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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 limited liability)

(Stock code: 2188)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022

The board (the "**Board**") of directors (the "**Directors**") of China Titans Energy Technology Group Co., Limited (the "**Company**") announces the interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2022 (the "**Reporting Period**") together with the comparative figures for the corresponding period in 2021. These condensed consolidated interim financial information have not been audited, but have been reviewed by the audit committee of the Company.

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)

	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		**22,483**	24,515
Financial asset at fair value through profit or loss		**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		**–**	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

	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		**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		**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

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.

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

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)**

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.

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

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.

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.

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).

10. INTERESTS IN ASSOCIATES

	30 June 2022	31 December 2021
	RMB'000	*RMB'000*
	(Unaudited)	(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*

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.

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).

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	*%*	*RMB'000*	*%*
	(Unaudited)		(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.

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.

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.

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.

Results analysis

Revenue

	Six months ended 30 June	
	2022	2021
	RMB'000	*RMB'000*
	(Unaudited)	(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.

Percentage of gross profit margin of respective reportable segments

	Six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
Segment		
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.

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.

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.

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.

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.

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	31 December 2021
	RMB'000	*RMB'000*
	(Unaudited)	(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.

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 announcement, 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.

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.

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 announcement, there was no significant event after the Reporting Period.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the website of The Stock Exchange of Hong Kong Limited (http://www.hkexnews.hk) and the Company's website (http://www.titans.com.cn). The interim report of the Company for the six months ended 30 June 2022 containing all the information required by Appendix 16 to the Listing Rules will be dispatched to shareholders of the Company and made available on the above websites in due course.

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

Hong Kong, 26 August 2022

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Li Xin Qing and Mr. An Wei; and three independent non-executive Directors, namely Mr. Li Wan Jun, Mr. Pang Zhan and Mr. Li Xiang Feng.

* *For identification purpose only*