

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 128 OF 2017

IN THE MATTER OF GOWIN NEW ENERGY GROUP LIMITED

AND IN THE MATTER OF THE COMPANIES LAW (2016 REVISION)

AND THE GRAND COURT RULES 1995 ORDER 102



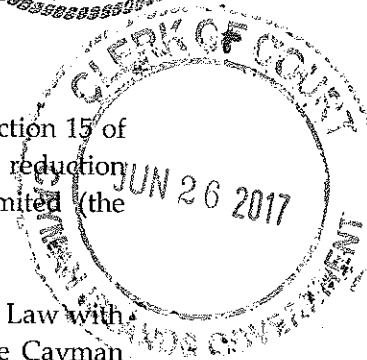
PETITION



TO: The Grand Court of the Cayman Islands

THE PETITION of Gowin New Energy Group Limited shows as follows:

1. The object of this Petition is to seek an Order of the Court pursuant to section 15 of the Companies Law (2013 Revision) (the "Companies Law") confirming a reduction of the share capital of the Petitioner, Gowin New Energy Group Limited (the "Company").
2. The Company was incorporated on 11 March, 2013 under the Companies Law with the name of "Gowin New Energy Group Limited" and registered in the Cayman Islands as an exempted company with registration number 276023.
3. The registered office of the Company is situated at the office of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
4. As at the date of incorporation of the Company on 11 March, 2013, its authorised share capital was GBP 3,000,000 divided into 300,000,000 shares of a nominal or par value of GBP 0.01 each.
5. By way of a resolution of the sole shareholder of the Company passed on 24 September, 2013, the authorised share capital of the Company was increased from GBP 3,000,000 to GBP 5,500,000 divided into 550,000,000 shares of a nominal or par value of GBP 0.01 each.
6. By way of a resolution of the shareholders of the Company passed on 16 February, 2015, the authorised share capital of the Company was increased from GBP 5,500,000 to GBP 10,000,000 divided into 1,000,000,000 shares of a nominal or par value of GBP



0.01 each.

7. By way of a resolution of the shareholders of the Company passed on 7 February, 2017, the authorised share capital of the Company was increased from GBP 10,000,000 to GBP 20,000,000 divided into 2,000,000,000 shares of a nominal or par value of GBP0.01 each.
8. By way of a resolution of the shareholders of the Company passed on 7 February, 2017, an amount of GBP 1,998,840 standing to the credit of the share premium account of the Company has been capitalised and applied in paying up in full a total of 325,000,000 partly paid shares of par value GBP 0.01 each of the Company registered in the names of the following shareholders (the "Partly Paid Shares") and the Partly Paid Shares be credited as fully paid shares of the Company accordingly:

<u>Name of shareholders</u>	<u>No. of Partly Paid Shares</u>
Shu-Hsiang Wu	100,000,000
Cheng-Feng Tsai	75,000,000
Chih-Feng Chao	75,000,000
Chien-Ming Cheng	50,000,000
Ming-Hsuan Dai	25,000,000

9. The shares of the Company were admitted to the Alternative Investment Market of the London Stock Exchange plc (the "AIM") on 7 November, 2013 under stock code number Symbol: GWIN / ISIN: KYG412151071.
10. As of 30 March, 2015, the shares of the Company were delisted from the AIM and admitted to the NEX Exchange in London (formerly known as "PLUS Markets" and "ICAP Securities and Derivatives Exchange").
11. Over the years, the Company has allotted and issued various tranches of ordinary shares, being the only class of shares of the Company. As at the date of this Petition, the authorised share capital of the Company is GBP 20,000,000 divided into 2,000,000,000 shares of a nominal or par value of GBP 0.01 each and its issued share capital is GBP 7,707,121.76 divided into 770,712,176 shares of a nominal or par value of GBP 0.01 each which have been fully paid-up or credited as fully paid-up.
12. The objects for which the Company was established are unrestricted and include, without limitation:
  - (a) to act and to perform all the functions of a holding company in all its branches and to coordinate the policy and administration of any subsidiary company or companies wherever incorporated or carrying on business or of any group of companies of which the Company or any subsidiary company is a member or which are in any manner controlled directly or indirectly by the Company; and

(b) to act as an investment company and for that purpose to subscribe, acquire, hold, dispose, sell, deal in or trade upon any terms, whether conditionally or absolutely, shares, stock, debentures, debenture stock, annuities, notes, mortgages, bonds, obligations and securities, foreign exchange, foreign currency deposits and commodities, issued or guaranteed by any company wherever incorporated, or by any government, sovereign, ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, by original subscription, tender, purchase, exchange, underwriting, participation in syndicates or in any other manner and whether or not fully paid up, and to meet calls thereon.

13. The Company is an investment holding company. The Company together with its subsidiaries (collectively the "Group") are principally engaged in research, development, outsourcing and sales of LED lighting products in the People's Republic of China ("PRC").

The operations of the Company's subsidiaries are principally located in PRC. Should the Court require further information in respect of the Group, its website is at [www.gowingrp.com](http://www.gowingrp.com).

14. The Articles of Association of the Company provide, *inter alia*, as follows:

"10. The Company may from time to time by ordinary resolution in accordance with the Law alter the conditions of its Memorandum to:

- (i) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
- (ii) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- (iii) divide its shares into several classes, and without prejudice to any special rights previously conferred on the holders of existing shares, attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting";
- (iv) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum (subject, nevertheless, to the Law), and may by

such resolution determine that, as between the holders of the shares resulting from such sub division, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares; and

- (v) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled or, in the case of shares, without par value, diminish the number of shares into which its capital is divided."

"12. The Company may from time to time by special resolution, subject to any confirmation or consent required by the Law, reduce its share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by the Law."

"225. The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. Unless otherwise provided by the provisions of these Articles, the Board may apply the share premium account in any manner permitted by the Law. The Company shall at all times comply with the provisions of the Law in relation to the share premium account."

15. By a special resolution of the Company (the "Special Resolution") passed in accordance with section 14(1) of the Companies Law at the annual general meeting of the Company held on 7 February, 2017 (the "Annual General Meeting"), it was resolved:

"THAT subject to and conditional upon (i) passing of ordinary resolutions No. 4 and 5 and special resolution No. 8 above, (ii) the approval by the Grand Court of the Cayman Islands (the "Court") of the Capital Reduction (as defined below), (iii) the registration by the Registrar of Companies of the Cayman Islands of the order of the Court confirming the Capital Reduction and the minutes approved by the Court containing the particulars required under the Companies Law of the Cayman Islands in respect of the Capital Reduction and (iv) compliance with any conditions imposed by the Court, upon the date (the "Effective Date") on which the aforesaid conditions are fulfilled:

- (a) the issued share capital of the Company shall be reduced by the cancellation and extinguishment 67.5624 Ordinary Shares out of every 100 Ordinary Shares held by a shareholder of the Company as of the Effective Date (the "Capital Reduction") with any fractional entitlements arising as a result of the Capital Reduction be aggregated and sold or disposed of for the benefit of the Company on such terms as the board of directors of the Company in its sole

discretion may determine;

- (b) that the amount of the issued share capital of the Company hereby cancelled be made available for issue of new Ordinary Shares with a par value of GBP 0.01 each in the share capital of the Company so that the authorised share capital of the Company of GBP 20,000,000 remains unchanged on the Effective Date;
  - (c) the credits arising from the Capital Reduction be applied towards cancelling the accumulated losses of the Company as at the Effective Date with the balance (if any) to be transferred to the distributable reserve account of the Company or other reserve account of the Company which may be utilised by the directors of the Company as a distributable reserve in accordance with the articles of association of the Company and all applicable laws; and
  - (d) the directors of the Company be and are hereby authorised to do all acts and things considered by them to be necessary or desirable in connection with the implementation of the Capital Reduction, including (without limitation) giving consent to any modification of, or addition to, the Capital Reduction which the Court of the Cayman Islands may see fit to impose.”
16. The number of shareholders of the Company present and voting in person or by corporate representatives at the Annual General Meeting is as set out in the table below:

	Present & Voting	For	Against
How Present	Number of shareholders present	Number of shares voted	Number of shares voted
In person/by proxy/by authorised representative	10 shareholders present in person (Note)-2 shareholders present by proxy	535,060,454 shares	0 shares
Total	12 shareholders	535,060,454 shares	0 shares

The Special Resolution was presented to the meeting and voted on a show of hands. The shareholders present and voting in person or by proxy, representing not less than three-fourths of the votes cast, voted to approve the Special Resolution and the chairman of the Annual General Meeting declared the Special Resolution passed in accordance with the Articles of Association of the Company.

17. The Special Resolution to approve and give effect to, among other things, the Capital Reduction was duly passed at a general meeting, thus satisfying the requirements for passing a special resolution to approve the Capital Reduction under the Articles of

Association of the Company and under the Companies Law.

18. The proposed Capital Reduction does not involve either the diminution of any liability in respect of unpaid capital and the Company has no intention to make any payment of paid up capital of the Company to its shareholders. Furthermore, the proposed Capital Reduction will not alter the underlying assets, business operations, management or financial position of the Company or the proportional interests or rights of the shareholders of the Company.
19. The form of Minute proposed to be registered is as follows:

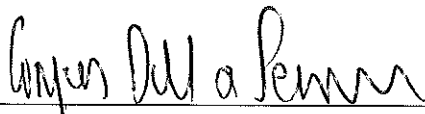
*"By virtue of a special resolution passed on 7 February 2017 and with sanction of an Order of the Grand Court of the Cayman Islands dated [●]: (a) the issued share capital of the Company be reduced by the cancellation and extinguishment 67.5624 Ordinary Shares out of every 100 Ordinary Shares held by a shareholder of the Company as of the Effective Date (the "Capital Reduction") with any fractional entitlements arising as a result of the Capital Reduction be aggregated and sold or disposed of for the benefit of the Company on such terms as the board of directors of the Company in its sole discretion may determine. At the date of the registration of this Minute, the authorised share capital of the Company is GBP 20,000,000 divided into 2,000,000,000 shares of GBP 0.01 each"*

Your Petitioner, the Company, therefore prays as follows:

- (1) That the Capital Reduction of the Company proposed to be effected by the Special Resolution set forth in paragraph 13 of this Petition may be confirmed and that the above-mentioned Minute may be approved by the Court.
- (2) That to this end, all necessary enquiries and directions may be made and given.
- (3) Such further and other order as this Honourable Court shall think fit.

NOTE: It is intended to serve this Petition on Gowin New Energy Group Limited, at its registered office located at the office of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

Dated this 26<sup>th</sup> day of June 2017

  
\_\_\_\_\_  
Conyers Dill & Pearman  
Attorneys-at-Law for the Petitioner herein

Notice of Hearing

This Petition having been presented to the Court on the            day of            2017 will  
be heard at the Law Courts, George Town, Grand Cayman on the 15<sup>th</sup> day of August  
2017 at 9:15 am pm or as soon thereafter as the Petition can be heard.

This Petition was filed by Conyers Dill & Pearman, Attorneys-at-Law for and on behalf of the Petitioner herein whose address for service is that of its Attorneys, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands