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TITAN INVO TECHNOLOGY LIMITED

泰 坦 智 華 科 技 有 限 公 司

(formerly known as TUS International Limited 啟迪國際有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 872)

**SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO
UNAUDITED ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

References are made to the announcement of Titan Invo Technology Limited (the “**Company**”) dated 31 March 2022 in relation to, among other things, the publication of unaudited annual results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2021 (the “**2021 Unaudited Annual Results Announcement**”). Unless otherwise defined, terms defined in the 2021 Unaudited Annual Results Announcement shall have the same meanings in this supplemental announcement.

The Board of the Company would like to supplement the 2021 Unaudited Annual Results Announcement with the unaudited consolidated statement of cash flows of the Group for the year ended 31 December 2021 including comparative figures for the previous year.

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
		<i>(restated)</i>
Operating activities		
(Loss)/profit before taxation		
– Continuing operations	(601,055)	(289,147)
– Discontinued operation	98,116	20,632
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	(502,939)	(268,515)
Adjustments for:		
Depreciation of property, plant and equipment	17,006	24,360
Depreciation of right-of-use assets	5,798	9,182
Amortisation of intangible assets	63,282	85,054
Finance costs	95,299	110,285
Bank interest income	(1,956)	(970)
Loss on disposal of property, plant and equipment	3,911	11
Gain on disposal of subsidiaries	(128,697)	(59,126)
Allowance under expected credit losses model, net of reversal	(12,072)	14,402
Impairment loss on goodwill	384,667	–
Share-based payments	741	–
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Operating loss before changes in working capital	(74,960)	(85,317)
Increase in inventories	(43,045)	(49,112)
Increase in trade and bills receivables, prepayments and other receivables	(29,899)	(817)
Decrease in finance lease receivables	–	8,460
Increase/(decrease) in trade and bills payables and other payables	140,543	(2,137)
(Decrease)/increase in contract liabilities	(15,647)	6,814
(Decrease)/increase in net defined benefits liabilities	(398)	2,607
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	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
		<i>(restated)</i>
Cash used in operations	(23,406)	(119,502)
Income tax refund	<u>–</u>	<u>1,563</u>
Net cash used in operating activities	<u>(23,406)</u>	<u>(117,939)</u>
Investing activities		
Purchase of property, plant and equipment	(850)	(18,020)
Payment for construction in progress	–	(180)
Purchase of intangible assets	(20,634)	(100,536)
Net cash inflow on disposal of subsidiaries	156,010	89,914
Bank interest received	1,956	970
Proceed from disposal of property, plant and equipment	1	760
Purchase of financial assets through other comprehensive income	(8,601)	–
Proceed from disposal of financial assets through other comprehensive income	–	30,000
Withdrawal of pledged bank deposits	<u>–</u>	<u>3,884</u>
Net cash generated from investing activities	<u>127,882</u>	<u>6,792</u>

	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
		<i>(restated)</i>
Financing activities		
Proceeds from bank loans	30,036	110,293
Repayment of bank loans	(109,485)	(186,007)
Proceeds from other loans	403,081	406,907
Repayment of other loans	(345,788)	(113,664)
Finance costs paid	(84,504)	(71,905)
Redemption of convertible bond	–	(116,787)
Repayments of lease liabilities	(11,936)	(9,545)
	<u>(118,596)</u>	<u>19,292</u>
Net cash (used in)/generated from financing activities		
	(118,596)	(91,855)
Net decrease in cash and cash equivalents		
Effect of exchange rates on the balance of cash held in foreign currencies	7,117	9,554
Cash and cash equivalents at 1 January	31,117	113,418
	<u>24,114</u>	<u>31,117</u>
Cash and cash equivalents at the end of 31 December		
	<u>24,114</u>	<u>31,117</u>
Analysis of balances of cash and cash equivalents at the end of the year		
Cash and bank balances	<u>24,114</u>	<u>31,117</u>

Save for the above, all other information contained in the 2021 Unaudited Annual Results Announcement remains unchanged. This announcement is supplemental to and should be read in conjunction with the 2021 Unaudited Annual Results Announcement.

By Order of the Board
Titan Invo Technology Limited
Ma Chi Kong Karl
Chairman

Hong Kong, 13 June 2022

As at the date of this announcement, the Board comprises Mr. Hu Bo who is an executive Director, Mr. Ma Chi Kong Karl (Chairman) and Mr. Tsang Ling Bui Gilbert who are non-executive Directors, and Hon. Quat Elizabeth (JP), Dr. Koong Hing Yeung Victor and Mr. Lee Kwok Tung Louis who are independent non-executive Directors.