



**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

**2021**  
INTERIM REPORT

\* For identification purpose only



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## CORPORATE INFORMATION

### Board of Directors

### Executive Directors

Mr. Li Xin Qing (*Chairman*)

Mr. An Wei (*Chief Executive Officer*)

### Independent non-executive Directors

Mr. Li Wan Jun

Mr. Pang Zhan

Mr. Li Xiang Feng

### Audit Committee

Mr. Li Wan Jun (*Committee Chairman*)

Mr. Pang Zhan

Mr. Li Xiang Feng

### Remuneration Committee

Mr. Li Xiang Feng (*Committee Chairman*)

Mr. Li Wan Jun

Mr. Pang Zhan

### Nomination Committee

Mr. Li Xin Qing (*Committee Chairman*)

Mr. Pang Zhan

Mr. Li Xiang Feng

### Authorised Representatives

Mr. Li Xin Qing

Ms. Ho Wing Yan

### Company Secretary

Ms. Ho Wing Yan

### Auditor

SHINEWING (HK) CPA Limited

### Registered Office

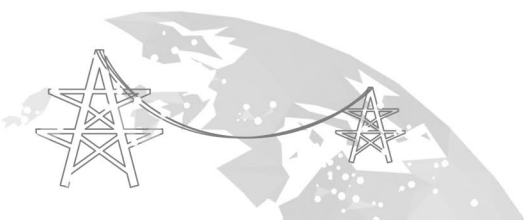
Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands



## CORPORATE INFORMATION

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



## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

For the six months ended 30 June 2021, China Titans Energy Technology Group Co., Limited (the “Company”) and its subsidiaries (collectively, the “Group”) recorded revenue of approximately RMB132,664,000, representing an increase of approximately 18.63% 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 2020 and 2021.

	Six months ended 30 June			
	2021		2020	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Electrical DC products	49,217	37.10	49,133	43.94
Charging equipment for electric vehicles	70,725	53.31	54,354	48.60
Charging services for electric vehicles	12,481	9.41	8,030	7.18
Others	241	0.18	310	0.28
<b>Total</b>	<b>132,664</b>	<b>100</b>	<b>111,827</b>	<b>100</b>

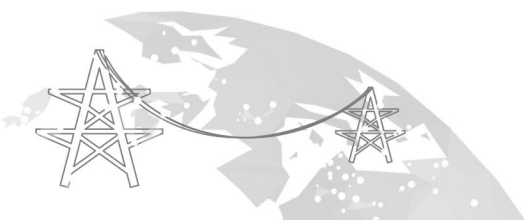
The Group recorded a loss for the period attributable to owners of the Company of approximately RMB9,504,000 for the six months ended 30 June 2021 (the “Reporting Period”), representing a decrease of approximately RMB7,077,000 over the loss of approximately RMB16,581,000 in the corresponding period last year. Due to the increase in revenue of products such as electrical DC products and equipment for electric vehicles during the Reporting Period and other comprehensive factors, the Group’s profit recorded an increase in the period.

#### Electrical DC products

During the six months ended 30 June 2021, sales of the electrical DC products was approximately RMB49,217,000 (for the six months ended 30 June 2020: approximately RMB49,133,000), representing an increase of approximately 0.17%. The sales of electrical DC products recorded a slight increase as compared with the corresponding period last year.

#### Charging equipment for electric vehicles

For the six months ended 30 June 2021, sales of the charging equipment for electric vehicles amounted to approximately RMB70,725,000 (for the six months ended 30 June 2020: approximately RMB54,354,000), representing an increase of approximately 30.12%. The increase in revenue during the Reporting Period was mainly due to the return to normal demand for charging equipment for electric vehicles and the increased shipments of charging equipment for electric vehicles during the Reporting Period as compared with the corresponding period last year.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Charging services for electric vehicles

For the six months ended 30 June 2021, the Group's sales of charging services for electric vehicles amounted to approximately RMB12,481,000 (for the six months ended 30 June 2020: approximately RMB8,030,000), representing an increase of approximately 55.44%. The increase in income from charging services for electric vehicles was mainly because the epidemic is under control and electric vehicle travel has been restored, and the Group will constantly strive to create more revenue from the provision of charging services.

### Others

During the Reporting Period, the Group's revenue of other business amounted to approximately RMB241,000 (for the six months ended 30 June 2020: approximately RMB310,000), which represented the income from the leasing business in relation to electric vehicles, and a decrease of approximately 22.39%. Such business is not regarded as the principal business of the Group.

### Major operating activities in the first half of 2021:

In the first half of 2021, the domestic economy gradually recovered in an overall stable and positive tendency. "Peak carbon dioxide emissions and carbon neutrality" was introduced in the "Report on the Work of the Government" published by the State Council in March 2021, energy conservation and emission reduction is one of the key tasks in the report. In order to advance the domestic carbon neutrality, local governments have successively launched relevant policies to conserve energy and reduce emission, such as promoting the vehicle electrification, increasing the electricity-based energy supply, and producing cleaner electricity. The Group believes that a new round of opportunities for the development of charging services for electric vehicles and electrical DC products will arise during the process of advancing energy conservation and emission reduction.

The domestic production and sales volume of electric vehicles and the number of charging infrastructure both experienced significant growth as compared with the previous year. According to the data released by China Association of Automobile Manufactures, the domestic cumulative production and sales volume of new energy vehicles reached 1.215 million and 1.206 million as of the end of June 2021, a year-on-year increase of 134.9% and 139.3% respectively, with the market penetration increasing from 5.4% at the beginning of the year to 9.4%, representing a gradually expanded market share of new kinetic energy. In addition, according to relevant data as of the end of June 2021 released by China Electric Vehicle Charging Infrastructure Promotion Alliance, the number of domestic charging infrastructure increased 266,000, of which 116,000 were public charging infrastructure, representing a year-on-year increase of 176%.



## MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the total revenue from the Group's principal business was approximately RMB132,664,000, representing a year-on-year increase of 18.63%. The main operating conditions are set out as below:

### I. Equipment research and development, manufacturing and sales

#### 1. Electrical DC products

During the Reporting Period, the electrical DC products recorded revenue of approximately RMB49,217,000, representing a slight increase of 0.17%.

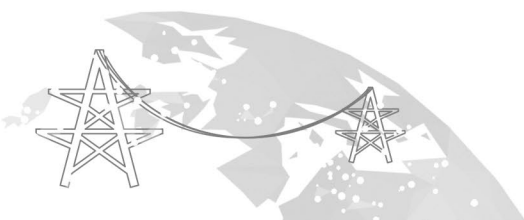
In the first half of 2021, the Group kept a check on the development of the electrical DC products market. Leveraging on the management system for customers classification, the sales team improved its efficiency and increased the amount of tenders as compared with corresponding period last year. The Group won bids for such segment in several fields despite the intensified domestic bidding competitions in many regions, including but not limited to energy storage, subway, photovoltaic and waste-to-energy. Among them, the Group was rewarded nuclear power engineering equipment project by virtue of strict standards on product production, further demonstrating the recognition of the industry to the Group's products.

#### 2. Charging equipment for electric vehicles

During the Reporting Period, revenue from the charging equipment for electric vehicles amounted to approximately RMB70,725,000, representing a year-on-year increase of 30.12%.

The production and tender process of the charging equipment for electric vehicles also carried out smoothly due to the improvement in the domestic economic environment. During the Reporting Period, relying on a good customer base, the market department of charging equipment for electric vehicles further expanded the regional shares of major customers, with all the number and amount of tenders and awarded amount increasing to a certain extent over the same period of the previous year. Specifically, benefiting from rich industry technical experience and diversified product groups, the Group successfully won the bids for the OEM (Original Equipment Manufacturer) supplier framework project for electric vehicle equipment and the charging station entrusted operation and maintenance framework project granted by State Grid and China Southern Power Grid.

With the advent of the "New Infrastructure Construction" era, charging facilities for new energy vehicles have been promoted more vigorously, and users' demand for charging equipment is increasing. In order to solve the industry's pain points of excessive charging time, the battery swap mode has become another important element in the construction of the charging network. In the first half of 2021, based on market demand and its original charging product technology, the Group launched two power-level charging module sets of 60kW and 80kW to adapt to the development of shared battery swapping stations. The battery swapping equipment business strictly follows the market and production plan, and provides a variety of customized products for customers in need. The proportion of revenue from products used in battery swapping stations in the entire charging equipment for electric vehicles business has increased compared with the same period.





## MANAGEMENT DISCUSSION AND ANALYSIS

### 3. *New product*

At the beginning of the year, the AVC (Automatic Voltage Control) product was newly developed to allow corporate customers to make quick and accurate corrections for their sensitive equipment when faced with voltage sags, thereby reducing production problems caused by “electricity dazzling”. The product has been promoted and used in many different production areas during the Reporting Period, which has received positive feedback. Corresponding contracts have been obtained in precision manufacturing industries such as IC, ceramics, and automobiles. The product has recorded good sales performance for the first half of 2021 and become the Group’s new business growth point.

## II. Investment, construction and operation

According to the data of the “EV Link” operating platform, as of June of this year, the cumulative charging amount of charging operation stations in China was approximately 44.64 million kWh, among which the charging amount of charging stations operated by franchisees accounted for more than 70% of the total charging amount. The cooperation model of franchisee has gradually entered the stable development stage, which is a good signal for the Group to expand the charging network nationwide. During the Reporting Period, revenue from charging services for electric vehicles was approximately RMB12,481,000, representing a year-on-year increase of 55.44%.

Although the domestic economy has entered a recovery cycle, the impact of the pandemic has not fully subsided, and market investment and consumer sentiment have not fully restored. Therefore, the Group still adopts the principle of prudence, focusing on the existing charging operation stations in the first half of 2021 and making strategic optimization based on the existing corporate structure.

## III. Fundamental management

During the Reporting Period, the Group adjusted the production supply chain center according to the development plan of last year, further improving its production efficiency and cost control. The center adopted the optimized inventory control and management method, and carried out reasonable analysis on production schedule, stocking, sequence materials, delivery period and turnover time, so that the existing stocking materials and finished products can be quickly transferred and shipped. In terms of cost control, the center adopted the management driven by inventory data analysis, and implemented price linkage strategies for materials needed for production through data analysis to reduce procurement costs.





## MANAGEMENT DISCUSSION AND ANALYSIS

### Results analysis

#### Revenue

	Six months ended 30 June	
	2021 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)
Electrical DC products	49,217	49,133
Charging equipment for electric vehicles	70,725	54,354
Charging services for electric vehicles	12,481	8,030
Others	241	310
Total	<b>132,664</b>	111,827

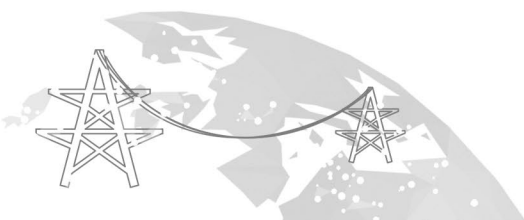
For the six months ended 30 June 2021, the Group recorded revenue of approximately RMB132,664,000, representing an increase of approximately 18.63% as compared to approximately RMB111,827,000 for the corresponding period in 2020. As the epidemic in China has been basically under control and production activities and markets have been restored in an orderly manner, revenue increased accordingly.

#### Cost of sales

The Group's cost of sales mainly included raw material costs, direct labour costs and manufacturing expenses. The cost of sales increased from approximately RMB79,357,000 for the six months ended 30 June 2020 to approximately RMB88,639,000 for the six months ended 30 June 2021, which was mainly attributable to the increase in revenue during the Reporting Period.

#### Gross profit and gross profit margin

The Group's gross profit increased by approximately RMB11,555,000 to approximately RMB44,025,000 for the six months ended 30 June 2021 from approximately RMB32,470,000 for the corresponding period in 2020. For the six months ended 30 June 2021, sales of electrical DC products contributed approximately RMB15,155,000 to our gross profit whereas sales of charging equipment for electric vehicles contributed approximately RMB28,534,000 to our gross profit, charging services for electric vehicles contributed approximately RMB317,000 to our gross profit and sales and lease of electric vehicles contributed approximately RMB19,000 to our gross profit. Currently, as the prevention and control situation continues to improve, the production and living orders are recovering at an accelerated pace, the Group will strive to enhance the profitability of its products.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Percentage of gross profit margin of respective reportable segments

Segment	Six months ended 30 June	
	2021 (Unaudited)	2020 (Unaudited)
Electrical DC products	30.79%	26.56%
Charging equipment for electric vehicles	40.35%	33.21%
Charging services for electric vehicles	2.54%	17.01%
Others	7.69%	2.04%

The Group's overall gross profit margin increased to approximately 33.19% for the six months ended 30 June 2021 from approximately 29.04% for the corresponding period in 2020, and increased by approximately 8.42% as compared to approximately 24.77% for the year ended 31 December 2020.

The gross profit margin of our electrical DC products for the six months ended 30 June 2021 increased by approximately 4.23% as compared to that of the corresponding period in 2020, and increased by approximately 8.87% as compared to approximately 21.92% for the year ended 31 December 2020.

The gross profit margin of our charging equipment for electric vehicles for the six months ended 30 June 2021 increased by approximately 7.14% as compared to that of the corresponding period in 2020, and increased by approximately 8.56% as compared to approximately 31.79% for the year ended 31 December 2020.

The gross profit margin of our charging services for electric vehicles for the six months ended 30 June 2021 decreased by approximately 14.47% as compared to that of the corresponding period in 2020, and increased by approximately 14.20% as compared to approximately -11.66% for the year ended 31 December 2020.

For the six months ended 30 June 2021, the gross profit margin of sales and lease of electric vehicles increased by approximately 5.65% as compared to that of the corresponding period in 2020, and decreased by approximately 35.18% as compared to approximately 42.87% for the year ended 31 December 2020. The gross profit margin of sales and lease business increased as compared to the corresponding period last year.

During the Reporting Period, as the state economic order returned to normal so as our all businesses, the Group's overall gross profit margin also returned to a normal level.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Other revenue

Other revenue of the Group, which mainly included value added tax refunds and government grants, decreased by approximately 35.39% from approximately RMB5,670,000 for the six months ended 30 June 2020 to approximately RMB3,663,000 for the six months ended 30 June 2021.

### Selling and distribution expenses

Selling and distribution expenses decreased by approximately RMB285,000, or approximately 1.41%, from approximately RMB20,213,000 for the six months ended 30 June 2020 to approximately RMB19,928,000 for the six months ended 30 June 2021. The decrease in selling and distribution expenses was primarily due to the effects of the following reasons: (1) expenses such as sales-related remuneration and benefits decreased by approximately RMB1,355,000; (2) sales-related depreciation charges decreased by approximately RMB255,000; (3) sales-related fees including entertainment, transportation and advertising expenses increased by approximately RMB444,000; (4) sales-related fees including travelling, office and other sundry expenses decreased by approximately RMB809,000; and (5) sales-related expenses including installation and testing, tendering and amortisation expenses increased by approximately RMB1,690,000.

### Administrative and other expenses

Administrative expenses increased by approximately RMB5,033,000, or approximately 19.27%, from approximately RMB26,106,000 for the six months ended 30 June 2020 to approximately RMB31,139,000 for the six months ended 30 June 2021. The increase in the administrative expenses of the Group during the Reporting Period was primarily due to the combined effects of the following reasons: (1) expenses such as salaries and benefits relating to management staff increased by approximately RMB422,000; (2) rental, transportation and other sundry expenses increased by approximately RMB1,196,000; (3) travelling fee relating to management staff and maintenance fees increased by approximately RMB571,000; (4) depreciation charges and research and development cost increased by approximately RMB1,285,000; (5) office and entertainment expenses increased by approximately RMB465,000; (6) bank charges and payment to lawyers and professional individuals increased by approximately RMB1,278,000; and (7) losses on disposal of assets decreased by approximately RMB184,000.

### Share of results of associates

During the Reporting Period, the Group owned 49% (as at 31 December 2020: 49%) equity interest in Qingdao Jiaoyun Titans New Energy Vehicle Leasing Service Co., Ltd\* (青島交運泰坦新能源汽車租賃服務有限公司) (“Jiaoyun Titans”). Jiaoyun Titans is mainly engaged in the construction of charging equipment network for electric vehicles and lease business for electric vehicles. Jiaoyun Titans was accounted for as the Group’s associate, and the Group’s share of loss from Jiaoyun Titans during the Reporting Period was approximately RMB20,000.

During the Reporting Period, the Group owned 20% (as at 31 December 2020: 20%) equity interest in Qingdao Titans Yilian New Energy Technology Co., Limited\* (青島泰坦驛聯新能源科技有限公司) (“Qingdao Titans”). Qingdao Titans is engaged in the construction of charging network for electric vehicles, as well as the sale, lease and maintenance of electric vehicles. Qingdao Titans was accounted for as the Group’s associate, and the Group’s share of profit from Qingdao Titans during the Reporting Period was approximately RMB27,000.



## MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Group owned 30.96% (as at 31 December 2020: 30.96%) equity interest in Guangdong Titans Intelligent Power Co., Ltd\* (廣東泰坦智能動力有限公司) (“Guangdong Titans”). Guangdong Titans is principally engaged in the research and development, sales and manufacturing of charging equipment for Automated Guided Vehicles (“AGV”). Guangdong Titans was accounted for as the Group’s associate, and the Group’s share of profit from Guangdong Titans during the Reporting Period was approximately RMB2,463,000.

During the Reporting Period, the Group owned 17% (as at 31 December 2020: 20%) 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 RMB380,000.

### Finance costs

Finance costs of the Group increased by approximately 53.16% from approximately RMB3,309,000 for the six months ended 30 June 2020 to approximately RMB5,068,000 for the six months ended 30 June 2021. Finance costs of the Group as a percentage of the Group’s revenue increased from 2.96% for the six months ended 30 June 2020 to 3.82% for the six months ended 30 June 2021. The increase in finance costs of the Group was attributable to the decrease in the actual capitalized 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 2021, loss attributable to the non-controlling interests of the Group’s non-wholly-owned subsidiaries was RMB532,000, representing a decrease in loss of approximately RMB31,000 as compared to an attributable loss of RMB563,000 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 RMB9,504,000 for the six months ended 30 June 2021, representing an increase in profit for the period of approximately RMB7,077,000 as compared to a loss of approximately RMB16,581,000 for the corresponding period in 2020.

The loss recorded in the Reporting Period was mainly due to: (1) the increase in the provision of trade receivables; and (2) impairment losses on financial assets held.

### Loss per share

For the six months ended 30 June 2021, basic and diluted losses per share of the Company (“Share(s)”) were both RMB1.03 cent whilst the basic and diluted losses per share for the corresponding period in 2020 were both RMB1.79 cent. The basic and diluted losses per share were attributable to the loss recorded for the Reporting Period.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Employees and remuneration

As at 30 June 2021, the Group had 400 employees (as at 30 June 2020: 400) in total. During the six months ended 30 June 2021, total employees' remuneration amounted to approximately RMB24,335,000 (for the six months ended 30 June 2020: approximately RMB25,856,000). 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 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.

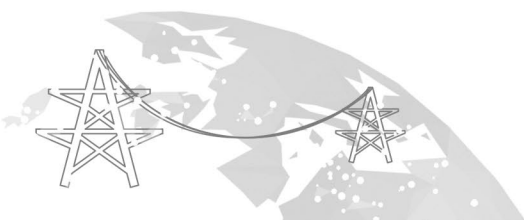
The Company adopted the share option scheme on 18 December 2020 (the "Share Option Scheme"). The purpose of the Share Option Scheme is to provide incentives to the eligible persons (including but not limited to employees, officers, agents, consultants or representatives of any members of the Group (including 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. On 23 July 2021, the Company issued an announcement in relation to grants of share options. On the same day, the Company granted 37,980,000 share options to 101 employees under the Share Option Scheme. For details, please refer to the announcement of the Company entitled "GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME" and published on 23 July 2021.

### 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 2021. 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 2021, the Group had short-term bank deposits, bank balances and cash of approximately RMB60,144,00 (as at 31 December 2020: approximately RMB72,803,000), excluding restricted bank balances of approximately RMB17,219,000 (as at 31 December 2020: approximately RMB19,224,000).

The net current assets of the Group as at 30 June 2021 were approximately RMB296,108,000 (as at 31 December 2020: approximately RMB294,375,000).



## MANAGEMENT DISCUSSION AND ANALYSIS

### Significant investments

The Group did not hold any significant investment during the six months ended 30 June 2021.

### Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

During the six months ended 30 June 2021, the Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures.

### Bank and other borrowings

As at 30 June 2021, total bank and other borrowings of the Group amounted to RMB181,521,000 (among which RMB181,521,000 are secured loans) (as at 31 December 2020: RMB168,839,000, among which RMB168,839,000 were secured loans). Secured bank loans as at 30 June 2021 were subject to the floating interest rates ranging from 4.70% to 5.88% per annum. As at 30 June 2021, the total bank borrowings recorded by the Group increased by RMB12,682,000 as compared with those as at 31 December 2020.

As at 30 June 2021, the Group's current ratio (i.e. current assets divided by current liabilities) was 2.14 as compared with 2.16 as at 31 December 2020, and the gearing ratio (i.e. borrowings divided by total assets x 100%) was 22.03% as compared with 20.43% as at 31 December 2020.

### Trade and bills receivables

As at 30 June 2021, the Group recorded trade and bills receivables (net of allowance) of approximately RMB244,058,000 (as at 31 December 2020: approximately RMB248,509,000). The Group did not make additional allowance for impairment loss in respect of trade and bills receivables during the six months ended 30 June 2021 (for the six months ended 30 June 2020: nil). The allowances for impairment of trade receivables as at 30 June 2021 and 31 December 2020 were RMB68,335,000 and RMB66,540,000 respectively.

Trade and bills receivables decreased for the six months ended 30 June 2021 as a result of further strengthening the management of accounts receivable during the Reporting Period.



## MANAGEMENT DISCUSSION AND ANALYSIS

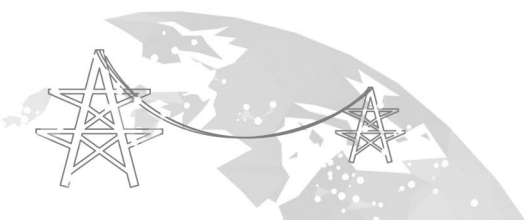
The table below sets out the ageing analysis of trade receivables (net of allowance for impairment loss of trade receivables) of the Group as at 31 December 2020 and 30 June 2021.

	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
Within 90 days	<b>67,086</b>	137,812
91 days to 180 days	<b>90,671</b>	24,719
181 days to 365 days	<b>49,970</b>	49,164
Over 1 year to 2 years	<b>22,053</b>	23,050
Over 2 years to 3 years	<b>14,178</b>	12,758
	<b>243,958</b>	247,503

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

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

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





## MANAGEMENT DISCUSSION AND ANALYSIS

### Pledge of assets

As at 30 June 2021, the Group's leasehold land and buildings with carrying amounts of approximately RMB146,618,000 (as at 31 December 2020: RMB149,705,000) were pledged to secure bank borrowings and other facilities granted to the Group.

### Capital commitments and contingent liabilities

As at 30 June 2021, the Group had capital expenditure contracted for but not provided in the consolidated financial information of approximately RMB25,161,000 (as at 31 December 2020: approximately RMB26,921,000).

As at 30 June 2021 and the date of this report, the Group had no significant contingent liabilities.

### Foreign exchange

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

During the Reporting Period, the Group recorded no exchange loss (corresponding period in 2020: nil). As at 30 June 2021, 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 2021.

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

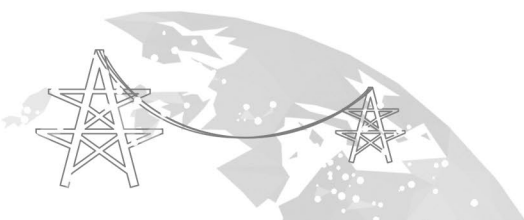
### Future business prospect and plans

China made a decisive commitment to peak carbon dioxide emissions before 2030 and achieve carbon neutrality before 2060. In this context, the promotion of new energy vehicles and charging infrastructure will be an important part of the optimisation of China's energy structure. Therefore, the government has promulgated various policies and regulations as well as guiding opinions on development to provide support for new energy vehicles and charging infrastructure. For example, the State Council issued the "Guiding Opinions on Accelerating the Establishment of a Green and Low-Carbon Circular Development Economic System" and "Outline of the National Comprehensive Three-dimensional Transportation Network Plan" at the beginning of 2021, indicating that with the further development of intelligent networking of new energy vehicles and charging equipment with Internet of Vehicles, charging equipment connects new energy vehicles and smart grid, and the ecology of charging equipment industry will be expanded to energy supply and two-way interaction between vehicles and internet.

The Directors are of the view that new energy charging market is currently in a new model change from traditional operator-dominated model to internet model and value-added big data model. During such period, effectively riding on the market trend is one of the keys for the Group's sustainable development.

In the second half of 2021, the Group will continue to implement related production and delivery in its existing principal business and further explore development opportunities arising from new energy market, striking a balance between short-term development and long-term layout.

1. In terms of marketing, we will expand the collection of market data and using data analysis to guide marketing efforts; conduct key markets and customers tracking for new territories, industry sectors, and specific projects, so as to achieve sales breakthrough and enhance market share. As for charging products, we will make great efforts in expanding new markets such as heavy truck charging and onshore power supply based on our existing markets; meanwhile, as for the AVC (Automatic Voltage Control) product, we will endeavour to obtain leading advantages in the manufacturing industrial including IC and vehicles based on the results gained in the first half of 2021.
2. In terms of product optimization and innovation, the Group's main products are customized. In order to better meet the needs of different groups of customers, in the second half of 2021, we will endeavour to achieve customized upgrades and overall optimization of components, enriching product categories and product structures. Regarding the research and development of new products, on the one hand, the R&D center will follow up patent applications and strengthen the discussion of core technology topics. On the other hand, the marketing department and engineering department will follow up the market and customers to take the design concept and process standards to a new level. In particular, we will continue to optimize existing battery replacement products, and bring heavy truck battery replacement and shore power products to the market as soon as possible.
3. In terms of operational services, for the charging operation platforms and smart mobile APP products, we will mainly strengthen equipment data collection and control, as well as optimize early warning and remote troubleshooting capabilities, so as to enhance the charging experience of end users.



## MANAGEMENT DISCUSSION AND ANALYSIS

4. In terms of supply chain management, we will strengthen the connection among the input end, the process end and the output end in the production management chain, and realize the rapid circulation of products through the control of key factors such as price, quality, and delivery. We will strengthen supplier evaluation and improve and optimize supplier management mechanisms. The center plans to control the warehousing pace of purchased materials to further improve the speed of capital flow.
5. In terms of talent incentives, the Group has always believed that strugglers are the foundation of the Company's success. In July of 2021, the Group granted a total of 37,980,000 share options to the Directors and its employees in accordance with the Share Option Scheme, hoping that employees can achieve multiple sharing of corporate interests or operating results, thereby enhancing the vitality of its operations and promoting its healthy development.

Adhering to the values of customer-based, diligence-oriented, integrity-oriented, efficiency-oriented, and results-driven, the Group is committed to the development and application of power electronic technology, and strives for the promotion and development of green energy.

## INTERIM DIVIDEND

The Board did not declare an interim dividend for the six months ended 30 June 2021 (for the six months ended 30 June 2020: nil).

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with all applicable code provisions (the "Code Provisions") of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2021 and there has been no material deviation from the Code Provisions.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its model code regarding directors securities transactions. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standards of the Model Code during the six months ended 30 June 2021.

## 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 2021.



## MANAGEMENT DISCUSSION AND ANALYSIS

### MATERIAL LITIGATION AND ARBITRATION PROCEEDINGS

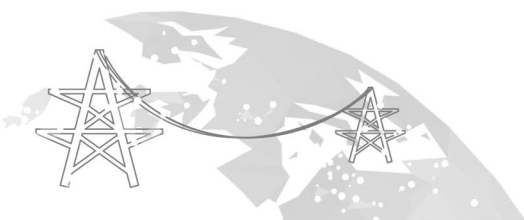
The Group had no material litigation or arbitration during the six months ended 30 June 2021.

### 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 2021.

### 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 2021

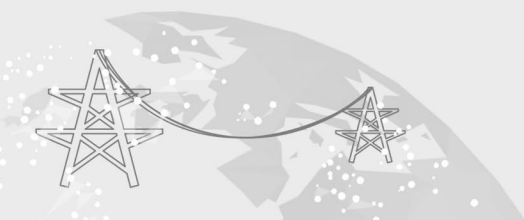
	Notes	Six months ended 30 June	
		2021	2020
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Revenue	4	132,664	111,827
Cost of revenue		(88,639)	(79,357)
Gross profit		44,025	32,470
Other revenue		3,663	5,670
Selling and distribution expenses		(19,928)	(20,213)
Administrative and other expenses		(31,139)	(26,106)
Impairment losses of financial assets	6	(1,795)	(5,233)
Other gains and losses		(3,053)	(2,892)
Share of results of associates		2,090	272
Finance costs		(5,068)	(3,309)
Loss before taxation		(11,205)	(19,341)
Income tax credit	5	1,169	2,197
Loss for the period	6	(10,036)	(17,144)
<b>Other comprehensive income (expense) for the period</b>			
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		1,340	(761)
Income tax relating to item that will not be reclassified subsequently to profit or loss		–	95
Other comprehensive income (expense) for the period, net of tax		1,340	(666)
Total comprehensive expense for the period		(8,696)	(17,810)



## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2021

	Note	Six months ended 30 June	
		2021	2020
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Loss for the period attributable to:			
– Owners of the Company		<b>(9,504)</b>	(16,581)
– Non-controlling interests		<b>(532)</b>	(563)
		<b>(10,036)</b>	(17,144)
Total comprehensive expense for the period attribute to:			
– Owners of the Company		<b>(8,164)</b>	(17,247)
– Non-controlling interests		<b>(532)</b>	(563)
		<b>(8,696)</b>	(17,810)
<b>Loss per share</b>	8		
Basic and diluted (RMB cent)		<b>(1.03)</b>	(1.79)



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

		30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	9	169,833	176,010
Right-of-use assets		7,533	7,727
Goodwill		–	–
Intangible assets		29,293	32,452
Interests in associates	10	17,373	15,710
Financial assets at fair value through other comprehensive income	14	27,477	26,137
Financial asset at fair value through profit or loss	14	6,000	9,066
Finance lease receivable		187	350
Deferred tax assets		10,907	9,907
		<b>268,603</b>	<b>277,359</b>
<b>Current assets</b>			
Inventories		137,850	106,878
Trade and bills receivables	11	244,058	248,509
Contract assets		38,057	33,908
Loan receivables		–	5,025
Prepayments, deposits and other receivables		54,777	59,360
Amounts due from associates		188	171
Finance lease receivable		163	142
Tax recoverable		3,061	3,061
Restricted bank balances		17,219	19,224
Short-term bank deposits		–	27,500
Bank balances and cash		60,144	45,303
		<b>555,517</b>	<b>549,081</b>





## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
<b>Current liabilities</b>			
Trade and bills payables	12	113,256	117,605
Contract liabilities		14,247	13,311
Accruals and other payables		4,561	8,439
Lease liabilities		14	55
Amounts due to associates		2,276	2,081
Tax payable		–	–
Bank and other borrowings	13	125,055	113,215
		<b>259,409</b>	254,706
<b>Net current assets</b>		<b>296,108</b>	294,375
<b>Total assets less current liabilities</b>		<b>564,711</b>	571,734
<b>Non-current liabilities</b>			
Deferred tax liabilities		11,048	11,217
Bank and other borrowings	13	56,466	55,624
		<b>67,514</b>	66,841
<b>Net assets</b>		<b>497,197</b>	504,893
<b>Capital and reserves</b>			
Share capital		8,087	8,087
Share premium and reserves		476,448	484,612
<b>Equity attributable to owners of the Company</b>		<b>484,535</b>	492,699
Non-controlling interests		12,662	12,194
<b>Total equity</b>		<b>497,197</b>	504,893



## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2021

	Attributable to Owner of the Company										
	Share capital	Share premium	Merger reserve	Exchange translation reserve	Investments revaluation reserve	Capital reserve	Statutory reserve fund	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			(Note (a))			(Note (b))					
At 1 January 2020 (audited)	8,087	325,141	8,640	504	3,931	(2,354)	63,416	119,036	526,401	17,943	544,344
Loss for the period	-	-	-	-	-	-	-	(16,581)	(16,581)	(563)	(17,144)
Other comprehensive (expense) income for the period:											
Net fair value loss on financial assets at other comprehensive income	-	-	-	-	(761)	-	-	-	(761)	-	(761)
Income tax relating to items that will not be reclassified subsequently	-	-	-	-	95	-	-	-	95	-	95
Total comprehensive expense for the period	-	-	-	-	(666)	-	-	(16,581)	(17,247)	(563)	(17,810)
At 30 June 2020 (unaudited)	8,087	325,141	8,640	504	3,265	(2,354)	63,416	102,455	509,154	17,380	526,534
At 1 January 2021 (audited)	8,087	325,141	8,640	504	2,268	(4,771)	63,416	89,414	492,699	12,194	504,893
Loss for the period	-	-	-	-	-	-	-	(9,504)	(9,504)	(532)	(10,036)
Other comprehensive (expense) income for the period:											
Net fair value gain on financial assets at other comprehensive income	-	-	-	-	1,340	-	-	-	1,340	-	1,340
Total comprehensive expense for the period	-	-	-	-	1,340	-	-	(9,504)	(8,164)	(532)	(8,696)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	1,000	1,000
At 30 June 2021 (unaudited)	8,087	325,141	8,640	504	3,608	(4,771)	63,416	79,910	484,535	12,662	497,197

### 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 2021

	<b>Six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
NET CASH USED IN OPERATING ACTIVITIES	<b>(29,604)</b>	(25,916)
INVESTING ACTIVITIES		
Withdrawal of short-term bank deposits	<b>27,500</b>	64,000
Withdrawal of restricted bank balances	<b>14,866</b>	–
Repayment of loan receivables	<b>5,025</b>	2,360
Proceeds from disposal of property, plant and equipment	<b>262</b>	–
Proceed on disposal of an associate	–	4,550
Purchase of property, plant and equipment	<b>(132)</b>	(6,000)
Placement of restricted bank balances	<b>(12,861)</b>	–
Other cash flows arising from investing activities	<b>656</b>	(1,057)
NET CASH FROM INVESTING ACTIVITIES	<b>35,316</b>	63,853
FINANCING ACTIVITIES		
Repayment of bank and other borrowings	<b>(32,818)</b>	(36,767)
Interest paid	<b>(5,068)</b>	(1,818)
Payment of lease liabilities	<b>(41)</b>	(95)
Bank and other borrowings raised	<b>45,500</b>	29,883
Receipts from government grants	<b>556</b>	1,290
Other cash flows used in financing activities	<b>1,000</b>	(102)
NET CASH USED IN FINANCING ACTIVITIES	<b>9,129</b>	(7,609)
NET INCREASE IN CASH AND CASH EQUIVALENTS	<b>14,841</b>	30,328
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<b>45,303</b>	35,752
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, representing bank balances and cash	<b>60,144</b>	66,080



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 1. GENERAL INFORMATION

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

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

The condensed consolidated interim financial information of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are presented in Renminbi (“RMB”) which is the same as the functional currency of the Company.

### 2. BASIS OF PREPARATION

The condensed consolidated interim financial information of the Group for the six months ended 30 June 2021 have been prepared in accordance with the applicable disclosure provisions requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

### 3. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020 except as described below.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 3. PRINCIPAL ACCOUNTING POLICIES (continued)

In the current interim period, the Group has applied, for the first time, the Amendments to References to the Conceptual Framework in Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA which are effective for the Group’s financial year beginning 1 January 2021:

Amendments to HKFRS 16	COVID-19-Related Rent Concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

The directors of the Company consider that, the application of new and revised HKFRSs in the current interim period has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

### 4. REVENUE AND SEGMENT INFORMATION

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

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

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

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



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 4. REVENUE AND SEGMENT INFORMATION (continued)

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

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

#### Segment revenue and results

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

##### For the six months ended 30 June 2021

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



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 4. REVENUE AND SEGMENT INFORMATION (continued)

#### Segment revenue and results (continued)

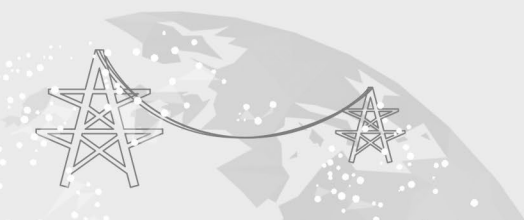
The following is an analysis of the Group's revenue and the results by reportable and operating segments: (continued)

For the six months ended 30 June 2020

	DC Power System RMB'000 (Unaudited)	Charging Equipment RMB'000 (Unaudited)	Charging Services and Construction RMB'000 (Unaudited)	Others RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue	49,133	54,354	8,030	310	111,827
Segment results	13,047	18,051	1,366	6	32,470
Other revenue					5,670
Gain on disposal of an associate					4,550
Fair value loss on financial asset at fair value through profit or loss ("FVTPL")					(7,442)
Share of results of associates					272
Finance costs					(3,309)
Unallocated head office and corporate expenses					(51,552)
Loss before taxation					(19,341)

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

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





## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 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:

<b>Segment assets</b>	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
DC Power System	<b>274,590</b>	282,972
Charging Equipment	<b>350,902</b>	323,411
Charging Services and Construction	<b>53,998</b>	54,614
Others	<b>2,099</b>	3,565
<b>Total segment assets</b>	<b>681,589</b>	664,562
Unallocated	<b>142,531</b>	161,878
<b>Consolidated assets</b>	<b>824,120</b>	826,440
<b>Segment liabilities</b>	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
DC Power System	<b>53,628</b>	59,198
Charging Equipment	<b>61,173</b>	61,144
Charging Services and Construction	<b>14,301</b>	11,195
Others	<b>691</b>	1,515
<b>Total segment liabilities</b>	<b>129,793</b>	133,052
Unallocated	<b>197,130</b>	188,495
<b>Consolidated liabilities</b>	<b>326,923</b>	321,547



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 4. REVENUE AND SEGMENT INFORMATION (continued)

#### Segment assets and liabilities (continued)

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

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

### 5. INCOME TAX CREDIT (EXPENSE)

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
PRC Enterprise Income Tax ("EIT"):		
– Current period	–	(339)
Deferred tax	<b>1,169</b>	2,536
	<b>1,169</b>	2,197

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the six months ended 30 June 2021 and 2020. 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 2021 and 2020.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries, other than Zhuhai Titans Technology Co., Limited (珠海泰坦科技股份有限公司) ("Titans Technology"), is 25% from 1 January 2008 onwards. No PRC EIT has been provided for the six months ended 30 June 2021 as the PRC subsidiaries did not have any assessable profits subject to the EIT.

Titans Technology was recognised as an approved high technology enterprise and therefore is entitled to a tax concession period of reduction in EIT rate of 15% from 2020 to 2022.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 6. LOSS FOR THE PERIOD

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

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Impairment losses on financial assets:		
– trade receivables	1,795	7,040
Reversal of impairment losses on financial assets:		
– loan receivables	–	(1,700)
– contract assets	–	(107)
Total impairment losses on financial assets	1,795	5,233
Depreciation of property, plant and equipment	6,060	7,892
Depreciation of right-of-use assets	194	269
Amortisation of intangible assets	3,159	2,011
Total depreciation and amortisation	9,413	10,172
Bank interest income	(203)	(193)
Value added tax (“VAT”) refunds (note (i))	(2,904)	(4,187)
Gain on disposal of an associate	–	(4,550)
Government grants (note (ii))	(556)	(1,290)
Research and development expenses (including in administrative and other expenses) (note (iii))	13,460	11,582

Notes:

- (i) VAT refunds represent the refund of VAT charged on qualified sales of electric products by the PRC tax bureau.
- (ii) Included in government grants are subsidies of approximately RMB556,000 (2020: RMB1,290,000) received from Zhuhai Finance Bureau (“珠海市財政局”), Department of Finance of Guangdong Province (“廣東省財政廳”) and The Ministry of Science and Technology of the PRC (“中華人民共和國科學技術部”) regarding the research and development on technology innovation of which there are no unfulfilled conditions or contingencies relating to those subsidies and recognised upon receipts during the six months ended 30 June 2021 and 2020.
- (iii) Research and development expenses included staff costs and depreciation of property, plant and equipment for the purpose of research and development activities.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 7. DIVIDENDS

No dividend has been paid or proposed by the Company for the six months ended 30 June 2021 and 2020 nor has any dividend been proposed since the end of reporting period.

### 8. LOSS PER SHARE

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

	<b>Six months ended 30 June</b>	
	<b>2021</b>	2020
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
<b>Loss</b>		
Loss for the purpose of basic and diluted loss per share	<b>(9,504)</b>	(16,581)

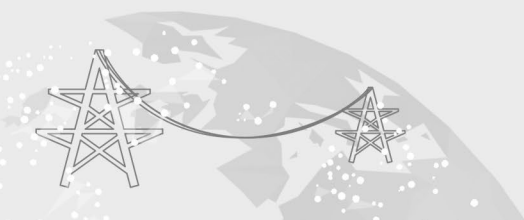
	<b>Six months ended 30 June</b>	
	<b>2021</b>	2020
	<b>'000</b>	'000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<b>925,056</b>	925,056

The dilutive loss per share is equal to the basic loss per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 June 2021 and 2020.

### 9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2021, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of approximately RMB249,000 (six months ended 30 June 2020: nil), resulting in a gain on disposal of approximately RMB13,000 (six months ended 30 June 2020: nil).

During the six months ended 30 June 2021, the Group acquired of property, plant and equipment with a cost of approximately RMB132,000 (six months ended 30 June 2020: RMB6,000,000).



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 10. INTERESTS IN ASSOCIATES

	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
Cost of investment in unlisted associates	<b>19,322</b>	19,762
Share of post acquisition results, net of dividend received	<b>(1,949)</b>	(4,052)
	<b>17,373</b>	15,710

During the six months ended 30 June 2021, an associate of the Company, Zhuhai Huada Taineng Smart Energy Co., Ltd.\* (珠海華大泰能智慧能源有限公司) ("Zhuhai Huada"), in which 11% equity interest was held by the Company, with carrying amount of approximately RMB427,000, applied for deregistration and completed on 8 April 2021. Partial investment cost of approximately RMB310,000 was refunded from Zhuhai Huada. Loss on disregistration of an associate of approximately RMB117,000 (six months ended 30 June 2020: nil) has been recognised for the six months ended 30 June 2021.

As at 30 June 2021 and 31 December 2020, 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
				30/6/2021	31/12/2020	30/6/2021	31/12/2020	
Jiangsu Titans Intelligent Technology Co., Ltd.* 江蘇泰坦智慧科技有限公司	Registered	The PRC	Contributed capital	<b>17%</b> (Note (i))	20%	<b>17%</b> (Note (i))	20%	Research and development of computer software
Guangdong Titans Intelligence Power Co., Ltd.* 廣東泰坦智能動力有限公司	Registered	The PRC	Contributed capital	<b>30.96%</b>	30.96%	<b>30.96%</b>	30.96%	Research and development, sales and manufacturing of charging equipments automated guided vehicles

Note:

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

\* English name for identification purpose only



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

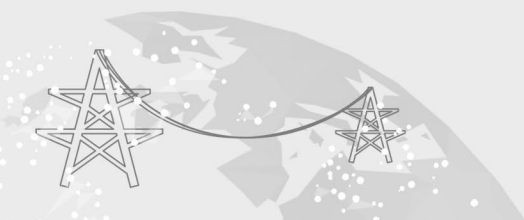
### 11. TRADE AND BILLS RECEIVABLES

	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
Trade receivables	<b>312,293</b>	314,043
Less: allowance for impairment loss of trade receivables	<b>(68,335)</b>	(66,540)
	<b>243,958</b>	247,503
Bills receivables	<b>100</b>	1,006
Total trade and bills receivables	<b>244,058</b>	248,509

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

	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
0 – 90 days	<b>67,086</b>	137,812
91 – 180 days	<b>90,671</b>	24,719
181 – 365 days	<b>49,970</b>	49,164
1 – 2 years	<b>22,053</b>	23,050
2 – 3 years	<b>14,178</b>	12,758
	<b>243,958</b>	247,503

The Group allows an average credit period of 90 days (31 December 2020: 90 days) to its trade customers or 90 days (31 December 2020: 90 days) counted from the due date of each of their installment payments pursuant to the sales contracts. Installment payments are separated into initial deposit payment which due upon signing of sales contracts, the payment after installation and testing and retention money which due from the end of the product quality assurance period.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 12. TRADE AND BILLS PAYABLES

	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
Trade payables	<b>82,458</b>	79,355
Bills payables	<b>30,798</b>	38,250
	<b>113,256</b>	117,605

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:

	<b>30 June 2021 RMB'000 (Unaudited)</b>	31 December 2020 RMB'000 (Audited)
0 – 90 days	<b>69,475</b>	70,041
91 – 180 days	<b>34,160</b>	34,776
181 – 365 days	<b>4,589</b>	4,719
1 – 2 years	<b>3,331</b>	4,612
Over 2 years	<b>1,701</b>	3,457
	<b>113,256</b>	117,605

The average credit period on purchases of goods is 90 days (31 December 2019: 90 days).



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 13. BANK AND OTHER BORROWINGS

During the six months ended 30 June 2021, the Group borrowed approximately RMB45,500,000 (six months ended 30 June 2020: RMB29,883,000) from banks. The loans are unsecured and are repayable in full within one year. The loans bear interests of ranging from 4.70% to 8% per annum. During the six months ended 30 June 2021, the Group repaid approximately RMB32,818,000 (six months ended 30 June 2020: RMB36,767,000) of secured bank and other borrowings bearing interest rates of ranging from 4.80% to 14.40% per annum.

### 14. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

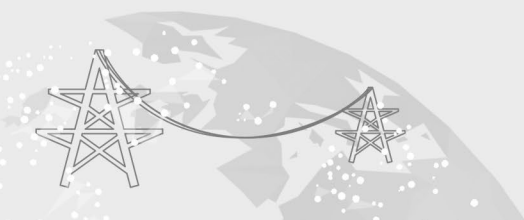
The table analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

The following table provides the fair value measurement hierarchy of the Group's financial instruments as at 30 June 2021 and 31 December 2020:

	Level 3	
	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
<b>Financial assets at FVTPL</b>		
Listed equity securities	6,000	9,066
<b>Financial assets at FVTOCI</b>		
Unlisted equity securities	27,477	26,137

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





## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 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
	30/6/2021 RMB'000 (Unaudited)	31/12/2020 RMB'000 (Audited)				
Listed equity securities at FVTPL	<u>6,000</u>	9,066	Level 3	Market approach – by applying market multiples from comparable companies and adjusted by marketability discount	30/6/2021: (i) Price-to-earnings ("P/E") ratio of 5.96 (31/12/2020: 8.75); and (ii) Enterprise value ("EV")-to-earnings before interest, taxation, depreciation and amortisation ("EBITDA") ratio of 4.09 (31/12/2020: 5.70) (iii) Marketability discount of 20.60% (31/12/2020: 20.60%)	(i) The higher the P/E ratio, the higher the fair value. (ii) The higher of EV to EBITDA ratio, the higher the fair value. (iii) The higher of the marketability discount, the lower the fair value
Unlisted equity securities at FVTOCI	<u>27,477</u>	26,137	Level 3	Market approach – by reference to the asset with identical or similar assets in the market	(i) Price-to-book ratio of 2.19 (31/12/2020: ranging from 2.03 to 2.26); (ii) Marketability discount of 35% (31/12/2020: 35%); and (iii) Specific business risk discount of 56% (31/12/2020: 56%)	(i) The higher the price-to-book ratio, the higher the fair value. (ii) The higher of marketability discount, the lower the fair value. (iii) The higher the specific business risk discount, the lower the fair value.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 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:

	<b>Listed equity security</b> RMB'000	<b>Unlisted equity securities</b> RMB'000
At 1 January 2020 (Audited)	12,449	27,905
Changes in fair value through profit or loss	(3,383)	–
Changes in fair value through other comprehensive income	–	(1,768)
At 31 December 2020 (Audited)	9,066	26,137
Changes in fair value through profit or loss	(3,066)	–
Changes in fair value through other comprehensive income	–	1,340
At 30 June 2021 (Unaudited)	<u>6,000</u>	<u>27,477</u>

### 15. CAPITAL COMMITMENTS

	<b>30 June 2021</b> <b>RMB'000</b> <b>(Unaudited)</b>	31 December 2020 RMB'000 (Audited)
Capital expenditures contracted for but not provided in the consolidated financial statements in respect of establishment of associates	<u>25,161</u>	<u>26,921</u>



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2021

### 16. RELATED PARTY TRANSACTIONS

During the six months ended 30 June 2021, the Group entered into the following transactions with related parties:

#### (a) Compensation to key management personnel

The directors of the Company consider that the executive directors are the only key management personnel of the Group. The remuneration of the executive directors during the six months ended 30 June 2021 and 2020 was as follows:

	<b>Six months ended 30 June</b>	
	<b>2021</b>	2020
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
Short-term benefits	<b>898</b>	638

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 2021 and 31 December 2020, certain bank and other borrowings of the Group were guaranteed by Mr. Li Xin Qing and Mr. An Wei, directors of the Company:

	<b>30 June</b>	31 December
	<b>2021</b>	2020
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
To the extent of	<b>315,000</b>	315,000



## OTHER INFORMATION

### DIRECTORS' INTERESTS IN SHARES

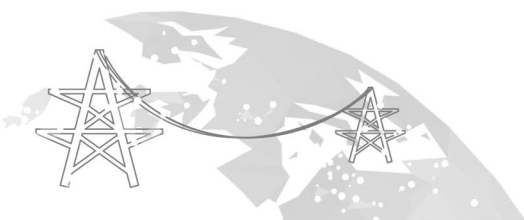
As at 30 June 2021, the interests of the Directors and their associates in the Shares which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO"), or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

Name of Director	Nature of interest	Number of Shares	Approximate percentage of issued shares of the Company
Mr. Li Xin Qing	Interest of controlled corporations	205,709,875 <i>(Note 2)</i>	22.24%
	Beneficial owner	200,000	0.02%
Mr. An Wei	Interest of controlled corporations	195,869,875 <i>(Note 3)</i>	21.17%
	Beneficial owner	400,000	0.04%

*Notes:*

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

Save as disclosed above, as at 30 June 2021, 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 2021 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 2021, 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:

<b>Name of shareholder</b>	<b>Nature of interest</b>	<b>Number of Shares or underlying Shares</b>	<b>Approximate percentage of existing issued share capital of the Company</b>
Ms. Zeng Zhen (Note 2)	Interests of spouse	205,909,875	22.26%
Genius Mind (Note 3)	Beneficial owner	197,724,457	21.37%
Ms. Yan Kai (Note 4)	Interests of spouse	196,269,875	21.22%
Great Passion (Note 5)	Beneficial owner	187,884,457	20.31%
Broad-Ocean Motor (Hong Kong) Co. Limited (Note 6)	Beneficial owner	84,096,000	9.09%
Zhongshan Broad-Ocean Motor Co., Ltd. (Note 6)	Interest of controlled corporations	84,096,000	9.09%
Mr. Lu Chuping (Note 6)	Interest of controlled corporations	84,096,000	9.09%
Honor Boom Investments Limited (Note 7)	Beneficial owner	82,458,117	8.91%
Mr. Li Xiao Bin (Note 7)	Interest of controlled corporations	82,458,117	8.91%
Ms. Zhang Lina (Note 8)	Interests of spouse	82,458,117	8.91%
Mr. Thomas Karl Amade Pilscheur	Beneficial owner	66,244,818	7.16%
Ms. Feng Yanlin (Note 9)	Interests of spouse	66,244,818	7.16%

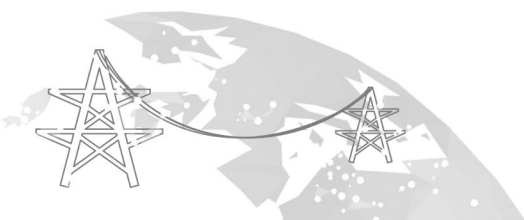


## OTHER INFORMATION

*Notes:*

1. All interests in Shares were long positions.
2. 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.
3. 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.
4. 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.
5. 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.
6. 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 43.82% of its interest was beneficially owned by Mr. Lu Chuping.
7. The issued share capital of Honor Boom Investments Limited is owned as to 40% by Mr. Li Xiao Bin, 30% by Ms. Ou Yang Fen and 30% by Mr. Cui Jian respectively. Therefore, Mr. Li Xiao Bin is deemed to be interested in the 82,458,117 Shares held by Honor Boom Investments Limited by virtue of the SFO.
8. 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.
9. Ms. Feng Yanlin is the spouse of Mr. Thomas Karl Amade Pilscheur. Therefore, Ms. Feng Yanlin is deemed to be interested in the Shares in which Mr. Thomas Karl Amade Pilscheur is interested by virtue of the SFO.

Save as disclosed above, as at 30 June 2021, the Company has not been notified by any person (other than the Directors or the chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.



## OTHER INFORMATION

### 2020 SHARE OPTION SCHEME

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

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

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

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

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

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

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

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



## OTHER INFORMATION

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

No options were granted, exercised, lapsed or cancelled by the Company under the 2020 Share Option Scheme during the period ended 30 June 2021. There were no outstanding options under the 2020 Share Option Scheme at the beginning and at the end of the period ended 30 June 2021.

As at the date of this report, the total number of securities available for issue under the 2020 Share Option Scheme was 92,505,600 Shares, representing 10% 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.

## DISCLOSURE OF INFORMATION ON DIRECTORS

Pursuant to rule 13.51B of the Listing Rules, the change of information on the Director is as follows:

The term of Mr. Pang Zhan, an independent non-executive Director, has been renewed for the period from 16 April 2021 to 15 April 2024.

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

Hong Kong, 27 August 2021

