

< Back

Gowin New Energy Grp - Audited Annual Results year ended 31 December 2016 London Stock Exchange  
RNS Number : 7169G  
Gowin New Energy Group Limited  
31 May 2017

31  
May  
2017

**Gowin New Energy Group Limited**  
**("Gowin" or the "Company")**

**Audited Annual Results for the year ended 31 December 2016**

Gowin New Energy Group Limited is delighted to report its audited annual results for the twelve months ended 31 December 2016.

**Chairman's statement**

**Business Overview**

The principal activity of Gowin New Energy Group Limited ("the Group") is research and development, outsourcing production and sales of LED lighting products in China and abroad, with focus on general lighting and backlighting. The financial year 2016 for the Group including its subsidiaries was a year of continued restructuring and business development with long term sustainability in mind. The results clearly show the ordinary course of LED lighting sales continued to be very slow. Since the Variable Interest Equity ("VIE") contracts were terminated with Yichia Optoelectronics Technology Co., Ltd ("Yichia Opto") in 2015, the subsidiary Gowin New Energy Holdings Limited ("Holdings") serves no purpose. Consequently, the winding-up process of Holdings was approved by the Board in 2016 and is currently being completed. Upon completion of both the winding-up processes of Holdings and Yichia Opto, the Group's investments in those entities also cease providing for simpler management and the elimination of the losses that had accumulated over a number of years.

Regarding the Group's business strategy, its focus has consistently been on LED operations and sales, including after the VIE contract termination with Yichia Opto in 2015, but it is evidential that sales performance has been below target for reasons to do with the market and lack of human and financial resources to engage effectively. Therefore, the Board has been working diligently reviewing its investment opportunity options, for the benefit of the long term. The Group continues to value its position as a publicly listed company on NEX. The Directors continue to evaluate business opportunities for the Group aiming to increase

value for shareholders, announcements about which will be made when preparations are complete. As explained in the Group's Interim Results for the six months ended 30 June 2016, one of the opportunities being evaluated is a relationship with TAIWAN THICK-FILM INDUSTRIES CORP. ("TTFI"). TTFI's principal activity is production and sales of LED and Back Light Module products, a similar business to the Group. TTFI is listed on the Taipei Stock Exchange and is profitable.

### **Financial Position**

The Group will concentrate on achieving returns through its LED business subsidiaries and from associated investment returns. The Group intends to attract capital and make cash investments in other businesses. CEO Mr. Chen Chih-Lung has signed a pledge letter promising to support the Group's working capital needs as necessary, such that the Group does not anticipate any working capital or going concern issues in the foreseeable future.

### **Business Outlook and Conclusion**

The Board will continue to examine opportunities to grow in the LED industry in 2017. As already expressed, CEO Mr. Chen Chih-Lung has made a commitment to the Group to provide financial assistance for any additional working capital requirements needed, thus providing for a brighter future for the Group.

The Directors look forward to the coming year with confidence.

### **Events After Reporting Date**

On 7 February 2017, the Group conducted an AGM. Six ordinary resolutions and three special resolutions were passed unanimously. In particular, special resolution 9 provided for the approval of the Capital Reduction of Gowin New Energy Group Limited, as explained in the Notice of the Annual General Meeting published for all shareholders on 15 January, 2017.

The Board highly appreciates all the support from our shareholders. Though the post VIE restructuring period has been difficult, the Board is confident it is taking the right actions to prepare for a sustainable future. Additionally, on the behalf of the Board, I wish to sincerely thank our hard working employees for their efforts and results.

**Garry Willinge**  
**Non-Executive Chairman**  
**31 May 2017**

**The directors of Gowin New Energy Group Limited accept responsibility for this announcement.**

For further information please visit [www.gowinyichia.com](http://www.gowinyichia.com)  
(<http://www.gowinyichia.com>) or contact the following:

Garry Willinge 9972 Gowin New Energy Group Limited +852 9100

David Scott / James Dewhurst 7448 9820 Alexander David Securities Limited +44 20

**GOWIN NEW ENERGY GROUP LIMITED  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 RMB'000	2015 RMB'000
<b>Continuing Operations</b>			
Revenue	6	28	652
Cost of sales	10	(26)	(632)
<b>Gross profit</b>		<b>2</b>	<b>20</b>
Administrative expenses	10	(7,232)	(9,248)
Impairment of trade receivables	15	-	(410)
Other income	9	-	105
<b>Operating loss</b>		<b>(7,230)</b>	<b>(9,533)</b>
Finance income	8	354	-
Finance cost	9	(59)	(15)
Provision on amount due from equity holder	15	-	(20,941)
<b>Loss before tax from continuing operations</b>		<b>(6,935)</b>	<b>(30,489)</b>
Tax	11	-	-
<b>Loss for the year from continuing operations</b>		<b>(6,935)</b>	<b>(30,489)</b>
<b>Discontinued operations</b>			
Loss from discontinued operations		-	(23,011)
<b>Loss for the year attributed to equity holders of the parent</b>		<b>(6,935)</b>	<b>(53,500)</b>

Other Comprehensive Income		-	-
<b>Total Comprehensive Income for the year attributable to owners of the parent</b>		<b>(6,935)</b>	<b>(53,500)</b>
<b>Earnings per share expressed in RMB per share</b>			
Basic and diluted earnings per share for the year attributable to equity holders of the parent	12	<b>(0.01)</b>	<b>(0.12)</b>
<b>Earnings per share for continuing operations expressed in RMB per share</b>			
Basic and diluted earnings per share for continuing operations for the year attributable to equity holders of the parent	12	<b>(0.01)</b>	<b>(0.07)</b>

**GOWIN NEW ENERGY GROUP LIMITED  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2016**

		Note	
		31 December 2016	31 December 2015
		RMB'000	RMB'000
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Trade and other receivables	15	33,096	6,532
Cash and cash equivalents	16	2,079	1,309
		<b>35,175</b>	<b>7,841</b>
<b>TOTAL ASSETS</b>		<b>35,175</b>	<b>7,841</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17	(18,821)	(17,052)
		<b>(18,821)</b>	<b>(17,052)</b>
<b>TOTAL LIABILITIES</b>			

<b>NET ASSETS</b>		<b>16,354</b>	<b>(9,211)</b>
<hr/>			
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>			
Share capital	18	77,071	44,571
Share premium		19,989	19,989
Retained earnings		(80,706)	(73,771)
		<b>16,354</b>	<b>(9,211)</b>
<hr/>			

The Consolidated Financial Statements were approved by the board of Directors and authorised for issue on 31 May 2017 and were signed on its behalf by:

Garry Willinge	Chen Chih-Lung
Director	Director

**GOWIN NEW ENERGY GROUP LIMITED  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Attributable to owners of the parent				
	Share capital (Note 18)	Share premium	Reverse acquisition reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance at 1 January 2015</b>	<b>34,571</b>	<b>14,677</b>	<b>(10,049)</b>	<b>(10,222)</b>	<b>28,977</b>
Loss for the year	-	-	-	(53,500)	<b>(53,500)</b>
Other comprehensive income for the year	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>(53,500)</b>	<b>(53,500)</b>
<b>Total transactions with owners, recognised directly in equity</b>					
Issue of shares	10,000	5,312	-	-	<b>15,312</b>
Reallocation	-	-	10,049	(10,049)	-

<b>Balance as at 31 December 2015</b>	<b>44,571</b>	<b>19,989</b>	<b>-</b>	<b>(73,771)</b>	<b>(9,211)</b>
Loss for the year	-	-	-	(6,935)	<b>(6,935)</b>
Other comprehensive income for the year	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,935)</b>	<b>(6,935)</b>
<b>Total transactions with owners, recognised directly in equity</b>					
Issue of shares	32,500	-	-	-	<b>32,500</b>
<b>Balance as at 31 December 2016</b>	<b>77,071</b>	<b>19,989</b>	<b>-</b>	<b>(80,706)</b>	<b>16,354</b>

**GOWIN NEW ENERGY GROUP LIMITED  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	RMB'000	RMB'000
<b>Cash Flows from Operating Activities</b>		
<b>Loss Before Tax</b>	<b>(6,935)</b>	<b>(9,533)</b>
Finance income	(354)	(15)
Finance cost	40	-
(Increase)/Decrease in trade and other receivables	(5,582)	327
Increase/(Decrease) in trade and other payables	383	(1,464)
Net cash used by discontinued operations	-	(10,250)
<b>Net cash used in operating activities</b>	<b>(12,448)</b>	<b>(20,935)</b>
<b>Cash Flows from Investing Activities</b>		
Finance income	354	-
<b>Net cash used in investing activities</b>	<b>354</b>	<b>-</b>
<b>Cash Flows from Financing Activities</b>		

Proceeds from issue of shares	3,810	15,312
Loan made to related party	(527)	(5,775)
Repayment of loan from related party	5,775	-
Shareholders' loans	3,846	12,618
Finance cost	(40)	-
<b>Net cash generated from financing activities</b>	<b>12,864</b>	<b>22,155</b>
<b>Net Increase in cash and cash equivalents</b>	<b>770</b>	<b>1,220</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,309</b>	<b>89</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,079</b>	<b>1,309</b>

**Non-cash transactions:**

As explained in note 17 Trade and Other Payables, RMB3,855,000 of the amount due to Mr Chen Chih-Lung has been converted into convertible loan during the year.

As explained in note 18 Share Capital, certain convertible loans were capitalized during the year by the issue of Ordinary Shares.

This information is provided by RNS  
The company news service from the London Stock Exchange

END

NEXABMBTMBAJBRR ]]>



([https://twitter.com/aquis\\_exchange](https://twitter.com/aquis_exchange))



([https://www.linkedin.com/company/aquis-](https://www.linkedin.com/company/aquis-exchange-limited)

[exchange-limited](#))

[Terms & Conditions \(/terms-and-conditions\)](#)

[Privacy Policy \(/privacy-policy\)](#)

[Modern Slavery & Human Trafficking Policy \(/modern-slavery-human-trafficking-policy\)](#)

[ABOUT \(/COMPANY\)](#)

[AQUIS EXCHANGE \(/AQUIS-EXCHANGE\)](#)

[AQUIS STOCK EXCHANGE \(/AQUIS-STOCK-EXCHANGE\)](#)

[AQUIS TECHNOLOGIES \(/AQUIS-TECHNOLOGIES\)](#)

[INVESTORS \(/INVESTORS\)](#)

[NEWS \(/NEWS\)](#)

[CONTACT \(/CONTACT-US\)](#)

© *Aquis Exchange 2021. All rights reserved.*