

**Gowin New Energy Group Limited (“GNE” or the “Group”)
(AQSE: GWIN)**

Interim Results for the Six Months Ended 30 June 2022

London: Wednesday, 21st September 2022: Gowin New Energy Group Limited, engaged in the research and development, outsourcing and sales of LED lighting products, and the tea trading business, today announces its unaudited financial results for the six months ended 30 June 2022.

2022 Interim Report Chairman’s Statement

Gowin New Energy Group Limited (the “Group” or “Gowin”) is pleased to release its 2022 Interim Report period 1 January 2022 to 30 June 2022. There has been no material change to the financial position of the Group since the 2021 Annual Report.

Gowin has historically been engaged in the sale and investment of LED related products based in Taiwan. The Group’s only LED business in the year to date has been through its minority interest in a Taiwan-based company, Taiwan Thick-Film Industries Corp (TTFI), listed on the Taipei Stock Exchange, which is principally engaged in the manufacture and sales of LED backlight modules and components distributed primarily in the Asia market.

The Group continues to look out for the opportunity to relaunch its tea trading business, focused on the collection, distribution and sale (including auction market) of high-quality Chinese Pu-erh tea and Taiwan high-mountain tea. It remains highly dependent on China’s zero-Covid policy environment, which has seen continuous rolling lockdowns across the country, most recently affecting 21 million people in Chengdu and large populations in other cities. As before, given China is the key to Gowin’s tea business supply chain, the Covid related impacts there are significant and means the Group must continue to be patient before formally driving the tea business forward. In the meantime, Covid restrictions have been partially lifted in Taiwan improving the business environment there; interestingly enough, there are only two places in the world that have major trade surpluses with China – one is Australia and the other Taiwan.

The Group announced the proposed launch of a new agarwood trading business on 10 February 2022. The agarwood business will focus on trading high-quality agarwood products, including agarwood incense which is widely used in religious ceremonies in Taiwan and essential oil which can be applied in many ways in daily life. The Group has worked hard since February, to further its design and preparations for this business; additionally, sales and distribution agreements and other relevant agreements are being finalised. For example, taking advantage of the improved Covid mobility environment, the Group is proactively performing market development and engaging with prospective clients in order to secure their future business. The Group continues to work with a stable supplier that provides products at competitive pricing. A market survey has been conducted in conjunction with industry partners that includes an e-commerce company and an artwork merchant. The survey confirms key customer purchase intentions in Gowin’s agarwood addressable market. In addition, the Group is being creative, designing and producing differentiated artwork and gift boxes for the digital and physical environments; some of this agarwood planning is expected to be replicable to the tea

business at the appropriate time. The Group looks forward to updating the market on its agarwood initiatives in due course.

2022 Interim Report Chairman's Statement

The Group conducted its AGM on 16 September 2022, with all resolutions passed unanimously.

As before, the Group continues to provide a safe working environment for its workforce and introduced preventive measures to reduce the spread of Covid-19 in the workplace, including working from home. The Group will continue to prioritise occupation health and safety and pay close attention to the ongoing and mutating Covid-19 outbreak and respond to its impact, if any, on the Group.

CEO Mr Chen Chih-Lung continues his commitment to fund short term liquidity to support the Group's working capital requirements as and when required. His most recent working capital loan was announced on 26 April 2022. These loans are a measure of his determination and commitment to the Group.

The Directors would like to take this opportunity to express sincere gratitude to all shareholders for their continued support and to thank all staff members of the Group for their dedication and contribution to the Group.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

INDEPENDENT REVIEW REPORT TO GOWIN NEW ENERGY GROUP LIMITED

Introduction

We have been engaged by the Group to review the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2022 which comprises the Condensed Consolidated Balance Sheet, Condensed Consolidated Statement of Comprehensive Income, Changes in Equity and Cash Flows and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the AQSE Rules for Issuers.

The annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Our responsibility

Our responsibility is to express to the Group a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

This report, including the conclusion, is made solely to the Group for the purpose of the AQSE Rules for Issuers. We do not, in producing this report, accept or assume responsibility to anyone, other than the Company, for our work, for this report, or for the conclusion we have formed. This report may not be provided to third parties without our prior written consent.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 is not prepared, in all material respects, in accordance with International Accounting Standard 34 and the AQSE Rules for Issuers.

PKF Littlejohn LLP

PKF Littlejohn LLP
Statutory Auditor

20 September 2022

15 Westferry Circus
Canary Wharf
London E14 4HD

Gowin New Energy Group Limited
Condensed consolidated statement of comprehensive income
For the six months ended 30 June 2022

		Six months ended 30 June 2022 RMB'000 (Unaudited)	Six months ended 30 June 2021 RMB'000 (Unaudited)
Continuing Operations	Note		
Revenue	7	-	-
Cost of sales		-	-
Gross profit		<u>-</u>	<u>-</u>
Administrative expenses	10	(1,576)	(1,852)
Operating loss		<u>(1,576)</u>	<u>(1,852)</u>
Finance costs	9	(160)	(153)
Other income/ (loss)		-	5
Investment gain/(loss)		(1,018)	399
Foreign exchange gain/(loss)		<u>714</u>	<u>(100)</u>
Loss before tax		(2,040)	(1,701)
Tax	11	<u>-</u>	<u>-</u>
Loss from continuing operations		(2,040)	(1,701)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive loss for the period attributable to owners of the parent		<u>(2,040)</u>	<u>(1,701)</u>
Loss per share attributable to owners of the parent during the period expressed in RMB per share			
Basic and diluted loss per share	12	<u>(0.007)</u>	<u>(0.006)</u>

Gowin New Energy Group Limited
Condensed consolidated statement of financial position
As at 30 June 2022

	Note	As at 30 June 2022	As at 30 June 2021	As at 31 December 2021
		RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Audited)
Assets				
Non-Current Assets				
Long-term investments	14	3,283	4,292	4,395
Current assets				
Trade and other receivables	15	106	43	74
Cash in bank	16	2,418	2,609	2,330
		<u>2,524</u>	<u>2,652</u>	<u>2,404</u>
Total assets		<u>5,807</u>	<u>6,944</u>	<u>6,799</u>
Current Liabilities				
Loans from equity holders	17	(14,915)	(14,199)	(14,560)
Trade and other payables	17	(12,505)	(10,657)	(11,812)
Total liabilities		<u>(27,420)</u>	<u>(24,856)</u>	<u>(26,372)</u>
Net liabilities		<u>(21,613)</u>	<u>(17,912)</u>	<u>(19,573)</u>
Equity attributable to owners of the Company				
Share capital	18	29,000	29,000	29,000
Preference share	18	2,195	2,195	2,195
Retained losses		(52,808)	(49,107)	(50,768)
Total equity		<u>(21,613)</u>	<u>(17,912)</u>	<u>(19,573)</u>

Gowin New Energy Group Limited
Condensed consolidated statement of changes in equity
For the six months ended 30 June 2022

	Attributable to owners of the Company			
	Share capital	Preference share	Retained losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000
For the six months ended 30 June 2021 (Unaudited)				
Balance as at 1 January 2021 (Audited)	29,000	2,195	(47,406)	(16,211)
Loss for the period	-	-	(1,701)	(1,701)
Total comprehensive income for the period	-	-	(1,701)	(1,701)
Balance as at 30 June 2021	29,000	2,195	(49,107)	(17,912)
For the six months ended 30 June 2022 (Unaudited)				
Balance as at 1 January 2022 (Audited)	29,000	2,195	(50,768)	(19,573)
Loss for the period	-	-	(2,040)	(2,040)
Total comprehensive income for the period	-	-	(2,040)	(2,040)
Balance as at 30 June 2022	29,000	2,195	(52,808)	(21,613)

Gowin New Energy Group Limited
Condensed consolidated statement of cash flows
For the six months ended 30 June 2022

	Six months ended 30 June 2022 RMB'000 (Unaudited)	Six months ended 30 June 2021 RMB'000 (Unaudited)
Cash Flows used in Operating Activities		
Loss before tax	(2,040)	(1,701)
Finance cost	159	150
Investment loss/(gain)	1,018	(399)
Foreign currency (gain)/loss	(777)	162
Decrease/(Increase) in trade and other receivables	7	53
(Decrease)/Increase in trade and other payables	<u>878</u>	<u>665</u>
Net cash used in operating activities	<u>(755)</u>	<u>(1,070)</u>
 Cash Flows generated from Financing Activities		
Shareholders' loans	843	1,334
Net cash generated from financing activities	<u>843</u>	<u>1,334</u>
Net increase/(decrease) in cash and cash equivalents	<u>88</u>	<u>264</u>
Cash and cash equivalents at beginning of period	<u>2,330</u>	<u>2,345</u>
Cash and cash equivalents at end of period	<u><u>2,418</u></u>	<u><u>2,609</u></u>

Gowin New Energy Group Limited
Notes to the condensed consolidated interim financial information
For the six months ended 30 June 2022

1. General information

Gowin New Energy Group Limited (“the Company”) was incorporated in the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the main business office is located at 4F., No. 5, Ln. 332, Siyuan Rd., Xinzhuang Dist., New Taipei City, Taiwan (R.O.C.).

The principal activity of Gowin New Energy Group Limited and its subsidiaries (“the Group”) has historically been the research and development, outsourcing and sales of LED lighting products, and the tea trading business. The Group is continuing with its corporate restructuring including investing in businesses in related fields.

During this period of corporate restructuring, the CEO, Mr. Chen Chih Lung, has supported the Group financially by way of loans and guarantees.

The Company's shares are listed on the AQUIS Stock Exchange (AQSE).

The condensed consolidated interim financial information is presented in Renminbi (“RMB”), which is the presentational and functional currency of the Group, and all values are rounded to the nearest thousand except where indicated otherwise.

2. Basis of Preparation

The non-statutory condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) Interpretations.

The condensed interim consolidated financial statements have been prepared under the historical cost convention, except for equity investments held at fair value through profit or loss.

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated non-statutory Financial Statements, are disclosed in Note 5.

New and amended accounting standards adopted by the Group

Effective during the period

There are no new standards or amendments to standards adopted in the period which have a material impact on the financial position or performance of the Group.

Gowin New Energy Group Limited
Notes to the condensed consolidated interim financial information
For the six months ended 30 June 2022

2. Basis of Preparation (continued)

Not yet effective

At the date of authorisation of these non-statutory condensed interim consolidated financial statements, the following Standards, amendments and interpretations were not yet effective:

- IAS 1 — The amendments of disclosure of accounting policies will take effect on 1 January 2023.
- IAS 8 — The amendments of definition of accounting estimates will take effect on 1 January 2023.
- IAS 12 — The amendments of deferred tax related to assets and liabilities arising from a single transaction will take effect on 1 January 2023.
- IFRS 10 & IAS 28 — The amendments of asset sales or investment between investors and their affiliates or joint ventures are subject to the decision of the international accounting standards board.
- IAS 1 — The amendments of classification of liabilities as current or non-current are effective on 1 January 2023.

The Group is evaluating the impact of the new and amended standards above. The Directors do not expect that these new and amended standards will have a material impact on the Group's results or shareholders' funds.

3. Going Concern

The non-statutory condensed interim consolidated financial statements have been prepared on a going concern basis.

The Group reported a net loss after tax of RMB 2,040,000 for the six months ended 30 June 2022 (six months ended 30 June 2021: loss of RMB 1,701,000). Management's assessment of the ability of the Group to continue as a going concern has considered cashflow forecasts, including assumptions regarding the Group's activities, raising funds from existing shareholders and the open market, and the Group's ability to settle liabilities as and when they fall due.

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Notes to the condensed consolidated interim financial information
For the six months ended 30 June 2022

3. Going Concern (continued)

Mr Chen has recommitted his personal financial support to provide loans for business operations as and when required for a period of no less than 12 months from the date of the condensed interim financial statements.

Based on the above, the Directors consider there are reasonable grounds to believe that the Group will be able to fund the Group's future operating expenses. Should the Group not be able to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to re-classify non-currents assets as current.

The non-statutory condensed interim consolidated financial statements do not include any adjustments that may be required should the Group be unable to continue as a going concern.

4. Risks and uncertainties

The additional activities planned for the Group will add new challenges, risks and uncertainties. The Board is actively reviewing the impact of its plans but does not immediately see any variations in the key financial risks other than the valuation of investments.

5. Critical accounting estimates and judgements

The preparation of condensed consolidated interim financial information requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in Note 5 of the Group's 2021 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

6. Significant accounting policies

The condensed consolidated interim financial information has been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The accounting policies and methods of computation used in the preparation of these condensed consolidated interim financial information are consistent with those used in the Group's 2021 Annual Report and Financial Statements.

Gowin New Energy Group Limited
Notes to the condensed consolidated interim financial information
For the six months ended 30 June 2022

7. Segment information

The business of the Group is primarily focused on the procurement, sales and distribution of tea products. For the purpose of IFRS 8, the chief operating decision makers are the Directors. All of the Group's activities is derived from Taiwan and China. Internal and external reporting is on a consolidated basis, with transactions between Group companies eliminated on consolidation. Therefore, the financial information of the single segment is the same as that set out in the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the consolidated statement of cash flows.

8. Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset, or a group of financial assets, is impaired. For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

9. Finance cost

	Six months ended 30 June 2022 RMB'000 (Unaudited)	Six months ended 30 June 2021 RMB'000 (Unaudited)
Interest cost	159	150
Bank charges	<u>1</u>	<u>3</u>
Total finance cost	<u>160</u>	<u>153</u>

Gowin New Energy Group Limited
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For the six months ended 30 June 2022

10. Expense by nature

	Six months ended 30 June 2022	Six months ended 30 June 2021
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Staff costs	470	522
Directors' remuneration	748	750
Auditors' remuneration	4	179
Other professional fees	281	327
Other operating expenses	73	74
Total administrative expenses	<u>1,576</u>	<u>1,852</u>

11. Income tax

	Six months ended 30 June 2022	Six months ended 30 June 2021
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Current income tax for the period	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The Group is not subject to taxation in the Cayman Islands, British Virgin Islands or Samoa Islands.

No provision for Hong Kong or Chinese taxation has been made as the Group has not generated any taxable profit in Hong Kong, Taiwan or China.

Gowin New Energy Group Limited
Notes to the condensed consolidated interim financial information
For the six months ended 30 June 2022

12. Loss per share

Loss per share for the period ended 30 June 2022 is calculated by dividing RMB 2,040,000 loss for the period attributable to the equity holders of the Company by the average number of shares, of 290,000,533.

	Six months ended 30 June 2022 RMB (Unaudited)	Six months ended 30 June 2021 RMB (Unaudited)
Basic and diluted loss per share (RMB)	<u>(0.007)</u>	<u>(0.006)</u>

No diluted loss per share are presented as there are no potential ordinary shares outstanding for the six months ended 30 June 2022 and 2021.

13. Dividend

No dividends were proposed during the reporting period and the Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2022.

14. Long term investments

Quoted equity securities

	RMB'000
As at 1 January 2022	4,395
Investment gain(loss)	(1,018)
Foreign exchange gain(loss)	(94)
As at 30 June 2022	<u>3,283</u>

The Company holds 1,081,600 shares in Taiwan Thick-Film Industries Corp., a company listed on Taipei Stock Exchange.

Gowin New Energy Group Limited
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For the six months ended 30 June 2022

15. Trade and other receivables	As at 30 June 2022 RMB'000 (Unaudited)	As at 30 June 2021 RMB'000 (Unaudited)
Guarantee deposits paid	16	16
Prepayment	29	4
Loans to related party	52	13
Amounts due from related party	9	10
	<u>106</u>	<u>43</u>

The amounts due from related party and the loans to related party were unsecured, interest-free and repayable on demand. The related party is controlled by a director of the Group.

16. Cash and cash equivalents	As at 30 June 2022 RMB'000 (Unaudited)	As at 30 June 2021 RMB'000 (Unaudited)
Cash on hand	9	9
Cash at bank and in hand	2,409	2,600
	<u>2,418</u>	<u>2,609</u>

17. Trade and other payables	As at 30 June 2022 RMB'000 (Unaudited)	As at 30 June 2021 RMB'000 (Unaudited)
Trade payables	368	368
Accruals and other payables	311	92
Loans from equity holders	14,915	14,199
Amount due to key management personnel	11,826	10,197
Receipt in advance	-	-
	<u>27,420</u>	<u>24,856</u>

Gowin New Energy Group Limited
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For the six months ended 30 June 2022

18. Share capital

	Share capital	RMB'000
Ordinary Shares at £0.01	29,000,065.89	29,000
Preference Shares at £0.02	2,195,400	2,195
As at 30 June 2022	31,195,465.89	31,195

19. Related party transactions

The ultimate controlling party of the Group is the CEO Mr Chen Chih Lung.

20. Approval of interim financial information

The condensed consolidated interim financial information was approved by the Board of Directors on 20 September 2022.