

RNS Miscellaneous



Audited Annual Results for year 31 December 2019

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Gowin New Energy Group Limited

04 June 2020

4 June 2020

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

Audited Annual Results for the year ended 31 December 2019

Gowin New Energy Group Limited is delighted to report its audited annual results for the twelve months ended 31 December 2019.

Chairman's statement

Gowin New Energy Group Limited ("the Group") is pleased to release its 2019 Annual Report for the period 1 January 2019 to 31 December 2019. There have been no material financial outcomes changes to the LED and Tea businesses compared to that reported in the 2019 Interim Report.

As previously disclosed, management is working diligently on launching the new Tea business. The Group reported good news in that new preference shares were admitted to trading on the AQSE Growth Market on 7 February 2020. The Group has received GBP250,000 from an investor Mr Wen Sheng-Tung to issue 12,500,000 2% Preference Shares of GBP0.02 each. The Group is now preparing the next stage of the Tea business.

Shareholders may be feeling a level of impatience about the progress of the Tea business. Preparing to formally launch the Tea business pilot has been somewhat new and arduous. The board and management are determined to ensure all business processes and workflows are sustainable going forward and to achieve this in an orderly manner. This is an emerging new business model involving preference shares, tea sourcing, relationships with China suppliers and tea exchanges, financial processes related to earnings, interest payments and dividends in the trading company Goyoung International Company Limited and more. Accordingly, the Group had always intended to undertake a small pilot through the initial allotment of preference shares to Mr Wen. The Group is confident that upon the successful conclusion of the pilot, there can be rapid and sustainable growth of the Tea business beginning in the latter part of 2020, given positive global economic conditions. Additionally, the Tea business model lends itself to adaptation to other commodities, currently under consideration.

Though the US-China trade tensions and Covid-19 have not directly impacted upon the Group's business to date, future economic conditions after global lockdowns are uncertain. A recent "The Economist" magazine article is calling the economy ahead 'a 90% economy'. There are many uncertainties and risks to be endured concerning geopolitical conflicts, restoring full capacity factory production, consumer spending, oil prices, level of public debt and general financial hardships across the world, while the pursuit of a vaccine continues. We are in uncharted territory and the Group's board will be vigilant in its deliberations, risk management and decision making and adjust business plans as necessary.

On 24 April 2020, the Group announced that at the Company's Annual General Meeting ("AGM") held on that day, all of the resolutions proposed, as set out in the Notice of AGM, were duly passed.

CEO Mr Chen Chih-Lung has committed to continue to fund short term liquidity to support the Group's working capital requirements as and when required.

Garry Willinge
Non-Executive Chairman
31 May 2020

David Scott / James Dewhurst Alexander David Securities Limited

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GOWIN NEW ENERGY GROUP LIMITED
NON-STATUTORY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 RMB'000	2018 RMB'000
Continuing Operations			
Revenue	6	8	427
Cost of sales		-	(368)
Gross profit		8	59
Administrative expenses	9	(4,096)	(4,018)
Selling expenses		(3)	-
Operating loss		(4,091)	(3,959)
Finance costs	8	(186)	(129)
Other income		105	95
Impairment loss on investments	14	(206)	(2,325)
Foreign exchange gain		(292)	(322)
Loss before tax from continuing operations		(4,670)	(6,640)
Tax	11	-	-
Loss for the year from continuing operations		(4,670)	(6,640)
Loss for the year attributed to equity holders of the parent entity		(4,670)	(6,640)
Other Comprehensive Income		-	-
Total Comprehensive Income for the year attributable to owners of the parent entity		(4,670)	(6,640)
Earnings/ (Loss) per share expressed in RMB per share			
Basic and diluted earnings / (Loss) per share for the year attributable to equity holders of the parent entity	12	(0.02)	(0.03)

NON-STATUTORY CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	31 December 2019 RMB'000	31 December 2018 RMB'000
ASSETS			
NON-CURRENT ASSETS			
Investments at fair value through profit or loss	14	2,232	2,305
TOTAL NON-CURRENT ASSETS		2,232	2,305
CURRENT ASSETS			
Trade and other receivables	15	158	81
Cash and cash equivalents	16	2,747	330
TOTAL CURRENT ASSETS		2,905	411
TOTAL ASSETS		5,137	2,716
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	(21,354)	(14,263)
TOTAL CURRENT LIABILITIES		(21,354)	(14,263)
TOTAL LIABILITIES		(21,354)	(14,263)
NET LIABILITIES		(16,217)	(11,547)

EQUITY ATTRIBUTABLE TO OWNERS OF THE

issue on 31 May 2020 and were signed on its behalf by:

Garry Willinge
Director

Chen Chih-Lung
Director

**NON-STATUTORY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Attributable to owners of the parent entity			
	Share capital	Share premium	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2018	25,000	-	(33,907)	(8,907)
Loss for the year	-	-	(6,640)	(6,640)
Total comprehensive income for the year	-	-	(6,640)	(6,640)
Total transactions with owners, recognised directly in equity				
Issue of shares (Note 18)	4,000	-	-	4,000
Balance as at 31 December 2018	29,000	-	(40,547)	(11,547)
Loss for the year	-	-	(4,670)	(4,670)
Total comprehensive income for the year	-	-	(4,670)	(4,670)
Total transactions with owners, recognised directly in equity				
Issue of shares (Note 18)				
Balance as at 31 December 2019	29,000	-	(45,217)	(16,217)

**NON-STATUTORY CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019	2018
	RMB'000	RMB'000
Cash Flows from Operating Activities		
Loss before tax	(4,670)	(6,640)
Impairment loss on financial assets	206	2,325
Dividends in specie	(95)	(90)
Finance costs	180	123
Foreign currency loss	413	46
Decrease in trade and other receivables	-	27
Increase in trade and other payables	1,689	2,319
Net cash used in operating activities	(2,277)	(1,890)

Loans from equity holders	4,228	5,054
Loan to related party	477	(2)
Repayment of loans from equity holders	-	(3,213)
Net cash generated from financing activities	4,705	1,839
Net (decrease) in cash and cash equivalents	2,417	(51)
Cash and cash equivalents at beginning of the year	330	381
Cash and cash equivalents at end of the year (note 16)	2,747	330

Non-cash transactions:

Investment assets have been impaired by RMB 206,000 (see note 14).

£250,000 preference shares funds collected in advance

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