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

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2188)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2011

The board (the "Board") of directors (the "Directors") of China Titans Energy Technology Group Co., Limited (the "Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2011 together with the comparative figures for the corresponding period in 2010 as follows. These interim financial statements have not been audited, but have been reviewed by the audit committee of the Company.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2011

		Six months ended	
		30 June	30 June
		2011	2010
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Turnover	*(4)*	**100,675**	97,943
Cost of sales		**(49,090)**	(52,885)
Gross profit		**51,585**	45,058
Other revenue		**3,141**	3,547
Fair value change on convertible loan note		**–**	(3,956)
Selling and distribution expenses		**(15,642)**	(8,478)
Administrative expenses		**(21,675)**	(14,531)
Other expenses		**–**	(8,054)
Share of results of associates		**(2,006)**	(227)
Finance costs		**(866)**	(867)
Profit before taxation		**14,537**	12,492
Income tax expense	*(5)*	**(5,867)**	(3,005)
Profit for the period and total comprehensive income for the period	*(6)*	**8,670**	9,487

* *For identification purpose only*

	NOTES	Six months ended	
		30 June	30 June
		2011	2010
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Profit for the period and total comprehensive income for the period attributable to:			
Owners of the Company		**9,301**	8,718
Non-controlling interests		**(631)**	769
		8,670	9,487
Earnings per share	*(8)*		
– Basic *(RMB)*		**1.12 cents**	1.39 cents
– Diluted *(RMB)*		**1.11 cents**	1.39 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

	NOTES	**30 June 2011 RMB'000 (unaudited)**	31 December 2010 RMB'000 (audited)
Non-current assets			
Property, plant and equipment		**15,811**	15,260
Deposits for acquisition of plant and equipment		**7,828**	6,843
Prepaid lease payments		**13,027**	–
Intangible assets		**1,514**	1,702
Interests in associates		**16,567**	20,983
Available-for-sale financial asset		**2,524**	–
		57,271	44,788
Current assets			
Inventories		**44,100**	35,354
Trade and bills receivables	*(9)*	**316,447**	254,946
Prepayments, deposits and other receivables		**58,460**	21,310
Prepaid lease payments		**289**	–
Amounts due from associates	*(10)*	**31,294**	48,826
Restricted bank balances		**4,858**	11,441
Short-term bank deposits		**–**	65,000
Bank balances and cash		**90,956**	151,615
		546,404	588,492
Current liabilities			
Trade and bills payables	*(11)*	**56,326**	63,270
Receipts in advance		**3,739**	4,600
Accruals and other payables		**44,613**	51,195
Dividend payables		**142**	142
Tax payable		**15,240**	20,053
Bank and other borrowings		**16,800**	40,000
		136,860	179,260
Net current assets		**409,544**	409,232
Net assets		**466,815**	454,020
Capital and reserves			
Share capital		**7,311**	7,311
Reserves		**453,983**	440,660
Equity attributable to owners of the Company		**461,294**	447,971
Non-controlling interests		**5,521**	6,049
Total equity		**466,815**	454,020

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2011

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 P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Island. The address of the principal place of business and headquarters in 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 Room 09-10, 41/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

The shares of the Company have been listed on The Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 28 May 2010.

The condensed consolidated financial statements 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 financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

3. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2011 are the same as those followed in the preparation of the Group's annual financial statement for the year ended 31 December 2010, except as described below.

During the current interim period, the Company has a leasehold land which is classified as prepaid lease payments and an available-for-sale financial asset. The accounting policies in respect of prepaid lease payments and available-for-sale financial asset are as follows:

Leasehold land and buildings under development for future owner-occupied purpose

When the leasehold land and buildings are in the course of development for production or for administrative purposes and the leasehold land component is classified as a prepaid lease payment, the leasehold land is amortised over a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

Financial instrument – available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loan and receivables or held-to-maturity investments.

Available-for sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at the end of the reporting period.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods.

Application of new or revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current interim period, the Group has applied, for the first time, the following new or revised standards and interpretations ("new or revised HKFRSs") issued by the HKICPA.

HKFRSs (Amendments)	Improvements to HKFRSs 2010
HKFRS 1 (Amendments)	Limited Exemptions from Comparative HKFRS 7 Disclosures for First-time Adopters
HKAS 24 (Revised)	Related Party Disclosures
HKAS 32 (Amendments)	Classification of Rights Issues
Hong Kong (International Financial Reporting Interpretation Committee) ("HK (IFRIC)") – Interpretation ("Int") 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments

The application of the above new or revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

HKFRSs issued but not yet effective

The Group has not early applied new or revised standards that have been issued but are not yet effective. The following new or revised standards have been issued after the date the consolidated financial statements for the year ended 31 December 2010 were authorised for issuance and are not yet effective:

HKFRS 10	Consolidated Financial Statements[1]
HKFRS 11	Joint Arrangements[1]
HKFRS 12	Disclosures of Interests in Other Entities[1]
HKFRS 13	Fair Value Measurement[1]
HKAS 1 (Revised)	Presentation of Financial Statements[2]
HKAS 19 (Revised in 2011)	Employee Benefits[1]
HKAS 27 (Revised in 2011)	Separate Financial Statements[1]
HKAS 28 (Revised in 2011)	Investment in Associate and Joint Ventures[1]

[1] *Effective for annual periods beginning on or after 1 January 2013.*

[2] *Effective for annual periods beginning on or after 1 July 2012.*

HKFRS 10 replaces the parts of HKAS 27 – Consolidated and Separate Financial Statements that deal with consolidated financial statements. Under HKFRS 10, there is only one basis for consolidation, that is control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (i) power over an investee, (ii) exposure, or rights, to variable returns from its involvement with the investee, and (iii) ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios. Overall, the application of HKFRS 10 requires a lot of judgement. The application of HKFRS 10 might result in the Group no longer consolidating some of its investees, and consolidating investees that were no previously consolidated.

Other than disclosed above, the directors of the Company anticipate that the application of these five new or revised standards will have no material impact on the results and the financial position of the Group.

4. TURNOVER AND SEGMENT INFORMATION

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

The Group determines its operating segments based on the internal reports reviewed by the executive directors that are used to make strategic decisions.

The Group currently organises its operations into six reportable segments, namely direct current power system ("DC Power System"), distribution of plug and switch system ("PASS") products and other segments which are power monitoring and management equipment, charging equipment for electric vehicles, wind and solar power generating balancing control products and high power light-emitting diode ("LED") lighting products. They represent six major lines of products sold by the Group. The principal activities of the reportable segments are as follows:

DC Power System	–	Sales of DC Power System products
PASS Products	–	Distribution of PASS products
Power Monitoring	–	Sales of power monitoring and management equipment
Charging Equipment	–	Sales of charging equipment for electric vehicles
Wind and Solar Power	–	Sales of wind and solar power generating balancing control products
LED products	–	Sales of high power LED lighting products

The following is an analysis of the Group's revenue and the results by operating segments for the period under review:

Six months ended 30 June 2011

	DC Power System *RMB'000* (unaudited)	**PASS products** *RMB'000* (unaudited)	**Power Monitoring** *RMB'000* (unaudited)	**Charging Equipment** *RMB'000* (unaudited)	**Wind and Solar Power** *RMB'000* (unaudited)	**LED products** *RMB'000* (unaudited)	**Total** *RMB'000* (unaudited)
Segment revenue	**46,852**	**1,180**	**15,445**	**37,198**	**–**	**–**	**100,675**
Segment results	**13,857**	**122**	**5,902**	**16,062**	**–**	**–**	**35,943**
Other revenue							**3,141**
Share of results of associates							**(2,006)**
Unallocated head office and corporate expenses							**(22,541)**
Profit before taxation							**14,537**

Six months ended 30 June 2010

	DC Power System *RMB'000* (unaudited)	PASS products *RMB'000* (unaudited)	Power Monitoring *RMB'000* (unaudited)	Charging Equipment *RMB'000* (unaudited)	Wind and Solar Power *RMB'000* (unaudited)	LED products *RMB'000* (unaudited)	Total *RMB'000* (unaudited)
Segment revenue	51,033	1,582	13,052	15,767	15,752	757	97,943
Segment results	15,495	169	6,957	7,414	6,383	162	36,580
Other revenue							3,547
Share of results of associates							(227)
Fair value change on convertible loan note							(3,956)
Unallocated head office and corporate expenses							(23,452)
Profit before taxation							12,492

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

Segment results represent the profit earned by each segment without allocation of central administrative cost, directors' emoluments, share of results of associates, fair value change on convertible loan note and finance costs. This is the measure reported to the executive directors for the purpose of resource allocation and performance assessment.

The following is an analysis of the Group's assets by operating segment:

	30 June 2011	31 December 2010
	RMB'000	*RMB'000*
	(unaudited)	(audited)
DC Power System	**218,188**	139,969
PASS products	**22,129**	19,648
Power Monitoring	**36,725**	27,512
Charging Equipment	**153,506**	91,300
Wind and Solar Power	**3,112**	32,934
LED products	**2,642**	3,427
Total segment assets	**436,302**	314,790

5. INCOME TAX EXPENSE

	Six months ended	
	30 June 2011	30 June 2010
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Current tax:		
People's Republic of China (the "PRC") Enterprise Income Tax (the "EIT")	**3,692**	3,005
Withholding tax at 5% on the paid dividends from the Group's PRC subsidiary	**2,175**	–
	5,867	3,005

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in, nor is derived from, Hong Kong for the six months ended 30 June 2011 and 2010.

Taxation arising in other jurisdictions is calculated at the rates prevailing in relevant jurisdictions.

The relevant tax rate for the Group's subsidiaries in the PRC was 25% for the six months ended 30 June 2011 and 2010.

Zhuhai Titans Automatic Technology Company Limited ("Titans Automatic"), Zhuhai Titans Technology Co., Ltd. ("Titans Technology") and Zhuhai Titans New Energy Systems Co., Ltd. ("Zhuhai Clear") were established in Zhuhai, the special economic zone, the income tax rates applicable to them was 15% pursuant to the relevant PRC laws in 2007, Titans Technology and Zhuhai Clear were recognised as High and New Technology Enterprises by Department of Science and Technology of Guangdong Province in 2008 and the income tax rate applicable to them is 15% for the six months ended 30 June 2011 and 2010.

Starting from May 2008, Titans Automatic in the PRC is exempted from the PRC income tax for two years starting from their first profit-making year, followed by a 50% reduction for the next three years. Provision for PRC income tax has been made as Titans Automatic was 50% reduction for the six months ended 30 June 2011 and 2010.

6. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after (crediting) charging the following items:

	Six months ended	
	30 June	30 June
	2011	2010
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Amortisation of intangible assets	**188**	188
Depreciation of property, plant and equipment	**1,379**	922
Loss on disposal of property, plant and equipment	**388**	35
Total staff costs	**13,895**	8,222
Operating lease rentals in respect of rented premises	**412**	–
Gain on deemed disposal of interest in an associate *(note 12)*	**(114)**	–
Allowance for doubtful debts (included in administrative expenses)	**520**	–
Interest income	**(602)**	(177)
Value added tax ("VAT") refunds *(Note)*	**(2,159)**	(2,895)

Note:

VAT refunds represent the refund of VAT charged on qualified sales of software products by the PRC tax bureau.

7. DIVIDENDS

Subsequent to the end of the interim period, the directors have determined that an interim dividend of HK$0.03 per share (six months ended 30 June 2010: Nil) will be paid to the owners of the Company.

8. EARNINGS PER SHARE

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

	Six months ended	
	30 June 2011	30 June 2010
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Earnings		
Earnings for the purpose of basic and diluted earnings per share		
Profit for the period attributable to owners of the Company	**9,301**	8,718
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**830,000,000**	627,707,403
Effect of dilutive potential ordinary shares:		
Share options	**5,910,513**	839,632
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**835,910,513**	628,547,035

For the six months ended 30 June 2011, basic earnings per share was RMB1.12 cents (30 June 2010: RMB1.39 cents) per share and diluted earnings per share was RMB1.11 cents (30 June 2010: RMB1.39 cents) per share which were based on the profit for the six months ended 30 June 2011 from the denominators detailed above for basic and diluted earnings per share.

9. TRADE AND BILLS RECEIVABLES

The following is an aged analysis of trade receivables presented based on the invoice date net of allowance for doubtful debts at the end of the reporting period:

	30 June 2011	31 December 2010
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Trade receivables		
0 – 90 days	**106,314**	128,489
91 – 180 days	**6,915**	17,234
181 – 365 days	**138,222**	55,876
1 – 2 years	**57,189**	39,081
2 – 3 years	**7,807**	10,966
	316,447	251,646
Bills receivables	**–**	3,300
	316,447	254,946

All of the bills receivables were aged within 90 days.

The Group allows an average credit period of 90 days to its trade customers counted from the due date of each of their installment payments pursuant to the sales contracts. Installment payments are separate 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 which is twelve to eighteen months after the installation and testing.

10. AMOUNTS DUE FROM ASSOCIATES

The following is an aged analysis of amounts due from associates presented based on the invoice date at the end of the reporting period:

	30 June 2011	31 December 2010
	RMB'000	*RMB'000*
	(unaudited)	(audited)
0 – 90 days	**329**	39,326
91 – 180 days	**–**	–
181 – 365 days	**30,965**	–
	31,294	39,326

The amounts due from associates are unsecured, interest-free and trading in nature. As at 31 December 2010, the remaining amounts due from associates of approximately RMB9,500,000 (30 June 2011: nil) were unsecured, interest-free and repayable on demand.

The Group allows an average credit period of 90 days to its associates.

The Group's amounts due from associates mainly represent the sales made to Beijing HuaShang Clear New Energy Technology Co., Ltd. and Beijing New Clear Energy Equipment Co., Ltd.

11. TRADE AND BILLS PAYABLES

The following is an aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period:

	30 June 2011 *RMB'000* **(unaudited)**	31 December 2010 *RMB'000* (audited)
Trade payables		
0 – 90 days	**46,554**	47,537
91 – 180 days	**3,135**	2,344
181 – 365 days	**2,564**	452
1 – 2 years	**551**	1,608
Over 2 years	**202**	–
	53,006	51,941
Bills payables	**3,320**	11,329
	56,326	63,270

The average credit period on purchases of goods is 90 days.

12. DEEMED DISPOSAL OF INTEREST IN AN ASSOCIATE

On 4 May 2011, an independent third party had injected RMB15,000,000 into the Group's associate, Henan Longyuan New Energy Equipment Co., Ltd ("Henan Longyuan"), as equity investment. As a result, the Group's equity interest in Henan Longyuan, was diluted from 26.00% to 10.40% and Henan Longyuan became an available-for-sale financial asset of the Group.

Gain arising from this deemed disposal of interest in Henan Longyuan amounted to approximately RMB114,000.

13. CONTRIBUTION OF ADDITIONAL EQUITY INTEREST IN A SUBSIDIARY

During the six months ended 30 June 2011, Jiangyin Titans High Voltage Electric Co., Ltd. ("Jiangyi Titans") increased the registered share capital from the contribution of the Group for approximately RMB19,573,000. The Group's equity interest in Jiangyin Titans increased from 51.00% to 90.03%.

14. PLEDGE OF ASSETS

At 30 June 2011, the Group's leasehold land and buildings with carrying values of approximately RMB7,336,000 (31 December 2010: RMB7,676,000) were pledged to secure bank borrowings and other facilities.

Pursuant to an agreement, Titans Technology, a subsidiary of the Group, pledged trade receivables of approximately RMB11,509,000 (31 Decmeber 2010: RMB11,509,000) for credit facilities of RMB38,400,000 (31 Decmeber 2010: RMB38,400,000) granted to Titans Technology from a bank.

Pursuant to an agreement entered into between Titans Technology and 珠海市中小企業信用擔保有限公司 on 10 March 2010, Titans Technology placed second pledge on land and buildings and pledged RMB500,000 refundable deposits as securities for its guarantee given to 珠海市中小企業信用擔保有限公司 for credit facilities of RMB5,000,000 granted to Titans Technology as at 31 December 2010. The pledge has been released during the six months ended 30 June 2011.

15. DEFERRED TAXATION

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the condensed consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to approximately RMB171,140,000 (31 December 2010: RMB210,769,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

16. OPERATING LEASE COMMITMENTS

The Group as a lessor

Property rental income earned during six months ended 30 June 2011 and 2010 were approximately RMB24,000 and approximately RMB24,000 respectively.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease receipts:

	30 June 2011	31 December 2010
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Within one year	**–**	30

The Group as a lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follow:

	30 June 2011	31 December 2010
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Within one year	**1,620**	930
In the second to fifth year inclusive	**1,696**	768
	3,316	1,698

Operating lease payments represent rentals payable by the Group for certain of its offices and workshops. Leases are negotiated for an average of two (31 December 2010: two) years and rentals are fixed for one (31 December 2010: one) year for the six months ended 30 June 2011.

17. CAPITAL COMMITMENTS

	30 June 2011 *RMB'000* **(unaudited)**	31 December 2010 *RMB'000* (audited)
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	**35,950**	28,667
Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for	**–**	12,800

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

For the six months ended 30 June 2011, the Group recorded a turnover of RMB100,675,000, representing an increase of 2.79% over that of the corresponding period last year. Turnover was mainly derived from the Group's principal business including the sale of a series of products including electrical direct current ("DC") products, charging station equipment for electric vehicles and power grid monitoring and management products. The table below shows the turnover of our different series of products for the six months ended 30 June 2010 and 2011.

	Six months ended 30 June			
	2011		2010	
	RMB'000	*%*	*RMB'000*	*%*
Electrical DC products	**46,852**	**46.54**	51,033	52.10
Power grid monitoring and management products	**15,445**	**15.34**	13,052	13.33
Charging equipment for electric vehicles	**37,198**	**36.95**	15,767	16.10
Wind and solar power generation balancing control systems	**–**	**–**	15,752	16.08
High-power LED lighting products	**–**	**–**	757	0.77
PASS products	**1,180**	**1.17**	1,582	1.62
Total	**100,675**	**100.00**	97,943	100.00

The Group recorded a total profit attributable to shareholders of RMB9,301,000 for the six months ended 30 June 2011, representing an increase of RMB583,000 or 6.69% over RMB8,718,000 of the corresponding period in 2010.

Electrical DC products

Our electrical DC products constitute our major line of products and major source of revenue. This product line includes high frequency switch DC power supply systems, high frequency switch communication power supply systems and uninterruptible power supply ("UPS") equipment. Our electrical DC products are primarily supplied to and used by power plants and transforming stations (including those owned by local governments and power companies) as well as other companies which consume a high level of energy, such as railways, petrochemical plants, enterprises in the coal and metallurgy sectors in the PRC. For the six months ended 30 June 2011, turnover of electrical DC products amounted to RMB46,852,000 (for the six months ended 30 June 2010: RMB51,033,000), representing a decrease of approximately 8.19%. The Directors consider that the change was as result of fluctuations in market demands.

Charging equipment for electric vehicles

We supplied charging equipment for electric vehicles to major customers including power grid corporations and other governmental or commercial institutions. This is a major product series which our Group develops and invests. For the six months ended 30 June 2011, turnover of our charging equipment for electric vehicles amounted to RMB37,198,000 (for the six months ended 30 June 2010: RMB15,767,000), representing a growth of approximately 135.92%. Currently, the construction of domestic charging stations for electric vehicles is developing towards a favorable market direction, and our charging equipment for electric vehicles has been put into use in a number of key projects in the PRC, and this has gained us a sound market position and reputation in the industry, especially among the power grid companies. The Directors consider that the growth in turnover of this product series is in line with our expectation and will become another significant profit source of the Group.

Power grid monitoring and management products

For the six months ended 30 June 2011, our sales of power grid monitoring and management products amounted to RMB15,445,000 (for the six months ended 30 June 2010: RMB13,052,000), representing an increase of 18.33%. The Directors consider that the growth in sales of such product is in line with our expectation. During the reporting period, we mainly focused on the research and development, and improvement of the technology of this product. Along with the promotion and application of the new technologies in the market, sales of our power grid monitoring and management products would achieve a faster growth.

Wind and solar power generation balancing control products

For the six months ended 30 June 2011, our wind and solar power generation balancing control products did not achieve any sales (for the six months ended 30 June 2010: RMB15,752,000). During the reporting period, we mainly worked on the further research and development of this product series and reduced investments in its marketing. The Directors consider that the market of this product will be expanded along with the continuous improvement of our product technology and enhancement in market operation.

High-power light-emitting diode ("LED") lighting products

For the six months ended 30 June 2011, our high-power LED lighting products did not achieve any sales (for the six months ended 30 June 2010: RMB757,000). Owing to the relative lower gross profit margin of this product series, non-regulated market practice and intensifying competition, no new resource was invested in this product series after adjusting our product strategies.

Plug and switch system ("PASS") products

The sales of PASS products decreased by 25.41% to RMB1,180,000 for the six months ended 30 June 2011 from RMB1,582,000 for the corresponding period in 2010. It is not the Group's main operating business. We still make timely adjustment to the corresponding market strategies based on market demand and our available resources.

Below are some of our major operating activities in the first half year of 2011:

In the first half year of 2011, we leased a plant with an area of 9,110 square meters in Zhuhai City High-tech Enterprise Zone which had been put into use. This would guarantee our production capacity requirements in the next 2 to 3 years. At the same time, we are still planning to acquire a piece of land in Hengqin New Area, Zhuhai (珠海橫琴新區) to build our headquarters and research and development base. In view of the future positioning of Hengqin New Area which is more suitable for our headquarters, we will identify new land areas in Zhuhai and other regions to build the Group's production base. Currently, we had already acquired a parcel of land with an area of 38,770 square meters in Jiangyin City, Jiangsu Province.

In the first half year of 2011, we continued to increase our investments in research and development to maintain our leading position in technology development. Taking into account of the geographical advantages of our research and development personnel, our Shenzhen Research Institute and Hefei Research Institute (being our branch research and development centres) have been established and put into operation during the reporting period. During the reporting period, we signed a cooperation agreement with colleges and institutes like Hefei University of Technology. At the same time, we enhanced our efforts in recruiting and nourishing research and development personnel. The above measures ensured the Group in accomplishing results in the technologies of battery charging for electric vehicles, power grid monitoring and other new products and new technologies in first half year of 2011. From 1 January 2011 to the date of this announcement, 18 patents applications that we submitted have been accepted for processing, and 7 computer software copyrights have been granted.

In the first half year of 2011, we increased our investments in sales and marketing, especially in the sales and services of new products like charging equipment for electric vehicles and power grid monitoring and management products. We set up specialized representative offices in Beijing, Shandong, Henan, etc. to strengthen our staff force with a view to ensuring growth in the sales of new products.

In the first half year of 2011, we further strengthened our internal management. In May this year, our Office Automation ("OA") system was officially launched. We are also implementing the Product Life Cycle Management ("PLM") management system which emphasizes on research and development. In addition, we are implementing internal process streamlining and project management. The Directors believe that an excellent organizational operation mechanism will secure rapid enhancement of our core competence.

In the second half of 2011, the Group will focus its business on:

(1) enhance sales efforts. In the first half of 2011, sales of electrical DC products were affected by market demand fluctuations. However, our Group considers that the overall market demand for this series of products is stabilizing. In the second half of 2011, the Group will increase its effort in the sale of this product and strive to ensure an annual growth in the sale of this product series. As for the new products such as charging equipment for electric vehicles, the Group will seize the current good market opportunities, and continue to increase its market share.

(2) increase efforts in research and development. After the listing of the Compnay's shares on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 May 2010 (the "Listing"), the Group had made preliminary improvements on the Group's research and development mechanism through nearly one year of efforts. The research and development capability of the Group has improved further. The Directors believe that the research and development of the Group's key technology, improvement and launching of new products will be accelerated.

(3) further improve our production management. Building on the newly-leased manufacturing base, we will rapidly increase our production capacity and product quality, and control our production costs by enhancing production process management.

In view of the above, the Group considers that, although the Group's overall growth rate was not high in the first half of 2011, the market position of its electrical DC products still remained intact, whilst charging equipment for electric vehicles and other products achieved a fast development. The Group's research and development capability and market development capacity also attained a considerable improvement as compared to those before the Listing. The Group's new production base was put into operation. These factors will lay a sound foundation for the Group's operations in the second half of 2011. Moreover, the PRC still provides strong supports to the national electricity and new energy industries in terms of policies and will continue to invest in the above industries. The Directors believe, through our efforts, the operations of the Group will achieve a better performance in the second half of 2011.

Result analysis

Turnover

	Six months ended 30 June	
	2011	2010
	RMB'000	*RMB'000*
Turnover		
Electrical DC products	**46,852**	51,033
Power grid monitoring and management products	**15,445**	13,052
Charging equipment for electric vehicles	**37,198**	15,767
Wind and solar power generation balancing control products	**–**	15,752
High-power LED lighting products	**–**	757
PASS products	**1,180**	1,582
Total	**100,675**	97,943

For the six months ended 30 June 2011, the Group recorded a consolidated turnover of approximately RMB100,675,000, representing an increase of approximately 2.79% as compared to approximately RMB97,943,000 for the corresponding period in 2010. Such increase was mainly due to the changes in the sales of our products as described above. As compared to the corresponding period in 2010, sales of our charging equipment for electric vehicles increased by 1.36 times for the six months ended 30 June 2011, sales of power grid monitoring and management products increased by 18.33%.

Gross profit margin and gross profit

The Group's gross profit increased by approximately RMB6,527,000 for the six months ended 30 June 2011 to approximately RMB51,585,000 from approximately RMB45,058,000 for the corresponding period in 2010. Sales of our electrical DC products contributed approximately RMB21,136,000 to our gross profit, whereas, sales of charging equipment for electric vehicles, power grid monitoring and management products contributed gross profit of approximately RMB21,841,000 and RMB8,302,000 respectively for the six months ended 30 June 2011. Gross profit from our sales of PASS products amounted to approximately RMB306,000 for the six months ended 30 June 2011. We will endeavour to enhance and improve the technology of our products in order to maintain our competitiveness and gross profit margin.

Gross profit margin of respective reportable segments

	Six months ended 30 June	
	2011	2010
Segment		
Electrical DC products	**45.11%**	44.23%
Power grid monitoring and management products	**53.75%**	56.78%
Charging equipment for electric vehicles	**58.72%**	49.16%
Wind and solar power generation balancing control products	**–**	42.65%
High-power LED lighting products	**–**	27.07%
PASS products	**25.87%**	25.48%

The Group's overall gross profit margin increased to approximately 51.24% for the six months ended 30 June 2011 from approximately 46.00% for the corresponding period in 2010, but decreased by approximately 2.66% as compared to approximately 53.90% for the year ended 31 December 2010.

The gross profit margin of our electrical DC products for the six months ended 30 June 2011 increased marginally by 0.88% which basically maintained the level in the corresponding period in 2010.

The gross profit margin of our power grid monitoring and management products for the six months ended 30 June 2011 decreased by 3.03%. This was attributable to the gradually maturing market of this product sales.

The gross profit margin of our charging equipment for electric vehicles for the six months ended 30 June 2011 increased by 9.56%, which was mainly attributable to the continuous improvement of product technology, and the promotion and applications of new product technology and product range.

The gross profit margin of distribution of PASS products for the six months ended 30 June 2011 increased slightly by 0.39% over the corresponding period last year, which was attributable to the relatively steady gross profit margin of the sales of ancillary PASS products.

Selling and distribution expenses

Selling and distribution expenses increased significantly by approximately RMB7,164,000, or 84.50% from approximately RMB8,478,000 for the six months ended 30 June 2010 approximately RMB15,642,000 for the first half year of 2011. The significant increase is primarily due to, among other factors, (1) an increase in sales staff by the Group and an increase in their salaries and wages, and retirement benefit contribution of approximately RMB2,210,000 during the reporting period; (2) an increase in sales-related traveling, office and entertainment expenses of approximately RMB1,780,000; (3) an increase in material consumed, transportation charge, installation testing and maintenance fee relating to sales and after-sales services of approximately RMB2,450,000; (4) an increase in tender related expenses of approximately RMB240,000; and (5) an increase in sundry and other expenses of approximately RMB484,000.

Administrative expenses

Administrative expenses significantly increased by approximately RMB7,144,000, or 49.16%, from approximately RMB14,531,000 for the six months ended 30 June 2010 to approximately RMB21,675,000 for the first half of 2011. Such significant increase was primarily a result of (1) an increase in equity settled share-based payments of approximately RMB3,140,000 in respect of the share options granted pursuant to the pre-IPO share option scheme of the Company adopted on 8 May 2010 (the "Pre-IPO Share Option Scheme") and the new share options granted on 17 February 2011 pursuant to the share option scheme of the Company adopted on 8 May 2010 (the "Share Option Scheme"); (2) an increase in additional expenses on hiring professional institutions or other professionals after the Company's Listing amounting to approximately RMB1,080,000; (3) an increase in administration and research staff and their salaries and wages, and retirement benefit contributions of approximately RMB2,370,000 during the reporting period; (4) an increase in research and development expenses of approximately RMB1,270,000; (5) an increase in loss from the disposal of fixed assets, provision on trade receivables and depreciation of approximately RMB1,450,000; (6) an increase in sundry and other expenses of approximately RMB620,000; whilst there were (7) a decrease in exchange loss of approximately RMB1,748,000; and (8) a decrease in non-sales related office, entertainment, meeting, travelling and maintenance expenses of approximately RMB1,040,000.

Other expenses

There were no other expenses for the six months ended 30 June 2011 (for the six months ended 30 June 2010: RMB8,054,000).

Fair value loss on the convertible note

During the reporting period, the Group has not issued any convertible note and did not have any outstanding convertible note and thus has not generated any loss in fair value of convertible notes (for the six months ended 30 June 2010: RMB3,956,000).

Profit attributable to owners of the Company

The Group recorded a profit attributable to owners of the Company of RMB9,301,000 for the six months ended 30 June 2011 as compared to RMB8,718,000 for the corresponding period in 2010 with an increase of 6.69%.

For the six months ended 30 June 2011, profit attributable to the owners of the Company did not achieve a substantial increase over the corresponding period of 2010. This was mainly due to additional expenses incurred in relation to the expansion of the Group's production capacity, recruitment of a large amount of additional employees and the Listing of the Company. The Group strongly believes that we will be able to achieve better performance and returns to shareholders and investors of the Company after the recruitment of additional staff and expansion of our production capacity.

Basic earnings per Share and diluted earnings per Share for the period were RMB1.12 cents and RMB1.11 cents respectively whilst the basic and diluted earnings per Share for the corresponding period in 2010 were RMB1.39 cents and RMB1.39 cents respectively. The decrease in the basic earnings per Share and diluted earnings per Share over the corresponding period was due to the increase in the computated number of shares in issue.

Employees and remuneration

As at 30 June 2011, the Group had 515 employees (as at 30 June 2010: 367). The remuneration paid to our employees and 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 a retirement benefit scheme and medical insurance. The Group also makes contributions to the retirement funds in compliance in all material respects with the requirements of the laws and regulations of the jurisdictions where it operates.

All PRC-based employees are entitled to participate in the social insurance operated by the Ministry of Labour and Social Security, the premium in respect of which is undertaken between the Group and the employees based on percentages fixed by relevant PRC laws.

The Group and its employee in Hong Kong contribute to the mandatory provident fund in accordance with the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and relevant requirements.

The Pre-IPO Share Option Scheme was adopted on 8 May 2010 and options carrying rights to subscribe for a total of 23,920,000 Shares were granted to 53 employees of the Group, including the two executive Directors, under the Pre-IPO Share Option Scheme. The purpose of the Pre-IPO Share Option Scheme is to recognise the contribution of and to provide incentives to eligible persons (including employees, officers, agents, consultants or representatives and sales partners of the Group) who has contributed or will contribute to the Group. For the six months ended 30 June 2011, under the Pre-IPO Option Scheme, 200,000 share options lapsed as a result of the departure of one employee, 23,720,000 share options remained outstanding at the date of this announcement.

The Share Option Scheme was adopted on 8 May 2010. The purpose of the Share Option Scheme is to provide incentives to the eligible persons (including, inter alia, employees, officers, agents, consultants or representatives of any members of the Group (including any executive or non-executive director of any member of the Group)) for their contribution to the Company and to enable the Company to recruit and retain high-calibre employees and attract and retain human resources that are valuable to the Group. On 17 February 2011, the Company published an announcement relating to the grant of share options where 19,430,000 share options were granted to 61 employees of the Group on the same day pursuant to the Share Option Scheme. During the six months ended 30 June 2011, 180,000 share options lapsed, as a result of the departure of the above employee, pursuant to the Share Option Scheme. At the date of this announcement, 19,250,000 share options remained outstanding under the Share Option Scheme.

Liquidity, Financial Resources and Capital Structure

The Group generally finances its operation through internal resources, and bank and other borrowings. As at 30 June 2011, the Group had cash and cash equivalents of approximately RMB90,956,000 (as at 31 December 2010: approximately RMB216,615,000).

The net current assets as at 30 June 2011 were approximately RMB546,404,000 (as at 31 December 2010: approximately RMB588,492,000).

The Group did not held any significant financial investment during the six months ended 30 June 2011 save for any currency held.

Bank and other borrowings

As at 30 June 2011, the total bank and other borrowings amounted to approximately RMB16,800,000 (as at 31 December 2010: approximately RMB40,000,000), all of which were secured loans (as at 31 December 2010: approximately RMB10,000,000). There was no unsecured loan (as at 31 December 2010: approximately RMB30,000,000). Secured bank loans as at 30 June 2011 were subject to variable interest rates ranging from 5.73% to 7.25% per annum. The Group recorded a decrease of approximately RMB23,200,000 in total bank and other borrowings for the six months ended 30 June 2010. This decrease was mainly due to the transfer of the funds raised from the Listing of the Company (the "Funds") to the Group's bank accounts in the PRC which provide sufficient funding for the purchases of production equipment and payments of research and development and marketing expansion expenses, and thereby reduced the Group's requirements of bank and other borrowings.

As at 30 June 2011, the Group's current ratio (current assets divided by current liabilities) was 3.99 as compared with 3.28 as at 31 December 2010, and the gearing ratio (borrowings divided by total assets x 100%) was 2.78% as compared with 6.31% as at 31 December 2010.

Trade receivables

As at 30 June 2011, the Group recorded trade and bills receivables (net of allowance) of approximately RMB316,447,000 (as at 31 December 2010: approximately RMB254,946,000). The Group has made an additional specific doubtful debts provision of RMB520,000 for trade and bills receivables during the first six months of 2011 (for the six months ended 30 June 2010: Nil; for the year ended 31 December 2010: RMB2,961,000). As at 30 June 2011, the amount of allowance made against the Group's trade receivables amounted to RMB13,951,000.

The table below sets out the ageing analysis of the trade and bills receivables (net of allowance for doubtful debts) as at 30 June 2011.

	30 June 2011	31 December 2010
	RMB'000	*RMB'000*
Trade receivables		
Within 90 days	**106,314**	128,489
91 days to 180 days	**6,915**	17,234
181days to 365 days	**138,222**	55,876
Over 1 year to 2 years	**57,189**	39,081
Over 2 years to 3 years	**7,807**	10,966
	316,447	251,646
Bills receivables	**–**	3,300
	316,447	254,946

Trade receivables for the six months ended 30 June 2011 were increased. This was mainly due to that the Group has not factored any trade receivables to banks during the reporting period, whilst it sold trade receivables amounting to RMB49,596,000 to banks in 2010.

As stated in the prospectus of the Company dated 18 May 2010, although, for accounting purposes, we recognise our sales and trade receivables upon delivery of our products to the customers, our customers may not be obliged to pay us immediately. Our customers are only required to pay us the purchase prices pursuant to the terms of the sales contracts, which are likely to be by stages after delivery of products. Pursuant to the terms of the sales contracts, we may require the payment of a deposit of approximately 10% of the total contract value to be paid after signing of the contract and 80% of the contract sum to become due and payable after our products have been delivered, satisfactorily installed and tested. Customers will sign confirmations after delivery of our products to them and after our products have been satisfactorily installed and tested. It is normally stipulated that the balance of 10% will be withheld, being retention money as a form of product performance surety, and be paid to the Group after 12 to 18 months upon on-site installation and satisfactory testing provided that the Group's equipment performs properly. In our sales contracts, an average credit period of around 30 to 90 days may be given to our customers from the due date of each installment payment as described above in this paragraph (including the initial deposit payments, the payments due after installation and testing and the payments of retention money).

We consider that longer trade and bills receivables turnover days and the high 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 and the due dates of the trade receivables; and (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.

Whilst we believe it is a special nature 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 of the Group

As at 30 June 2011, the Group's leasehold land and buildings with carrying values of approximately RMB7,336,000 (31 December 2010: RMB7,676,000) were pledged to secure bank borrowings and other facilities.

Pursuant to an agreement, Zhuhai Titans Technology Co., Ltd, a subsidiary of the Company, pledged trade receivables of approximately RMB11,509,000 (2010: RMB11,509,000) for credit facilities of RMB38,400,000 (2010: RMB38,400,000) granted to Zhuhai Titans Technology Co., Ltd from a bank.

Pursuant to an agreement entered into between Zhuhai Titans Technology Co., Ltd and an independent guarantee company on 10 March 2010, Zhuhai Titans Technology Co., Ltd placed a second pledge on land and buildings and pledged RMB500,000 refundable deposits as securities for its guarantee given to such guarantee company for credit facilities of RMB5,000,000 granted to Zhuhai Titans Technology Co., Ltd as at 31 December 2010. The pledge has been released during the six months ended 30 June 2011.

Capital Commitments and Contingent Liabilities

As at 30 June 2011, the Group had capital expenditure contracted for but not provided in the consolidated financial statements in respect of the acquisition of property, plant and equipment of approximately RMB35,950,000. Apart from that, The Group had no capital expenditure authorised but not contracted for in respect of the acquisition of property, plant and equipment.

As at 30 June 2011, the Group had no contingent liabilities.

Future Business Prospect and Plans

Currently, the Group considers that there will continue to be a stable trend for the PRC to maintain its supporting policy on the power and new energy industry, and capital injection. The Group is still facing a flourishing market environment. In view of the aforesaid, the Group will mainly strive to increase its investments in marketing. Whilst continuing to maintain investments in the marketing and promotion of new products including charging equipment for electric vehicles, the Group will increase its investments in electrical DC products series in the second half of 2011 in order to maintain and enhance its market share of this product series.

With respect to research and development, the Group will continue to maintain its existing investment momemtum. Currently, the Group has basically completed the construction of its research and development team structure. As the next step, the Group will focus on the following aspects: first, to strengthen the training and enhance the ability of the existing research and development personnel; secondly, to improve the research and development conditions in terms of software and hardware, complement, acquire advanced research and development and testing equipment, and strive to complete the construction of the electromagnetic compatible ("EMC") testing center in the second half of 2011; thirdly, to enhance the management in research and development with a view to improving its efficiency and quality and saving costs. In the second half of 2011, the Group will strive to complete the on-line operation of the PLM management system.

With respect to production capacity, the Group is able to satisfy its short-term production capacity requirements by way of lease. However, in the long run, the Group still needs to acquire land to build its production base. In the second half of 2011, the Group will plan for the construction of the production base for a land in Jiangyin which the Group has acquired.

One of the Group's major tasks is to strengthen its internal management. In the second half of 2011, the Group will carry out various measures, like process management, project management and comprehensive budget management in order to improve its overall management efficiency

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 results are expressed in Renminbi, whereas dividends on the Shares, if any, will be paid in Hong Kong dollars. Thus, any fluctuation of Renminbi could affect the value of the Shares. In accordance with the arrangement of the Group, the fund raised from the Listing has been converted or exchanged into Renminbi and has been transferred into its bank accounts in the PRC. During the reporting period, the Group recorded an exchange loss of approximately RMB176,000 (the corresponding period in 2010: loss of approximately RMB1,924,000). As at 30 June 2011, the Group had no hedging arrangement in place with respect to foreign currency exchange.

The Group adopted a conservative 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 invest in any financial securities or foreign exchange (except for business purposes) for the six months ended 30 June 2011. Our accounts department projects monthly cash receipts and plans for cash payments based on the information provided by our marketing management and support team regarding the progress on the customers' projects and relevant payment plans. Our accounts department then plans for cash payments based on the projections.

MAJOR LITIGATION AND ARBITRATION PROCEEDINGS

The Group had no major litigation or arbitration during the six months ended 30 June 2011.

INTERIM DIVIDEND

The Board proposed an interim dividend of HK$0.03 per share in cash for the six months ended 30 June 2011. It is expected that the dividend will be distributed on or about Friday, 21 October 2011 to those shareholders whose names appear on the Company's register of members on 16 September 2011.

The register of members of the Company will be closed from Wednesday, 14 September 2011 to Friday, 16 September 2011, both days inclusive, during which no transfer of shares will be made. In order to qualify for the interim dividend, all transfer forms completed, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m., Monday, 12 September 2011.

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 2011.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

On 4 May 2011, an independent third party had injected RMB15,000,000 into the Group's then associate, Henan Longyuan New Energy Equipment Co., Ltd. ("Henan Longyuan"), as equity investment. As a result, the Group's equity interests in Henan Longyuan were diluted from 26.00% to 10.40% and the Group's investment in Henan Longyuan was treated as an available-for-sale financial asset of the Group.

During the six months ended 30 June 2011, Jiangyin Titans High Voltage Electric Co., Ltd. ("Jiangyin Titans") increased its registered share capital by approximately RMB19,573,000 from the contribution of the Group. The Group's equity interests in Jiangyin Titans then increased from 51.00% to 90.03%.

CORPORATE GOVERNANCE

The Company has adopted all the code provisions in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its own code on corporate governance practices. During the six months ended 30 June 2011, the Company has complied with the code provisions set out in the Code and there have been no material deviations from the Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding director's securities transactions. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standards as set out in the Model Code during the six months ended 30 June 2011.

REVIEW BY AUDIT COMMITTEE

The audit committee has reviewed and discussed with the management regarding the Company's interim financial information and interim results for the six months ended 30 June 2011.

PUBLICATION OF THE INTERIM RESULT AND REPORT

This announcement is published on the Stock Exchange's website (http://www.hkexnews.hk) and the Company's website (http://www.titans.com.cn). The interim report of the Company for the six months ended 30 June 2011 containing all information required by the Listing Rules will be dispatched to shareholders of the Company and made available on the above websites in due course.

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

Hong Kong, 29 August 2011

As at the date of this announcement, the Board comprises two executive Directors, namely Li Xin Qing and An Wei; and three independent non-executive Directors, namely Li Wan Jun, Li Xiao Hui and Yu Zhuo Ping.