

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

Interim Results for the Six Months Ended 30 June 2017

London: Thursday, 28 September 2017: GNE, the China-based group engaged in the research and development, outsourcing and sales of LED lighting products, today announces its unaudited financial results for the six months ended 30 June 2017.

Chairman’s Statement

Business Overview

The principal activity of Gowin New Energy Group Limited (“the Group”) has historically been research and development, and sales of LED lighting products. The group has continued its corporate restructuring including investing in business in related fields. In the first half of the year 2017, in the light of stagnation in the LED business, the Group including its subsidiaries continued its restructuring efforts. 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, as approved by the Board in 2016, will begin on 1, October 2017. The business continues to operate its LED R&D and sales of LED products in Taiwan.

The Group’s Annual General Meeting was held in Taiwan on 7 February, 2017. The meeting approved the Group using its share premium account to pay up the balance of 325 million partly paid shares. Additionally, subject to the Grand Court of the Cayman Islands approval and registration processes, the Group approved the Capital Reduction of the Company, whereby 67.5624 shares in every 100 shares would be cancelled.

With the continuing poor performance of the LED business, the Board has continued reviewing its investment opportunity options, for the benefit of the long term. As previously announced, one of the opportunities that is 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. The board will update investors on the developments of the TTFI deal in due course.

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. During this period of corporate restructuring the CEO, Mr. Chen, has supported the finance of the Group by way of loans and guarantees. 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 and in other new business areas. The Directors look forward to the rest of this year with confidence.

Events After Reporting Date

On 24 August 2017, following approval from the Cayman Island Court and filing of the Court Order, the Capital Reduction came into effect. With the cancellation of 67.5624 shares in every 100 shares, the Group aims to create distributable reserves to facilitate payment of dividends in the future, hence making the Group’s ordinary shares more attractive to new investors.

On 30 August 2017, the Group released a Circular to shareholders, regarding a proposed investment in a new Tea Business, an issue of preference shares, adoption of amended and restated Memorandum of Association and Articles of Association and a Notice of an Extraordinary General Meeting to be conducted on 18 September,

2017. In anticipation for this new business source of Group earnings, the Group announced the appointment of a new executive director Mr. Hsu I-Hsan on 22 August 2017.

On 18 September 2017, following the year end results, an Extraordinary General Meeting was conducted in Taiwan, whereby unanimous approval was received to reclassify £20,000,000 authorised share capital into Ordinary Shares and Preference Shares and to authorize the directors to allot new Preference Shares in the Company for the intention of establishing a new Tea Business.

Future Prospects

The Board has identified the tea industry as a potentially attractive opportunity for diversification and intends to establish and obtain a stake of 15% in a new company incorporated in the Cayman Island to operate a new tea business. Gowin has entered into a co-operation agreement for the operation of the new company with the Chinese Pu-erh Tea Exchange Association, a non-profit organization located in New Taipei City, Taiwan and Grange Culture Creative Limited, a Taiwanese incorporated unlisted company with extensive experience and expertise in the Chinese tea industry and relevant connections with various tea related corporations. The Board anticipates that this agreement with reputable and recognized organizations in the Chinese tea industry will be an important element of the newly established company's Tea Business. The Board looks forward to its business developing in the next financial year.

Appreciation

The Board highly appreciates all the support from our shareholders. The last six months was another period of incremental progress as the Group worked hard on its organization restructuring and new business establishment. The Board looks forward to the next productive phase of the Group. As always, 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

28 September 2017

Gowin New Energy Group Limited
Condensed consolidated statement of comprehensive income
For the six months ended 30 June 2017

		Six months ended 30 June 2017 RMB'000 (Unaudited)	Six months ended 30 June 2016 RMB'000 (Unaudited)
Continuing Operations	Note		
Revenue	7	22	24
Cost of sales		-	(23)
Gross profit		<u>22</u>	<u>1</u>
Administrative expenses	9	(2,743)	(3,410)
Gain on disposal of sub		322	-
Operating loss		<u>(2,399)</u>	<u>(3,409)</u>
Finance income	8	-	349
Finance costs		(29)	-
Loss before tax		<u>(2,428)</u>	<u>(3,060)</u>
Tax	10	-	-
Loss from continuing operations		<u>(2,428)</u>	<u>(3,060)</u>
Discontinued operations			
Loss from discontinued operations		-	-
Loss for the period		<u>(2,428)</u>	<u>(3,060)</u>
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to owners of the parent		<u>(2,428)</u>	<u>(3,060)</u>
Loss per share attributable to owners of the parent during the period expressed in RMB per share			
Basic and diluted loss per share	11	<u>(0.010)</u>	<u>(0.004)</u>

Gowin New Energy Group Limited
Condensed consolidated statement of financial position
As at 30 June 2017

	Note	As at 30 June 2017 RMB'000 (Unaudited)	As at 30 June 2016 RMB'000 (Unaudited)	As at 31 December 2016 RMB'000 (Audited)
Assets				
Non-Current Assets				
Long-term Investments	13	6,143	-	-
Current assets				
Trade and other receivables	14	762	27,168	33,096
Cash in bank		599	9,204	2,079
		<u>1,361</u>	<u>36,372</u>	<u>35,175</u>
Assets directly associated with the discontinued operations		-	-	-
Total assets		<u>7,504</u>	<u>36,372</u>	<u>35,175</u>
Current liabilities				
Trade and other payables	16	(13,567)	(16,144)	(18,821)
		<u>(13,567)</u>	<u>(16,144)</u>	<u>(18,821)</u>
Liabilities directly associated with the discontinued operations		-	-	-
Total liabilities		<u>(13,567)</u>	<u>(16,144)</u>	<u>(18,821)</u>
Net assets		<u>(6,063)</u>	<u>20,228</u>	<u>16,354</u>
Equity attributable to owners of the Company				
Share capital	17	77,071	77,071	77,071
Share premium		-	19,988	19,989
Retained loss		(83,134)	(76,831)	(80,706)
Total equity		<u>(6,063)</u>	<u>20,228</u>	<u>16,354</u>

Gowin New Energy Group Limited
Condensed consolidated statement of changes in equity
For the six months ended 30 June 2017

Attributable to owners of the Company

	Share capital RMB'000	Share premium RMB'000	Retained losses RMB'000	Total RMB'000
For the six months ended 30 June 2016 (Unaudited)				
Balance as at 1 January 2016 (Audited)	44,571	19,988	(73,771)	(9,212)
Loss for the period	-	-	(3,060)	(3,060)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(3,060)	(3,060)
Total transactions with owners, recognized directly in equity				
Issue of shares	32,500	-	-	32,500
Reallocation	-	-	-	-
Balance as at 30 June 2016	77,071	19,988	(76,831)	20,228
For the six months ended 30 June 2017 (Unaudited)				
Balance as at 1 January 2017 (Audited)	77,071	19,988	(80,706)	16,353
Loss for the period	-	-	(2,428)	(2,428)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(2,428)	(2,428)
Total transactions with owners, recognized directly in equity				
Issue of shares	-	-	-	-
Settlement of unpaid share capital	-	(19,988)	-	(19,988)
Balance as at 30 June 2017	77,071	-	(83,134)	(6,063)

Gowin New Energy Group Limited
Condensed consolidated statement of cash flows
For the six months ended 30 June 2017

	Six months ended 30 June 2017 RMB'000 (Unaudited)	Six months ended 30 June 2016 RMB'000 (Unaudited)
Cash Flows used in Operating Activities		
Loss before tax	(2,428)	(3,060)
Finance income	(322)	(349)
Finance cost	29	-
Decrease/(Increase) in trade and other receivables	(38)	620
(Decrease)/Increase in trade and other payables	23	1,553
Net cash used in operating activities by discontinued operations	<u>-</u>	<u>-</u>
Net cash used in operating activities	<u>(2,736)</u>	<u>(1,236)</u>
Cash Flows generated from Investing Activities		
Finance income	<u>322</u>	<u>-</u>
Net cash generated from Investing activities	<u>322</u>	<u>-</u>
Cash Flows generated from Financing Activities		
Shareholders' loans	963	-
Issue of shares	-	3,810
Repayment of loan made to related party	-	5,321
Finance cost	(29)	-
Net cash used by discontinued operations	<u>-</u>	<u>-</u>
Net cash generated from financing activities	<u>934</u>	<u>9,131</u>
Net increase in cash and cash equivalents	<u>(1,480)</u>	<u>7,895</u>
Cash and cash equivalents at beginning of period	<u>2,079</u>	<u>1,309</u>
Cash and cash equivalents at end of period	<u><u>599</u></u>	<u><u>9,204</u></u>

Gowin New Energy Group Limited
Notes to the condensed consolidated interim financial information
For the six months ended 30 June 2017

1. General information

Gowin New Energy Group Limited (“Gowin”) 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 principal place business is located at 19F., No. 1086, Zhongzheng Rd., Taoyuan Dist., Taoyuan City 330, Taiwan

The principal activity of Gowin New Energy Group Limited (“the Group”) has historically been research and development, and sales of LED lighting products. The Group has continued its corporate restructuring including investing in businesses in related fields. During this period of corporate restructuring the CEO, Mr. Chen, has supported the finances of the Group by way of loans and guarantees.

The Company's shares are listed on the NEX Exchange (NEX) Growth Market.

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

2. Basis of Preparation

The condensed consolidated interim financial information has been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard 34 Interim Financial Reporting. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2016, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The condensed consolidated interim financial information set out above does not constitute statutory accounts. They have been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS). Statutory financial statements for the year ended 31 December 2016 were approved by the Board of Directors on 31 May 2017. The report of the auditors on those financial statements was unmodified.

The condensed consolidated interim financial information of the Company has not been audited but has been reviewed by the Company’s auditor, PKF Littlejohn LLP.

3. Going Concern

The principal activity of Gowin New Energy Group Limited (“the Group”) has historically been research and development, and sales of LED lighting products. The Group has continued its corporate restructuring including investing in businesses in related fields. During this period of corporate restructuring the CEO, Mr. Chen, has supported the finances of the Group by way of loans and guarantees.

Subsequent to 30 June 2017 at an Extraordinary General Meeting held on 18 September 2017 the Group issued preference shares to the value of GBP 5,000,000 (approximately RMB 43,591,000) to establish a new Tea Business..

The directors expected to make another fund raising by issuing ordinary shares during the course of the current financial year to support working capital needs of the business prior to existing investments providing dividend returns.

Mr Chen has continued to support the Company and Group and has provide guarantees of additional loans such that the directors believe the Company and Group will remain a going concern.

4. Risks and uncertainties

The additional activities planned for the Group will add new challenges, risks and uncertainties. The Board is activity 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 2016 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period except for the valuation of the carrying amount of long term investments as disclosed in note 8.

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 2016 Annual Report and Financial Statement, except for the adoption of the amendments and interpretations issued by the International Accounting Standards Board that are mandatory for accounting periods beginning 1 January 2016 and accounting policy note 8 – financial assets.

The effect of the adoption of these amendments and interpretations was not material to the Group's results or financial position.

7. Revenue and segment information

Revenue represents the invoiced value of goods sold and is net of value-added tax and sales return. There is no seasonality or cyclicity of the Group's operations. For the periods presented, the Group as a whole is an operating segment since the Group is only engaged in optoelectronic products and related business. No Group's geographical information has been disclosed as the majority of the Group's operating activities are carried out in the PRC and Taiwan (for the purpose of preparing the financial statements, the PRC refers to the Mainland China and Hong Kong) and the Group's assets are all located in the PRC and Taiwan.

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.

Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss", "held-to-maturity investments", "available-for-sale" financial assets and "loans and receivables". The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

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 income

	Six months ended 30 June 2017 RMB'000 (Unaudited)	Six months ended 30 June 2016 RMB'000 (Unaudited)
Interest income on loan to related party	-	349
Finance income	<u>-</u>	<u>349</u>

10. Expense by nature

	Six months ended 30 June 2017 RMB'000 (Unaudited)	Six months ended 30 June 2016 RMB'000 (Unaudited)
Staff costs	898	1,469
Directors' remuneration	900	879
Professional fee	571	455
Consultancy fee	100	
Foreign Exchange loss	59	-
Other operating expenses	216	52
Total administrative expenses	<u>2,744</u>	<u>3,410</u>

10. Income tax

	Six months ended 30 June 2017 RMB'000 (Unaudited)	Six months ended 30 June 2016 RMB'000 (Unaudited)
Current income tax for the period	-	-
Adjustments for prior year	-	-
	<u>-</u>	<u>-</u>

The Group is not subject to taxation in the Cayman Islands and British Virgin Islands.

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2017 (six months ended 30 June 2016: nil).

11. Loss per share**(a) Basic loss per share**

Loss per share for the period ended 30 June 2017 is calculated by dividing RMB 2,473,206 loss for the period attributable to the equity holders of the Company by the number of shares, following the post year end dilution, of 250,000,533 (30 June 2016: 704,778,110).

	Six months ended 30 June 2017 RMB (Unaudited)	Six months ended 30 June 2016 RMB (Unaudited)
Basic loss per share (RMB)	<u>(0.010)</u>	<u>(0.004)</u>

(b) Diluted (loss)/earnings per share

No diluted loss per share are presented as there are no potential ordinary shares outstanding for the six months ended 30 June 2017 and 2016.

12. 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 2017.

13. Long term investments

	No. of ordinary shares	RMB'000
At 1 January 2017	-	-
Additions	1,000,000	6,143
At 30 June 2017	<u>1,000,000</u>	<u>6,143</u>

During the period, the Company purchased 1,000,000 shares in Taiwan Thick-Film Ind Corp, a quoted Company, at a cost of RMB6,143,000. The cost of investment has been calculated based on the actual stock price trading in July 2016. At the period end the shares were trading at TWD 21.95 per share. In the Board's view there has been no definitive evidence of a prolonged decline in value of the Company's investment in Taiwan Thick-Film Ind Corp. The Board will continue to monitor the Company's investment.

14. Trade and other receivables

	As at 30 June 2017 RMB'000 (Unaudited)	As at 31 December 2016 RMB'000 (Audited)
Trade receivables	47	28
Prepayment	188	169
Deposit	-	6,143
Amounts due from related parties	527	527
Amounts due from equity holders for subscribed shares	-	26,229
	<u>762</u>	<u>33,096</u>

The ageing analysis of the Group's trade receivables after impairment based on delivery date is as follows:-

	As at 30 June 2017 RMB'000 (Unaudited)	As at 31 December 2016 RMB'000 (Audited)
Current trade receivables		
0 - 30 days	-	-
31 – 60 days	47	-
61 – 365 days	-	28
	<u>47</u>	<u>28</u>

The amounts due from related parties were unsecured, interest-free and repayable on demand. The related parties are controlled by a Director of the Group.

The amounts due from equity holders represent the unpaid up balance on shares issued within the period.

15. Cash and cash equivalents	As at 30 June 2017 RMB'000 (Unaudited)	As at 31 December 2016 RMB'000 (Audited)
Cash at bank and in hand	<u>599</u>	<u>2,079</u>

16. Trade and other payables	As at 30 June 2017 RMB'000 (Unaudited)	As at 31 December 2016 RMB'000 (Audited)
Trade payables	26	26
Accruals and other payables	1,204	1,951
Loans from equity holder	4,818	6,468
Amounts due to related parties	7,519	10,376
	<u>13,567</u>	<u>18,821</u>

An ageing analysis of the Group's trade payables based on the invoice date is as follows:-

	As at 30 June 2017 RMB'000 (Unaudited)	As at 31 December 2016 RMB'000 (Audited)
Current trade payables		
31 to 60 days	26	26
61 to 180 days	-	-
Over 180 days	-	-
	<u>26</u>	<u>26</u>

The amounts due to equity holders were unsecured, interest-free and repayable on demand.

17. Share capital

	No. of 1p ordinary shares	RMB'000
At 1 January 2017	<u>770,712,176</u>	<u>77,071</u>
At 30 June 2017	<u>770,712,176</u>	<u>77,071</u>

18. Subsidiaries

On 10 May 2017, the subsidiary Dongguan Gowin Yichia New Energy Limited, was disposed of for a consideration of 1 HKD.

Details of the disposal are as follows:

Book values of net assets over which control was lost

	30 June 2017 RMB'000 (Unaudited)	31 December 2016 RMB'000 (Audited)
Net Liabilities derecognized	(322)	(322)
Consideration received	-	-
(Gain)/Loss on disposal	<u>(322)</u>	<u>-</u>

19. Related party transactions

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

The new loans of RMB962,516 from Mr Chen Chih Lung are unsecured with 2% interest charge per annum and repayable on demand.

During the year, an amount of RMB6,240,592 was offset against Mr Chen Chih Lung's loan account in respect of the settlement of unpaid share capital.

20. Approval of interim financial information

The condensed consolidated interim financial information was approved by the Board of Directors on 29 September 2016.

21. Events after reporting date

With the approval from Grand Court of Cayman Island, the Group approved the Capital Reduction of the Company, whereby 67.5624 shares in every 100 shares would be cancelled.

At the EGM, the issue of £5,000,000 of new preference shares were approved on 19 September 2017.

The winding-up process of Gowin New Energy Holdings Limited, as approved by the Board in 2016, will begin on 1, October 2017.

INDEPENDENT REVIEW REPORT TO GOWIN NEW ENERGY GROUP LIMITED

Introduction

We have reviewed the condensed consolidated interim financial information for the six months ended 30 June 2017 which comprise the condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed statement of changes in shareholders' equity, consolidated statement of cash flows and related notes. We have read the other information contained in the condensed consolidated interim financial information and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated interim financial information.

Directors' Responsibilities

The interim financial information is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the condensed consolidated interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") and the NEX Rules for Issuers.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed consolidated interim financial information in the condensed consolidated interim financial information based on our review. This report, including the conclusion, has been prepared for, and only for, the Company. We do not, in producing this report, accept or assume responsibility for any other purpose to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Auditing Practices Board for use in the United Kingdom. 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 (UK and Ireland), 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 consolidated interim financial information for the six months ended 30 June 2017 is not prepared, in all material respects, in accordance with International Accounting Standard 34 and the NEX Rules for Issuers.

PKF Littlejohn LLP
Chartered Accountants
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Date: 28 September 2017