have been changed to RMB60,600 and RMB58,400 per month respectively.

By Order of the Board
China Titans Energy Technology Group Co., Limited
Li Xin Qing
 Chairman

Hong Kong, 26 August 2022

