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

2026
INTERIM REPORT

* For identification purpose only

CONTENTS

CORPORATE INFORMATION

Board of Directors	Executive Directors Mr. Gao Xia *(Chairman)* Mr. Li Xin Qing Mr. Tao Chen Mr. An Wei *(Chief Executive Officer)* Non-executive Director Ms. Meng Yao Independent Non-executive Directors Mr. Li Xiang Feng Mr. Liu Wei Ms. Jiang Yan
Audit Committee	Ms. Jiang Yan *(Committee Chairman)* Mr. Li Xiang Feng Mr. Liu Wei
Remuneration Committee	Mr. Li Xiang Feng *(Committee Chairman)* Mr. Liu Wei Ms. Jiang Yan
Nomination Committee	Mr. Gao Xia *(Committee Chairman)* Mr. Li Xiang Feng Ms. Jiang Yan
Authorised Representatives	Mr. Gao Xia 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	Building G1 South Section of The High and New Technology Factory Renhe Road Caofeidian Industrial District Tangshan Hebei 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 *(as to Hong Kong law)*	Anthony Siu & Co.
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 2026, China Titans Energy Technology Group Co., Limited (the "Company") and its subsidiaries (collectively, the "Group") recorded revenue of approximately RMB137,701,000, representing an increase of approximately 0.35% 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 2025 and 2026.

	Six months ended 30 June			
	2026		2025	
	RMB'000 (Unaudited)	**%**	RMB'000 (Unaudited)	%
Electrical DC products	**53,779**	**39.05**	46,858	34.15
Charging equipment for electric vehicles	**73,514**	**53.39**	79,053	57.61
Charging services for electric vehicles	**9,304**	**6.76**	11,130	8.11
Others	**1,104**	**0.80**	177	0.13
Total	**137,701**	**100**	137,218	100

The Group recorded a loss for the period attributable to owners of the Company of approximately RMB31,428,000 for the six months ended 30 June 2026 (the "**Reporting Period**"), representing an increase in loss of approximately RMB1,810,000 over the loss of approximately RMB29,618,000 in the corresponding period last year. The increase in the Group's loss was mainly attributable to the increase in impairment losses on financial assets and contract assets, as well as the increase in the share of loss of an associate during the Reporting Period.

Electrical DC products

During the six months ended 30 June 2026, sales of the electrical DC products was approximately RMB53,779,000 (for the six months ended 30 June 2025: approximately RMB46,858,000), representing an increase of approximately 14.77%. The sales of electrical DC products increased compared to the corresponding period of last year, mainly attributable to the increased investment in power grids and the transformation and upgrading of existing power grids, which drove up the demand for electrical DC power supply equipment; coupled with the Group's continuous deepening of its "direct sales + agency" market expansion system, and the deepening of business cooperation with core customers such as power grid enterprises and power generation groups.

Charging equipment for electric vehicles

For the six months ended 30 June 2026, sales of the charging equipment for electric vehicles amounted to approximately RMB73,514,000 (for the six months ended 30 June 2025: approximately RMB79,053,000). During the Reporting Period, affected by price competition in the charging equipment industry, the unit prices of charging modules and complete sets significantly declined as compared with the corresponding period of last year. Although the investment demand for charging facility projects in various regions maintained growth, the decline in product unit prices still resulted in a decrease in sales of charging equipment of approximately 7.01% as compared with the corresponding period of last year.

MANAGEMENT DISCUSSION AND ANALYSIS

Charging services for electric vehicles

For the six months ended 30 June 2026, the Group's income of charging services for electric vehicles amounted to approximately RMB9,304,000 (for the six months ended 30 June 2025: approximately RMB11,130,000), representing a decrease of approximately 16.41%. The Directors are of the view that the decrease in revenue from the charging services for electric vehicles was mainly due to the reduction in charging capacity of some public transport charging stations which led to the decrease in revenue of the Company's charging service business.

Others

During the Reporting Period, the Group's revenue of other business amounted to approximately RMB1,104,000 (for the six months ended 30 June 2025: approximately RMB177,000), which represented the income from other businesses such as operation of distribution of electronic and electrical equipment, and an increase of approximately 523.73%. Such business is not a principal business of the Group.

Major operating activities in the first half of 2026:

In the first half of 2026, the global energy transition continued to advance. Driven by the dual wheels of policy support and market demand, China's new energy electric vehicle industry developed steadily, and the construction of charging infrastructure entered a new stage of quality improvement and efficiency enhancement. According to statistics from the China Association of Automobile Manufacturers, the production and sales of new energy electric vehicles in the first half of the year reached 7.438 million units and 7.446 million units, representing a year-on-year increase of 6.7% and 7.3%, respectively. New energy vehicles accounted for 49.6% of total new car sales, further reflecting the accelerating trend toward a green and electrified industry. Meanwhile, the China Electricity Council estimates that the nationwide electricity consumption of the whole society in 2026 will reach 10.9 trillion to 11.0 trillion kWh, representing a year-on-year increase of 5% to 6%. The continuous growth in electricity demand and the transformation of energy consumption structure provide solid support for the development of new energy electric vehicle charging, new energy storage, and related power equipment markets.

With the continuous implementation of the Implementation Opinions on Accelerating the Construction of Charging Infrastructure to Better Support New Energy Vehicles Going to the Countryside and Rural Revitalization and the in-depth promotion of the Action Plan for "Doubling in Three Years" Service Capacity of Electric Vehicle Charging Facilities (2025–2027), as of the end of June 2026, the total number of electric vehicle charging infrastructure nationwide reached 23.057 million units, representing a year-on-year increase of 43.2%. The coverage rate of county-level charging facilities increased to 98.61%, and the charging network accelerated its expansion towards "full coverage of charging stations in every county and full coverage of charging piles in every township".

MANAGEMENT DISCUSSION AND ANALYSIS

In the field of electrical DC power supply, the construction of new power systems, increased grid investment, and the transformation and upgrading of existing power grids have created favorable conditions for industry development. Guiding Opinions on Promoting High-Quality Development of Power Grids proposed to accelerate the construction of a new power grid platform characterized by the coordinated development of the main power grid, distribution network, and smart microgrids, increase investment in power grids and the transformation and upgrading of existing facilities, and promote the digital and intelligent development of power grid facilities. Guiding Opinions on High-Quality Development of Distribution Grids under New Situation further proposed to reasonably raise the construction standards for lines and substations related to important users, advance the construction of emergency backup power supply, and enhance the power supply guarantee capability of distribution networks as well as their carrying capacity for distributed new energy, new energy storage, and charging facilities. As the scale of grid-connected new energy expands, transmission and distribution facilities undergo capacity expansion and transformation, smart microgrids are constructed, and requirements for power supply guarantees for important users rise, the power system's demand for safe and stable power supply, intelligent monitoring, and emergency guarantees continues to increase, which is expected to drive both new and replacement demand for electrical DC power supply, backup power supply, and related power quality management products.

Facing challenges such as the upgrading of technical standards, the deepening of market-oriented electricity price reforms, and the accelerating differentiation of the industry's competition landscape, the Group will strive for grasping the development opportunities brought by the quality improvement and expansion of new energy electric vehicle charging networks and the construction of new power systems. The Group will focus on the iteration of high-power supercharging technology, actively expand high-power energy replenishment scenarios for public transportation, heavy-duty trucks, port logistics, and other commercial vehicles, accelerate the cultivation of optical-storage-charging integrated business and vehicle-to-grid interactive business, and promote the construction of intelligent operation platforms. Meanwhile, relying on its technical accumulation and market foundation in the field of electrical DC power supply, the Group will continuously promote the digital, intelligent, and high-reliability upgrading of related products, actively expand application scenarios such as new energy stations, power transmission and distribution facilities, smart microgrids, data centers, and industrial power quality management, make every effort to cultivate new business growth drivers, promote the coordinated development of charging infrastructure and electrical DC power supply businesses, and achieve steady improvements in operational quality and market competitiveness.

MANAGEMENT DISCUSSION AND ANALYSIS

In the Reporting Period, the Company realized revenue from principal business of approximately RMB137,701,000, representing a year-on-year increase of approximately 0.35%. The main operational details are as follows:

(1) Electrical DC products

During the Reporting Period, the turnover of the Group's electrical DC products was approximately RMB53,779,000, representing an increase of approximately 14.77% as compared to the corresponding period in 2025.

During the Reporting Period, the management continued to deepen the market expansion system featuring a dual-wheel drive of "direct sales + agency", thereby further improving the customer coverage and market synergy mechanisms. The Group's customers mainly cover power grid companies, power generation groups, and customers along their related industrial chains, while continuously extending to customer groups in fields such as new energy power generation, energy storage, charging and swapping, and integrated energy. The Group closely followed core customer needs, regional investment plans, and key project opportunities, actively promoting the focus of market resources toward key regions and key projects. At the same time, the Group implemented full-process node control and milestone tracking for on-hand orders, promoting collaborative linkage among sales, research and development, supply chain, production, and engineering services, so as to timely identify and respond to potential risks during project implementation, thereby further enhancing the controllability and delivery certainty of project execution.

During the Reporting Period, the Group successfully won the bid and was shortlisted for the relevant procurement projects of Guangdong Power Grid Co., Ltd. for 2026–2027. The projects cover the spare parts supply, overhaul and maintenance, and technical services for station AC/DC power supply equipment, as well as the equipment supply and supporting services for AC/DC control power systems of pumped storage power stations. This shortlisting further consolidated the Group's market foundation in the field of power supply equipment and related technical services, helping to deepen business cooperation with core customers and creating favorable conditions for the subsequent expansion and implementation of related projects.

(2) Battery charging and swapping equipment for electric vehicles

During the Reporting Period, the Group's battery charging and swapping equipment for electric vehicles realized revenue of approximately RMB73,514,000, representing a decrease of approximately 7.01% as compared to the corresponding period of last year. Facing factors such as continuously intensifying industry competition and changes in market demand and project delivery pace, the Group's revenue from the battery charging and swapping equipment for electric vehicles business experienced a decline. The Group actively adjusted its product pricing strategy and market strategy, gradually enhancing operational resilience. During the Reporting Period, the Group focused on CCC certification requirements, orderly advancing the research and development optimization, testing and verification, and certification preparation work for relevant products. At the same time, the Group strengthened closed-loop management from business opportunity identification, scheme design, order review, production and delivery, to after-sales operation and maintenance, making every effort to improve order quality and delivery efficiency, enhance business operational resilience, and lay a foundation for the steady development of subsequent business.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Group continued to deeply cultivate power grid enterprises, energy enterprises, transportation enterprises, and regional new energy infrastructure customers. Focusing on key application scenarios such as public charging, commercial vehicle energy replenishment, heavy-duty truck charging, park-level integrated energy, and county-level charging networks, the Group actively explored project opportunities and continuously strengthened customer demand follow-up, project scheme design, and delivery resource coordination. The Group promoted the coordinated development of charging equipment, intelligent management systems, and related supporting services, further enhancing the Group's comprehensive service capabilities in diversified charging and swapping scenarios.

During the Reporting Period, the Group successfully won the bid for the supplier shortlisting project for carbon-neutral charging piles in Henan Province. The project covers products and services such as AC charging piles for new energy electric vehicles, DC fast charging piles, supporting intelligent management systems, and carbon neutrality monitoring modules. This project helps the Group further expand the regional new energy infrastructure market and enrich application practices combining charging facilities with carbon neutrality monitoring.

During the Reporting Period, the Group successfully won the bid for the charging infrastructure construction project of Zhuhai Public Transportation Group Co., Ltd., covering key public transportation stations such as Xiangzhou Terminus and the bus terminus at the logistics support base of the Hong Kong-Zhuhai-Macao Bridge. The Group will provide charging stacks and supporting charging terminals for relevant stations, and the charging guns configured in the project all adopt liquid-cooling technology to meet the high-power, high-frequency, and centralized energy replenishment needs of public transportation vehicles. Relying on the product and application experience accumulated by the Group in recent years in liquid-cooled ultra-fast charging hosts, liquid-cooled charging terminals, and related systems, this project will further expand the application of the Group's liquid-cooled charging products in multi-station public transportation scenarios, and accumulate project experience for the subsequent development of high-power energy replenishment markets for buses, heavy-duty trucks, and logistics vehicles.

During the Reporting Period, the Group continuously advanced the operation and service work for the electric heavy-duty truck charging and swapping project in Caofeidian District, Tangshan City, Hebei Province. Targeting high-frequency operation scenarios such as Caofeidian Port, steel plants, and logistics transportation, the project is a comprehensive high-standard demonstration station integrating charging and swapping functions. It primarily serves electric heavy-duty trucks operating in industrial parks and surrounding areas, providing efficient, convenient, safe, and reliable energy replenishment solutions. This project helps accumulate the Group's comprehensive experience in project investment and construction, equipment supply, station operation, intelligent operation and maintenance, and vehicle-to-grid interaction, providing support for extending relevant solutions to scenarios such as port logistics, steel transportation, mining areas, and trunk logistics.

MANAGEMENT DISCUSSION AND ANALYSIS

(3) Charging services for electric vehicles

During the Reporting Period, the Group's charging services for electric vehicles realized revenue of approximately RMB9,304,000, representing a decrease of approximately 16.41% as compared to the corresponding period of last year. Affected by factors such as intensifying industry competition, downward pressure on charging service prices, and the diversion of demand from certain charging customers, revenue from the relevant business decreased. The Group continued to advance its business transformation towards a "light-asset, heavy-operation" model, continuously refined the functions and operational service system of the "EV Link" platform, and actively expanded cooperation in franchising, trusteeship, and platform integration, thereby further enhancing the operational efficiency of its charging network.

(4) Product research and development and iteration

During the Reporting Period, the Group continued to conduct product research and development and technical upgrades around electrical DC products, battery charging and swapping equipment for electric vehicles, energy storage, and integrated energy systems. Adhering to the combination of "platformization, serialization, and standardization" construction with scenario-based engineering adaptability, the Group further improved its product technology system and research and development management mechanism. The Group strengthened the reuse of software and hardware platforms, core modules, and technical solutions, optimized product spectrums and version management, and promoted the collaborative connection among research and development, engineering, production, and delivery, so as to improve research and development efficiency, product consistency, and project response capabilities.

In terms of power electronics products, the Group further refined its product testing and verification system, strengthening technical reviews, consistency verification, and reliability testing during the introduction process of key components, functional modules, and alternative materials. During the Reporting Period, the Group advanced the research, development, and application of the Smart Diesel-electric Power Supply System product series, which is applicable to construction scenarios such as various types of electric motor loads for engineering machinery. Utilizing power balancing technology, the system regulates the diesel generator load rate in real time, improves the power factor and generation efficiency of diesel generators, and reduces equipment operating losses and operational costs.

In terms of battery charging and swapping equipment for electric vehicles, the Group focused on application scenarios such as high-power charging, heavy-duty truck energy replenishment, and park and public charging, optimizing all-in-one and split-type charging products, and carrying out functional upgrades such as system cascading, multi-gun output, dynamic power allocation, equipment compatibility, and scenario-based configurations. At the same time, the Group improved functions including remote monitoring, fault diagnosis, online upgrading, and equipment access, enhancing equipment delivery and full-lifecycle operation and maintenance capabilities.

MANAGEMENT DISCUSSION AND ANALYSIS

(5) Production operations, supply chain management, and digitalization construction

During the Reporting Period, focusing on the operational targets of "stable quality, controllable delivery, and optimized cost", the Group strengthened production organization, supply chain management, and full-process cost control. Combining order structures, project progress, and delivery plans, the Group dynamically coordinated production resources and production scheduling paces, promoting the collaborative connection among research and development, procurement, production, quality, and project delivery teams, improving the match between production plans and project requirements, and ensuring the orderly delivery of key projects.

The Group strengthened procurement delivery and incoming quality management, strictly implementing qualification audits, sample testing, small-batch verification, and quality confirmation requirements during the introduction process of new suppliers and new materials. The Group also encouraged research and development, quality, and procurement departments to collaboratively participate in supplier management and quality improvement, enhancing the consistency and traceability of key materials, and reducing the impact of material quality and supply fluctuations on production delivery. At the same time, through optimizing procurement strategies, material allocation, and production organization, the Group reasonably controlled procurement and manufacturing costs and improved resource utilization efficiency, providing support for the steady operation of various business segments.

During the Reporting Period, the Group steadily advanced digitalization construction, applying digital tools to operational links such as manufacturing, sales, and internal management, and relying on the DingTalk collaborative office platform to improve information transmission, process collaboration, and task management. On this basis, the Group actively explored the application of artificial intelligence tools in daily office work, information processing, and business collaboration, further improving internal communication and operational management efficiency, and providing support for quality improvement and efficiency enhancement in production and operations.

MANAGEMENT DISCUSSION AND ANALYSIS

Results analysis

Revenue

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Electrical DC products	**53,779**	46,858
Charging equipment for electric vehicles	**73,514**	79,053
Charging services for electric vehicles	**9,304**	11,130
Others	**1,104**	177
Total	**137,701**	137,218

For the six months ended 30 June 2026, the Group recorded revenue of approximately RMB137,701,000, representing a slight increase of approximately 0.35% as compared to the corresponding period of last year. During the Reporting Period, sales performance of the Group's electrical DC products was positive, recording a growth of approximately 14.77%; however, affected by the intensifying price competition in the charging equipment industry and a reduction in charging capacity at certain public transport charging stations, revenue from charging equipment for electric vehicles and charging services decreased by approximately 7.01% and 16.41%, respectively. Overall, competition in the electricity market remained intense, and the charging business faced downward price pressure. The Group is actively optimizing its product structure to enhance its comprehensive competitiveness.

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 RMB101,486,000 for the six months ended 30 June 2025 to approximately RMB99,080,000 for the six months ended 30 June 2026, which was mainly due to an increase in gross profit margins of electrical DC products and charging equipment for electric vehicles during the Reporting Period.

Gross profit and gross profit margin

The Group's gross profit increased by approximately RMB2,889,000 to approximately RMB38,621,000 for the six months ended 30 June 2026 from approximately RMB35,732,000 for the corresponding period in 2025. For the six months ended 30 June 2026, sales of electrical DC products contributed approximately RMB10,693,000 to our gross profit whereas sales of charging equipment for electric vehicles contributed approximately RMB27,098,000 to our gross profit, charging services for electric vehicles contributed approximately RMB626,000 to our gross profit and other businesses such as operation of distribution of electronic and electrical equipment contributed approximately RMB204,000 to our gross profit.

MANAGEMENT DISCUSSION AND ANALYSIS

Percentage of gross profit margin of respective reportable segments

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Segment		
Electrical DC products	**19.88%**	16.48%
Charging equipment for electric vehicles	**36.86%**	34.19%
Charging services for electric vehicles	**6.73%**	7.63%
Others	**18.50%**	75.10%

For the six months ended 30 June 2026, the Group's overall gross profit margin increased to 28.05% from approximately 26.04% for the corresponding period in 2025, representing an increase of approximately 2.05% as compared to approximately 26.00% for the year ended 31 December 2025.

The gross profit margin of our electrical DC products for the six months ended 30 June 2026 increased by approximately 3.40% as compared to that of the corresponding period in 2025, and increased by approximately 1.46% as compared to approximately 18.42% for the year ended 31 December 2025.

The gross profit margin of our charging equipment for electric vehicles for the six months ended 30 June 2026 increased by approximately 2.67% as compared to that of the corresponding period in 2025, and increased by approximately 3.83% as compared to approximately 33.03% for the year ended 31 December 2025.

The gross profit margin of our charging services for electric vehicles for the six months ended 30 June 2026 decreased by approximately 0.9% as compared to that of the corresponding period in 2025, and increased by approximately 1.59% as compared to approximately 5.14% for the year ended 31 December 2025.

For the six months ended 30 June 2026, the gross profit margin of other businesses such as operation of distribution of electronic and electrical equipment decreased by approximately 56.60% as compared to that of the corresponding period in 2025, and increased by approximately 5.92% as compared to approximately 12.58% for the year ended 31 December 2025.

Other revenue

Other revenue of the Group, which mainly included bank interest income and government grants, decreased by approximately RMB1,201,000 from approximately RMB1,951,000 for the six months ended 30 June 2025 to approximately RMB750,000 for the six months ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Selling and distribution expenses

Selling and distribution expenses decreased by approximately RMB2,408,000, or approximately 9.14%, from approximately RMB26,336,000 for the six months ended 30 June 2025 to approximately RMB23,928,000 for the six months ended 30 June 2026. The decrease in selling and distribution expenses was primarily due to the effects of the following reasons: (1) sales-related expenses (including sales-related wages, travel and entertainment expenses) increased by approximately RMB995,000; (2) sales-related expenses (including bidding service fee and agency service fee) increased by approximately RMB779,000; (3) sales-related expenses (including office and advertising expenses) decreased by approximately RMB758,000; (4) sales-related expenses (including freight, maintenance, installation and debugging fees) decreased by approximately RMB3,269,000; and (5) sales-related amortization, depreciation and other miscellaneous expenses decreased by approximately RMB155,000.

Administrative and other expenses

Administrative expenses decreased by approximately RMB2,329,000, or approximately 6.62%, from approximately RMB35,187,000 for the six months ended 30 June 2025 to approximately RMB32,858,000 for the six months ended 30 June 2026. The decrease in administrative expenses of the Group during the Reporting Period was primarily due to the combined effects of the following reasons: (1) the salary, research and development and depreciation expenses related to managers decreased by approximately RMB1,663,000; (2) expenditure on travel, entertainment and welfare related to managers decreased by approximately RMB50,000; (3) expenditure on office, maintenance, subscriptions, consumables and utilities decreased by approximately RMB1,522,000; (4) bank fees and fees for lawyers and professionals were reduced by approximately RMB830,000; (5) rent, transportation expenses and taxes decreased by approximately RMB900,000; and (6) amortization and other miscellaneous expenses increased by approximately RMB2,636,000.

Share of results of associates

During the Reporting Period, the Group owned 35% (as at 31 December 2025: 35%) equity interest in Beijing Pangda Yilian New Energy Technology Co., Limited* (北京龐大驛聯新能源科技有限公司) ("Pangda Yilian"). Pangda Yilian is mainly engaged in the construction of charging network for electric vehicles and lease business for electric vehicles. Pangda Yilian was accounted for as the Group's associate, and the Group's share of loss from Pangda Yilian for the Reporting Period was approximately RMB88,000.

During the Reporting Period, the Group owned 9.4% (as at 31 December 2025: 9.4%) 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 loss from Guangdong Titans during the Reporting Period was approximately RMB1,447,000.

During the Reporting Period, the Group owned 17% (as at 31 December 2025: 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 RMB957,000.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance costs

Finance costs of the Group increased by approximately 7.80% from approximately RMB4,912,000 for the six months ended 30 June 2025 to approximately RMB5,295,000 for the six months ended 30 June 2026. Finance costs of the Group as a percentage of the Group's revenue increased from 3.58% for the six months ended 30 June 2025 to 3.85% for the six months ended 30 June 2026. The increase in finance costs of the Group was attributable to the increase 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 2026, loss attributable to the non-controlling interests of the Group's non-wholly-owned subsidiaries was approximately RMB187,000, representing a decrease in loss of approximately RMB4,000 as compared to an attributable loss of approximately RMB191,000 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 RMB31,428,000 for the six months ended 30 June 2026, representing an increase in loss of approximately RMB1,810,000 as compared to a loss of approximately RMB29,618,000 for the corresponding period in 2025.

Loss per share

For the six months ended 30 June 2026, basic and diluted loss per share of the Company ("Share(s)") were both RMB2.11 cents whilst the basic and diluted loss per share for the corresponding period in 2025 were both RMB1.99 cents. The basic and diluted loss per share were attributable to the losses recorded for the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Employees and remuneration

As at 30 June 2026, the Group had 381 employees (as at 30 June 2025: 416) in total. During the six months ended 30 June 2026, total employees' remuneration amounted to approximately RMB27,110,000 (for the six months ended 30 June 2025: approximately RMB29,534,000). 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 or constructive obligations to pay further contributions.

During the six months ended 30 June 2025 and 2026, 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 2026 and 31 December 2025, 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 D2 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 Scheme are set out in the section headed "2020 Share Option Scheme" 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 2026. 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 2026, the Group had bank balances and cash of approximately RMB134,353,000 (as at 31 December 2025: approximately RMB172,906,000), excluding restricted bank balances of approximately RMB14,622,000 (as at 31 December 2025: approximately RMB21,883,000).

The net current assets of the Group as at 30 June 2026 were approximately RMB396,110,000 (as at 31 December 2025: approximately RMB424,599,000).

Bank and other borrowings

As at 30 June 2026, total bank and other borrowings of the Group amounted to RMB267,883,000 (among which RMB231,370,000 were guaranteed borrowings) (as at 31 December 2025: RMB255,402,000, among which RMB249,663,000 were guaranteed borrowings). Secured bank loans as at 30 June 2026 were subject to the floating interest rates ranging from 2.80% to 6.00% per annum. As at 30 June 2026, the total bank borrowings recorded by the Group increased by RMB12,481,000 as compared with those as at 31 December 2025.

As at 30 June 2026, the Group's current ratio (i.e. current assets divided by current liabilities) was 2.15 as compared with 2.09 as at 31 December 2025, and the gearing ratio (i.e. borrowings divided by total assets x 100%) was 27.99% as compared with 24.59% as at 31 December 2025.

Significant investments

Save as disclosed in the interim report of the Company, the Group did not hold any significant investment during the six months ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Material acquisition and disposal of subsidiaries, associates and joint ventures

During the six months ended 30 June 2026, the Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures.

Trade and bills receivables

As at 30 June 2026, the Group recorded trade and bills receivables (net of allowance) of approximately RMB283,511,000 (as at 31 December 2025: approximately RMB318,635,000). The Group made additional allowance for impairment loss in respect of trade and bills receivables of RMB6,790,000 during the six months ended 30 June 2026 (for the six months ended 30 June 2025: approximately RMB2,280,000). The allowances for impairment of trade receivables as at 30 June 2026 and 31 December 2025 were RMB68,356,000 and RMB61,566,000 respectively.

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 30 June 2026 and 31 December 2025.

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 90 days	**150,947**	219,866
91 days to 180 days	**33,685**	35,078
181 days to 365 days	**45,631**	32,762
Over 1 year to 2 years	**30,168**	21,738
Over 2 years to 3 years	**22,384**	8,793
	282,815	318,237

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.

MANAGEMENT DISCUSSION AND ANALYSIS

We consider that longer trade receivables turnover days and the higher proportion of overdue trade 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 settling 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 2026, the Group's leasehold land and buildings with carrying amounts of approximately RMB103,618,000 (as at 31 December 2025: RMB116,526,000) were pledged to secure bank borrowings and other facilities granted to the Group.

Capital commitments and contingent liabilities

As at 30 June 2026, the Group had capital expenditure contracted for but not provided in the consolidated financial information of approximately RMB5,250,000 (as at 31 December 2025: approximately RMB5,250,000).

As at 30 June 2026 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 exchange gains of approximately RMB10,000 (corresponding period in 2025: RMB3,000). As at 30 June 2026, 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 2026.

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.

MANAGEMENT DISCUSSION AND ANALYSIS

Future business prospect and plans

Looking ahead to the second half of 2026, as the energy transition enters a new implementation phase during the "15th Five-Year Plan" period, the construction of new power systems, power grid infrastructure, new energy storage, and electric vehicle charging and swapping networks is expected to continue bringing structural opportunities to the Group's business development. On 25 June 2026, the National Development and Reform Commission and the National Energy Administration issued the 15th Five-Year Plan for the Construction of a New Energy System, proposing to accelerate the construction of new power grids, promote the transformation of distribution networks into efficient allocation platforms for source-grid-load-storage resources, vigorously develop new energy storage, fully promote smart ordered charging, and expand the large-scale application of vehicle-to-grid interaction. Relevant policy deployments are expected to bring new market demand for power electronics equipment, energy storage systems, charging and swapping equipment, and integrated energy solutions.

In terms of charging infrastructure, the Three-Year Action Plan for Doubling Electric Vehicle Charging Facility Service Capacity (2025–2027) has entered a crucial implementation stage linking the past and the future. According to the action plan, urban fast charging networks and high-power charging infrastructure, expressway service area charging facilities, rural charging networks, optimization of charging conditions in residential areas, and the large-scale application of vehicle-to-grid interaction will continue to be the key focus of policy advancement, which is expected to drive market demand in fields such as charging equipment upgrades, supporting power grid reconstruction, and operational services.

Meanwhile, the 2026 pilot program for remedying weak links in county-level charging and swapping facilities supports joint applications by two or more counties, with a total of 59 joint pilot counties planned for support, while encouraging the integrated application of photovoltaic power generation and charging-swapping stations. Relevant policies impose higher requirements on the construction quality, equipment availability, platform integration, and continuous operational capabilities of charging and swapping facilities. As pilot applications, filings, and subsequent construction work steadily progress, new project opportunities are expected to be released in scenarios such as county-level public charging, rural logistics, passenger and freight transport stations, tourism highways, and township public services.

In terms of new energy storage, the state established a grid-side independent new energy storage capacity tariff mechanism, and promoted operating entities such as new energy storage to participate fairly in various power markets, including electricity energy and ancillary services. The gradual implementation of relevant mechanisms helps reflect the capacity and regulation value of new energy storage, broaden revenue channels for eligible energy storage projects, and improve project economics.

Facing an operating environment where increased policy support coexists with continuously intense market competition, the Group will adhere to seeking progress while maintaining stability, continue to focus on the operational main line of "translating policy opportunities, making breakthroughs in key markets, upgrading product platforms, improving delivery quality, and optimizing cost efficiency", coordinate business scale, operational quality, and development efficiency, and prioritize the following key initiatives:

MANAGEMENT DISCUSSION AND ANALYSIS

(1) Market expansion and customer management

In the second half of 2026, the Group will continue to take customers within the power grid system, power generation groups, and key energy enterprises as its core, deepening the market expansion system featuring a dual-wheel drive of "direct sales + agency". On the direct sales side, the Group will strengthen full-process management for key customers, key regions, and key projects, enhancing its capabilities to track and respond to customers' investment plans, equipment upgrades, and new project requirements. On the agency side, the Group will further leverage the advantages of regional partners in local resources, project information acquisition, and on-site services, expanding market coverage and enhancing project reach capabilities. At the same time, centering on spare parts supply, technical modification, and operation and maintenance services for existing equipment, the Group will promote the extension of business from single equipment sales to full lifecycle services, thereby enhancing customer stickiness and business sustainability.

In terms of battery charging and swapping equipment for electric vehicles, the Group will focus on application scenarios such as high-power charging, energy replenishment for heavy-duty trucks and logistics vehicles, county-level charging networks, public institutions, transportation hubs, and park-level integrated energy, actively advancing the market expansion of all-in-one and split-type charging products. The Group will further strengthen the synergy between standardized products and scenario-based solutions, optimizing product configurations in combination with different customers' construction scales, operational models, and energy replenishment needs, so as to improve order quality, solution adaptability, and project conversion efficiency.

In terms of energy storage and integrated energy, the Group will align with policy directions such as capacity tariff mechanisms, power market construction, and new energy consumption, focusing on tracking application scenarios including grid-side independent energy storage, commercial and industrial user-side energy storage, shared energy storage, microgrids, virtual power plants, and PV-storage-charging integrated systems. Relying on its technical accumulation in power electronics equipment, charging and swapping facilities, and energy management platforms, the Group will strengthen synergies among products, systems, and platforms, steadily enhancing its capabilities in scheme design, resource integration, and delivery implementation for energy storage and integrated energy projects.

In terms of overseas business, the Group will adhere to the principles of prudent advancement and controllable risks. In combination with the product certification, technical standards, customer requirements, and localized service requirements of target markets, the Group will prudently select key regions and partners to gradually improve its overseas sales channels and after-sales service system. At the same time, the Group will strengthen risk management in commercial, compliance, delivery, and payment collection links of overseas projects, steadily improving its market expansion and project execution capabilities in overseas business.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) Product research and development and technical upgrades

The Group will continue to improve its product spectrums and technology platforms around electrical DC, battery charging and swapping equipment, energy storage, and integrated energy systems. It will advance hardware and software architecture optimization, common module reuse, and product version management, and reasonably allocate research and development resources in combination with market demand and actual project conditions, thereby further enhancing product consistency and project response capabilities.

In terms of product research and development, the Group will integrate application demands of new power systems, smart distribution grids, new energy power stations, and diversified energy replenishment scenarios, continuously optimizing power electronics and battery charging and swapping products, and strengthening key component verification, reliability testing, engineering adaptability, as well as product certification and compliance management. At the same time, the Group will pay attention to technical development directions such as megawatt-level charging, liquid-cooled charging, smart ordered charging, vehicle-to-grid interaction, and new-type energy storage, and cautiously conduct relevant technical research, product optimization, and application verification based on market demand, technical maturity, and project conditions.

In terms of system and platform capabilities, the Group will steadily advance the collaborative design of systems including energy storage, battery charging and swapping, photovoltaics, DC power distribution, and flexible energy utilization. It will continuously improve functions such as equipment access, operational monitoring, fault warning, online upgrading, and data analysis, and explore data synergy among operation, maintenance, and energy management platforms. Combining equipment operation and maintenance data, the Group will support product optimization, quality improvement, and operational management, gradually accumulating system solution design and project implementation experience to provide technical support for relevant business development.

(3) Project fulfillment, quality, and safety management

The Group will continue to take product quality, project fulfillment, and safety management as operational focus, improving full-process quality control and risk-graded management mechanisms in combination with different products, project types, and application scenarios, and promoting the extension of quality management from post-event handling to pre-event prevention and process control.

In terms of quality management, the Group will focus on key components, important materials, and key production processes, strengthening design reviews, material verification, process inspection, and factory testing, and refining closed-loop handling mechanisms for production anomalies, field faults, and customer feedback. Combining quality issues and equipment operation data, the Group will conduct root-cause analysis and rectification verification, promoting the feedback of relevant experience to product design, supplier management, and production processes, so as to reduce the recurrence of similar issues and reasonably control rework, repair, and subsequent operation and maintenance costs.

In terms of project fulfillment, the Group will implement classified management according to project scale, technical complexity, and delivery cycles, strengthening contract reviews, delivery planning, key node tracking, and resource coordination, and timely identifying potential risks in design changes, material supply, on-site construction, as well as acceptance and payment collection. For key projects, the Group will strengthen cross-departmental collaboration and escalated handling of abnormal matters, promoting the coordination of project progress, delivery quality, and operational goals.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of safety management, the Group will integrate regulatory and operational requirements of Charging and Battery Swap Stations and related engineering projects, strengthening safety management in equipment, construction, fire protection, and operation, and improving mechanisms for risk identification, hazard inspection, emergency response, and responsibility implementation. At the same time, the Group will conduct safety inspections and experience summaries in combination with project implementation and equipment operation, providing guarantees for the safe and stable operation of projects under construction and in operation.

(4) Supply chain resilience and operational efficiency enhancement

The Group will coordinate supply guarantee, cost control, and operational efficiency. On the premise of ensuring product quality, safety, and reliability, the Group will optimize procurement, production, inventory, and logistics arrangements in combination with product planning and order requirements, enhancing the supply chain's responsiveness to market demand and project delivery changes.

In terms of supply chain, the Group will improve supplier classification evaluation and dynamic management mechanisms, focusing on the delivery capabilities, quality performance, and supply risks of key materials, and reasonably arrange safety stock in combination with material commonality, procurement lead times, and demand fluctuations. The Group will prudently advance alternative material verification and supply channel expansion, appropriately reducing dependence on single supply sources to enhance supply continuity and project fulfillment guarantee capabilities.

In terms of cost management, the Group will promote the appropriate forward movement of cost control, comprehensively considering procurement, manufacturing, construction, and subsequent operation and maintenance costs at the product design, solution selection, and project review stages. By optimizing product configurations, increasing the reuse rate of common modules, improving bills of materials, and strengthening project cost tracking, the Group will reasonably control product and project full-lifecycle costs, promoting a balance between cost optimization and delivery quality.

In terms of operational management, the Group will further strengthen the connection among budget, contract, project, and operational data, improve operational tracking and variance analysis for key projects, and promote the synergy of business, financial, and delivery information. According to actual business needs, the Group will also steadily explore the application of artificial intelligence and digital tools in data processing, knowledge retrieval, quality analysis, operation and maintenance assistance, and operational analysis, while attaching importance to data security, authority management, and usage norms, so as to enhance internal collaboration and operational management efficiency.

Looking ahead to the second half of 2026, the Group will actively grasp the development opportunities brought by the accelerated construction of the new energy system during the "15th Five-Year Plan" period, investment in new power grids, the capacity expansion and upgrading of charging facilities, and the gradual improvement of the market mechanism for new energy storage. At the same time, the Group will prudently respond to operational challenges such as market competition, project delivery, and cost fluctuations, further focusing on core power electronics technologies and energy infrastructure-related businesses. Taking key customers and key projects as the main handle, supported by product platformization construction and engineering adaptation, and guaranteed by delivery quality and cost control, the Group will steadily advance the coordinated development of businesses including electrical DC products, battery charging and swapping equipment, charging services, energy storage, and integrated energy, coordinating business scale, operational quality, and development efficiency, and making every effort to enhance its core competitiveness and sustainable development capabilities.

MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

The Board did not declare an interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: 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 C1 to the Listing Rules during the six months ended 30 June 2026 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 C3 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 2026.

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 2026.

MATERIAL LITIGATION AND ARBITRATION PROCEEDINGS

The Group had no material litigation or arbitration during the six months ended 30 June 2026.

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 2026.

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 2026

		Six months ended 30 June	
		2026	2025
	NOTES	**RMB'000**	RMB'000
		(Unaudited)	(Unaudited)
Revenue	*4*	**137,701**	137,218
Cost of revenue		**(99,080)**	(101,486)
Gross profit		**38,621**	35,732
Other revenue and income	*5*	**750**	1,951
Other gains and losses	*6*	**10**	(66)
Selling and distribution expenses		**(23,928)**	(26,336)
Administrative and other expenses		**(32,858)**	(35,187)
Impairment losses of financial assets and contract assets, net	*7*	**(6,331)**	(49)
Share of results of associates		**(2,492)**	(937)
Finance costs		**(5,295)**	(4,912)
Loss before tax		**(31,523)**	(29,804)
Income tax expense	*8*	**(92)**	(5)
Loss for the period	*9*	**(31,615)**	(29,809)
Other comprehensive expense for the period			
Items that will not be reclassified subsequently to profit or loss:			
Net fair value gain (loss) on financial assets at fair value through other comprehensive income		**(2,441)**	1,894
Income tax relating to items that will not be reclassified subsequently to profit or loss		**223**	(426)
Other comprehensive income (expense) for the period, net of income tax		**(2,218)**	1,468
Total comprehensive expense for the period		**(33,833)**	(28,341)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	NOTE	**RMB'000**	RMB'000
		(Unaudited)	(Unaudited)
Loss for the period attributable to:			
– Owners of the Company		**(31,428)**	(29,618)
– Non-controlling interests		**(187)**	(191)
		(31,615)	(29,809)
Total comprehensive expense for the period attributable to:			
– Owners of the Company		**(33,646)**	(28,150)
– Non-controlling interests		**(187)**	(191)
		(33,833)	(28,341)
Loss per share	*11*		
Basic and diluted		**(2.11 cents)**	(1.99 cents)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	NOTES	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	12	**171,779**	172,314
Right-of-use assets		**5,945**	6,115
Intangible assets		**1,481**	4,639
Interests in associates	13	**17,924**	20,416
Financial assets at fair value through other comprehensive income	14	**5,053**	7,494
Financial assets at fair value through profit or loss ("FVTPL")	14	–	1,230
Deferred tax assets		**14,226**	14,003
		216,408	226,211
Current assets			
Inventories		**192,332**	193,570
Trade and bills receivables	15	**283,511**	318,635
Contract assets		**34,667**	28,418
Prepayments, deposits and other receivables		**81,059**	72,714
Amounts due from associates		**151**	512
Tax recoverable		–	3,979
Restricted bank balances		**14,622**	21,883
Bank balances and cash		**134,353**	172,906
		740,695	812,617
Current liabilities			
Trade and bills payables	16	**102,448**	165,994
Accruals and other payables		**15,957**	7,770
Contract liabilities		**56,017**	60,234
Amounts due to associates		–	455
Bank and other borrowings	17	**170,163**	153,223
Tax payable		–	342
		344,585	388,018
Net current assets		**396,110**	424,599
Total assets less current liabilities		**612,518**	650,810

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

		30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Non-current liabilities			
Bank and other borrowings	*17*	**97,720**	102,179
Deferred tax liabilities		**10,479**	10,479
		108,199	112,658
Net assets		**504,319**	538,152
Capital and reserves			
Share capital	*18*	**13,093**	13,093
Share premium and reserves		**482,435**	516,081
Equity attributable to owners of the Company		**495,528**	529,174
Non-controlling interests		**8,791**	8,978
Total equity		**504,319**	538,152

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to Owner of the Company											
	Share capital RMB'000	Share premium RMB'000	Share option reserve RMB'000	Merger reserve RMB'000 *(Note (a))*	Exchange translation reserve RMB'000	Investments revaluation reserve RMB'000	Capital reserve RMB'000 *(Note (b))*	Statutory reserve fund RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2025 (Audited)	13,093	490,330	3,237	8,640	504	(17,147)	(4,771)	67,633	(1,247)	560,272	8,739	569,011
Loss for the period	–	–	–	–	–	–	–	–	(29,618)	(29,618)	(191)	(29,809)
Other comprehensive income for the period:												
Net fair value gain on financial assets at other comprehensive income	–	–	–	–	–	1,894	–	–	–	1,894	–	1,894
Income tax relating to items that will not be classified subsequently	–	–	–	–	–	(426)	–	–	–	(426)	–	(426)
Total comprehensive expense for the period	–	–	–	–	–	1,468	–	–	(29,618)	(28,150)	(191)	(28,341)
Transfer in (out)	–	–	–	–	–	–	–	1,323	(1,323)	–	–	–
At 30 June 2025 (Unaudited)	13,093	490,330	3,237	8,640	504	(15,679)	(4,771)	68,956	(32,188)	532,122	8,548	540,670
At 1 January 2026 (Audited)	13,093	490,330	–	8,640	504	(15,406)	(4,771)	68,997	(32,213)	529,174	8,978	538,152
Loss for the period	–	–	–	–	–	–	–	–	(31,428)	(31,428)	(187)	(31,615)
Other comprehensive expense for the period:												
Net fair value loss on financial assets at other comprehensive income	–	–	–	–	–	(2,441)	–	–	–	(2,441)	–	(2,441)
Income tax relating to items that will not be classified subsequently	–	–	–	–	–	223	–	–	–	223	–	223
Total comprehensive expense for the period	–	–	–	–	–	(2,218)	–	–	(31,428)	(33,646)	(187)	(33,833)
Transfer in (out)	–	–	–	–	–	–	–	1,275	(1,275)	–	–	–
At 30 June 2026 (Unaudited)	13,093	490,330	–	8,640	504	(17,624)	(4,771)	70,272	(64,916)	495,528	8,791	504,319

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 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Cash used in operation	**(51,097)**	(38,851)
Income tax paid	**3,545**	(7)
NET CASH USED IN OPERATING ACTIVITIES	**(47,552)**	(38,858)
INVESTING ACTIVITIES		
Placement of restricted bank balances	**(14,622)**	(20,692)
Withdrawal of restricted bank balances	**21,883**	55,683
Bank interest received	**93**	–
Purchase of property, plant and equipment	**(7,540)**	(24,800)
Proceeds from disposal of property, plant and equipment	**769**	–
Proceeds from disposal of financial assets of FVTPL	**1,230**	–
Purchase of intangible asset	**–**	(4,078)
NET CASH FROM INVESTING ACTIVITIES	**1,813**	6,113
FINANCING ACTIVITIES		
New bank and other borrowings raised	**164,822**	183,623
Repayment of bank and other borrowings	**(152,341)**	(123,276)
Interest paid	**(5,295)**	(4,905)
Other cash flows used in financing activities	**–**	(1,970)
NET CASH FROM FINANCING ACTIVITIES	**7,186**	53,472
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	**(38,553)**	20,727
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**172,906**	133,861
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, representing bank balances and cash	**134,353**	154,588

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company's immediate holding company is 唐山國控科技創新投資集團有限公司 (Tangshan Guokong Science and Technology Innovation Investment Group Co., Limited*) ("Tangshan Guokong"), and its shares is ultimately owned by 唐山國控集團有限公司 ("Tangshan Guokong Group Company Limited"*) ("Tangshan Group"). The ultimate controlling party of Tangshan Group is 唐山市人民政府國有資產監督管理委員會 (Tangshan Municipal People's Government State-owned Assets Supervision and Administration Commission*) ("Tangshan SASAC") in the People's Republic of China (the "PRC").

The addresses of the registered office and principal place of business of the Company are disclosed in the section "Corporate Information" to the interim report.

The principal activities of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") are (i) supply of power electronics products and equipment; (ii) supply of charging equipment for electric vehicles; and (iii) provision of charging services for electric vehicles and construction services for charging piles for electric vehicles under Build-Operate-Transfer ("BOT") contracts. The Company's principal activity is investment holding.

The condensed consolidated financial statements of the Group are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial information has 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 2025 except as described below.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts arising on (i) sales of electric products including direct current power system, power storage equipment and charging equipment for electric vehicles; (ii) provision of charging services for electric vehicles; and (iii) income from other businesses such as operation of distribution of electronic and electrical equipment.

An analysis of the Group's revenue for the six months ended 30 June is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contract with customers within the scope of HKFRS 15		
Disaggregated by major products or services lines		
Sales of electric products		
– DC Power System	**53,779**	46,858
– Charging Equipment	**73,514**	79,053
Provision of charging services for electric vehicles	**9,304**	11,130
	136,597	137,041
Revenue from other source		
Income from from other businesses such as operation of distribution of electronic and electrical equipment		
– Revenue from other businesses	**1,104**	177
	137,701	137,218

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 energy storage equipment and charging equipment for electric vehicles
(iii)	Charging Services	–	Provision of charging services for electric vehicles

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

4. REVENUE AND SEGMENT INFORMATION (continued)

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 2026

	DC Power System RMB'000 (Unaudited)	Charging Equipment RMB'000 (Unaudited)	Charging Services RMB'000 (Unaudited)	Unallocated RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue	53,779	73,514	9,304	1,104	137,701
Segment results	7,599	23,677	626	205	32,107
Other revenue and income					750
Unallocated other gains and losses					10
Unallocated expenses					(56,603)
Share of results of associates					(2,492)
Finance costs					(5,295)
Loss before tax					(31,523)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 2025

	DC Power System RMB'000 (Unaudited)	Charging Equipment RMB'000 (Unaudited)	Charging Services RMB'000 (Unaudited)	Unallocated RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue	46,858	79,053	11,130	177	137,218
Segment results	7,356	26,435	849	133	34,773
Other revenue and income					1,951
Unallocated other gains and losses					(66)
Unallocated expenses					(60,613)
Share of results of associates					(937)
Finance costs					(4,912)
Loss before tax					(29,804)

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, certain other gains and losses, share of results of associates, certain selling and distribution and administrative costs, Directors' emoluments and finance costs. This is the measure reported to the CODMs for the purposes of resource allocation and performance assessment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
DC Power System	**296,239**	302,164
Charging Equipment	**426,691**	443,499
Charging Services	**47,844**	51,254
Total segment assets	**770,774**	796,917
Unallocated	**186,329**	241,911
Consolidated assets	**957,103**	1,038,828

Segment liabilities	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
DC Power System	**67,134**	96,605
Charging Equipment	**72,043**	101,305
Charging Services	**19,288**	28,318
Total segment liabilities	**158,465**	226,228
Unallocated	**294,319**	274,448
Consolidated liabilities	**452,784**	500,676

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 fair value through other comprehensive income ("FVTOCI"), financial assets at fair value through profit or loss ("FVTPL"), deferred tax assets, certain deposits and other receivables, tax recoverable, restricted bank balances 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. OTHER REVENUE AND INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Bank interest income	**93**	135
Government grants *(Note (a))*	**616**	1,434
Value added tax ("VAT") refunds *(Note (b))*	**–**	352
Others	**41**	30
	750	1,951

Notes:

(a) During the six months ended 30 June 2026 and 2025, the government grants are subsidies received regarding the research and development on technology innovation and promotion of electric vehicles. There are no unfulfilled conditions or contingencies relating to those subsidies and they are recognised as other income upon receipt.

(b) The amount represent the VAT refund in respect of sales of electric products qualified under the PRC tax bureau's policy.

6. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Fair value gain on financial assets at FVTPL	**–**	210
Net exchange loss	**–**	(3)
Gain/(loss) on write-off of property, plant and equipment	**10**	(273)
	10	(66)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

7. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS AND CONTRACT ASSETS UNDER EXPECTED CREDIT LOSS MODEL

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Impairment losses recognsied on financial assets and contract assets under expected credit loss model, net of reversal	**6,331**	49

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025.

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax	**92**	–
Deferred tax	**–**	5
	92	5

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the six months ended 30 June 2026 and 2025. 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 2026 and 2025.

Under the Law of the PRC on Enterprise Income Tax (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 2025: 25%). Zhuhai Titans Technology Co. Limited (珠海泰坦科技股份有限公司) ("Titans Technology") was accredited as an approved high technology enterprise and therefore is entitled to a tax concession period of reduction in Enterprise Income Tax ("EIT") rate of 15% from 2024 to 2026. No provision for EIT has been made for the six months ended 30 June 2026 and 2025 as the Group did not have any assessable profits subject to EIT.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

9. LOSS FOR THE PERIOD

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(Reversal of) impairment losses on financial assets:		
– trade and bills receivables	**6,790**	2,280
– contract assets	**560**	(655)
– other receivables	**(1,025)**	(891)
– amount due from associates	**6**	(685)
Impairment losses on financial assets and contract assets, net of reversal	**6,331**	49
Depreciation of property, plant and equipment	**7,316**	9,169
Depreciation of right-of-use assets	**170**	910
Amortisation of intangible assets	**3,158**	4,243
Total depreciation and amortisation	**10,644**	14,322
Bank interest income	**(93)**	(135)
Fair value gain on financial assets at fair value through profit or loss	**–**	(210)
Cost of inventories recognised as an expense	**76,694**	77,941
Research and development expenses (including in administrative and other expenses) *(Note)*	**10,246**	13,328

Note: 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 FINANCIAL STATEMENTS

For the six months ended 30 June 2026

10. DIVIDENDS

No dividend has been paid or proposed by the Company for the six months ended 30 June 2026 and 2025 nor has any dividend been proposed since the end of Reporting Period.

11. 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	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss for the purpose of basic and diluted loss per share	**(31,428)**	(29,618)

	Six months ended 30 June	
	2026	2025
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**1,492,026**	1,492,026

As the Group incurred loss for the six months ended 30 June 2026 and 30 June 2025, the impact of share options was not included in the calculation of the diluted losses per share as their inclusion would be anti-dilutive. Accordingly, diluted losses per share for the six months ended 30 June 2026 and 30 June 2025 are the same as basic losses per share.

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group wrote off certain property, plant, and equipment of approximately RMB759,000 (six months ended 30 June 2025: RMB273,000).

During the six months ended 30 June 2026, the Group acquired property, plant and equipment with a cost of approximately RMB7,540,000 (six months ended 30 June 2025: RMB24,800,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

13. INTERESTS IN ASSOCIATES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Cost of investment in unlisted associates	**17,145**	17,145
Share of post acquisition results, net of dividend received	**1,476**	3,968
Accumulated impairment losses recognised	**(697)**	(697)
	17,924	20,416

As at 30 June 2026 and 31 December 2025, 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
				30/6/2026	31/12/2025	**30/6/2026**	31/12/2025	
Jiangsu Titans Smart Technology Co., Ltd.* ("Jiangsu Titans") 江蘇泰坦智慧科技有限公司	Registered	The PRC	Contributed capital	**17%**	17%	**20% *(Note (i))***	20% *(Note (i))*	Research and development, sales and manufacturing of computer software and hardware
Guangdong Titans Intelligent Power Co., Ltd.* ("Guangdong Titans") 廣東泰坦智能動力有限公司	Registered	The PRC	Contributed capital	**9.4%**	9.4%	**20% *(Note (ii))***	20% *(Note (ii))*	Research and development, sales and manufacturing of charging equipment for automated guided vehicles

Notes:

(i) The Group is able to exercise significant influence over Jiangsu Titans because it has the power to appoint one out of the five directors of that company under the provisions stated in the Articles of Association of Jiangsu Titans.

(ii) The Group is able to exercise significant influence over Guangdong Titans because it has the power to appoint one out of the five directors of that company under the provisions stated in the Articles of Association of Guangdong Titans.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 2026 and 31 December 2025:

	Level 3	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Financial assets at FVTPL		
Listed equity security	**–**	1,230
Financial assets at FVTOCI *(Note)*		
Unlisted equity securities	**5,053**	7,494

Note: The Directors have elected to designate these investments to be measured at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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
	30/6/2026 RMB'000 (Unaudited)	31/12/2025 RMB'000 (Audited)				
(i) Listed equity securities at FVTPL (Note)	**–**	1,230	Level 3	Market approach –by applying market multiples from comparable companies and adjusted by marketability discount	(i) Enterprise value ("EV")-to-earnings before interest, taxation, depreciation and amortisation ("EBITDA") ratio of 13.6; and (ii) Marketability discount of 20.40%	(i) The higher of EV to EBITDA ratio, the higher the fair value (ii) The higher of the marketability discount, the lower the fair value
(i) Unlisted equity securities at FVTOCI	**5,053**	7,494	Level 3	Market approach – by reference to the asset with identical or similar assets in the market	(i) Price-to-book ratio of 0.28 (31/12/2025: 0.32 to 0.43) (ii) Marketability discount ranged from 42% to 50% (31/12/2025: 36% to 42%)	(i) The higher the price-to-book ratio, the higher the fair value. (ii) The higher of marketability discount, the lower the fair value.

Note: The listed security do not have active market transactions in both periods and the Group adopted market approach to estimate its fair value.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 securities RMB'000	Unlisted equity securities RMB'000
At 1 January 2025 (Audited)	1,230	5,300
Changes in fair value through profit or loss	–	–
Changes in fair value through other comprehensive income	–	2,194
At 31 December 2025 (Audited)	1,230	7,494
Disposal	(1,230)	–
Changes in fair value through other comprehensive income	–	(2,441)
At 30 June 2026 (Unaudited)	–	5,053

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

15. TRADE AND BILLS RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables	**351,171**	379,803
Less: Allowance for impairment losses	**(68,356)**	(61,566)
	282,815	318,237
Bills receivables	**696**	398
	283,511	318,635

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 services, which approximate the respective revenue recognition dates, at the end of the Reporting Period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
0 – 90 days	**150,947**	219,866
91 – 180 days	**33,685**	35,078
181 – 365 days	**45,631**	32,762
1 – 2 years	**30,168**	21,738
2 – 3 years	**22,384**	8,793
	282,815	318,237

The Group allows an average credit period of 90 days (31 December 2025: 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 FINANCIAL STATEMENTS

For the six months ended 30 June 2026

16. TRADE AND BILLS PAYABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables	**72,448**	99,294
Bills payables	**30,000**	66,700
	102,448	165,994

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 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
0 – 90 days	**35,413**	69,837
91 – 180 days	**24,469**	40,937
181 – 365 days	**25,210**	41,551
1 – 2 years	**7,969**	10,934
Over 2 years	**9,387**	2,735
	102,448	165,994

The average credit period on purchases of goods is 90 days (31 December 2025: 90 days).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

17. BANK AND OTHER BORROWINGS

As at 30 June 2026, the Group borrowed approximately RMB267,883,000 (31 December 2025: RMB255,402,000) from banks. The aforesaid loans are secured by its ownership interests in leasehold lands buildings, right-of-use assets and certain trade receivables, and are repayable within one year or after one year but within two years. The loans bear interest ranges from 2.80% to 6.00% per annum. During the six months ended 30 June 2026, the Group repaid approximately RMB152,341,000 (six months ended 30 June 2025: RMB123,276,000) of secured bank and other borrowings bearing interest rates of ranging from 2.90% to 6.90% per annum.

18. SHARE CAPITAL

	Number of shares	**Share capital**
		HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	10,000,000,000	100,000
		RMB'000
Issued and fully paid:		
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	1,492,026,000	13,093

19. CAPITAL COMMITMENTS

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Capital expenditures contracted for but not provided in the consolidated financial statements in respect of establishment of associates	**5,250**	5,250

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

20. RELATED PARTY TRANSACTIONS

During the six months ended 30 June 2026, 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 executive directors during the six months ended 30 June 2026 and 2025 was as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Short-term benefits	**697**	868

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 2026 and 31 December 2025, 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
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
To the extent of	**305,500**	329,000

OTHER INFORMATION

DIRECTORS' INTERESTS IN SHARES

As at 30 June 2026, 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 Issuers (the "Model Code") as set out in Appendix C3 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	165,709,875 *(Note 2)*	11.10%
	Beneficial owner	200,000	0.02%
Mr. An Wei	Interest of controlled corporations	175,869,875 *(Note 3)*	11.78%
	Beneficial owner	400,000	0.03%

Notes:

1. All interests in Shares were long positions.

2. 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 157,724,457 Shares held by Genius Mind by virtue of the SFO. 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.

3. 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 167,884,457 Shares held by Great Passion by virtue of the SFO. 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.

Save as disclosed above, as at 30 June 2026, 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 2026 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 2026 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
唐山市人民政府國有資產監督管理委員會*(Note 2)*	Interest of controlled corporations	581,570,000 *(Note 3)*	38.98%
Ms. Zeng Zhen *(Note 4)*	Interests of spouse	165,909,875	11.12%
Genius Mind *(Note 5)*	Beneficial owner	157,724,457	10.57%
Ms. Yan Kai *(Note 6)*	Interests of spouse	176,269,875	11.81%
Great Passion *(Note 7)*	Beneficial owner	167,884,457	11.25%
Broad-Ocean Motor (Hong Kong) Co. Limited *(Note 8)*	Beneficial owner	84,096,000	5.64%
Zhongshan Broad-Ocean Motor Co., Ltd. *(Note 8)*	Interest of controlled corporations	84,096,000	5.64%
Mr. Lu Chuping *(Note 8)*	Interest of controlled corporations	84,096,000	5.64%
Honor Boom Investments Limited *(Note 9)*	Beneficial owner	82,458,117	5.53%

OTHER INFORMATION

Name of shareholder	Nature of interest	Number of Shares or underlying Shares	Approximate percentage of existing issued share capital of the Company
Mr. Li Xiao Bin *(Note 9)*	Interest of controlled corporations	82,458,117	5.53%
Ms. Zhang Lina *(Note 10)*	Interests of spouse	82,458,117	5.53%

Notes:

1. All interests in Shares were long positions.

2. The entire issued share capital of Tangshan Guokong Science and Technology is indirectly owned by 唐山市人民政府國有資產監督管理委員會. Therefore, 唐山市人民政府國有資產監督管理委員會 is deemed to be interested in the 581,570,000 Shares held by Tangshan Guokong Science and Technology by virtue of the SFO.

3. Amongst these Shares, 566,970,000 Shares were the subscription shares allotted to Tangshan Guokong Science and Technology under the Subscription Agreement dated 18 October 2022. For details of the Subscription, please refer to the Company's circular dated 18 November 2022 and the Company's announcements dated 18 October 2022, 8 and 18 November 2022, 12 December 2022, 12 January 2023, 10 February 2023, 10 March 2023, 31 March 2023, 28 April 2023 and 11 May 2023.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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 24.87% of its interest was beneficially owned by Mr. Lu Chuping.

9. 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 Xiao Tong 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.

10. 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.

Save as disclosed above, as at 30 June 2026 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 5 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.

The vesting period for options shall not be less than 12 months.

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.

No specific period within which payments or call must or may be made or loans for such proposes must be repaid.

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.

The Company has granted in aggregate 37,980,000 Share Options to the Grantees pursuant to the 2020 Share Option Scheme on 23 July 2021. For details, please refer to the announcement of the Company dated 23 July 2021.

The Company has granted in aggregate 30,200,000 Share Options to the Grantees pursuant to the 2020 Share Option Scheme on 15 July 2022. For details, please refer to the announcement of the Company dated 15 July 2022.

There were no outstanding share options under 2020 Share Option Scheme at the beginning and at the end of the Period respectively.

No options were granted, exercised, cancelled or lapsed by the Company under the 2020 Share Option Scheme during the six months ended 30 June 2026. At the beginning and at the end of the six months ended 30 June 2026, 24,325,600 share options are available for grant under the Scheme Mandate Limit respectively.

There was no shares that may be issued during the six months ended 30 June 2026, being 0% of the weighted average number of shares of the relevant class in issue for the Reporting Period.

As at the date of this report, the total number of shares available for issue under the 2020 Share Option Scheme was 24,325,600 Shares, representing 1.63% of the issued Shares of the Company.

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.

By Order of the Board
China Titans Energy Technology Group Co., Limited
Gao Xia
Chairman

Hong Kong, 28 August 2026