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新華文軒出版傳媒股份有限公司

XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 811)

2018 THIRD QUARTERLY REPORT

The board (the “**Board**”) of directors (the “**Director(s)**”) of Xinhua Winshare Publishing and Media Co., Ltd.* (新華文軒出版傳媒股份有限公司) (the “**Company**”) is pleased to announce the unaudited results of the Company and its subsidiaries (collectively the “**Group**”) for the third quarter ended 30 September 2018. This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

I. IMPORTANT NOTICE

- 1.1 The Board, the supervisory committee, the Directors, supervisors and senior management of the Company hereby warrant that the contents of this quarterly report are true, accurate and complete, and there are no false representations, misleading statements or material omissions, and jointly and severally accept responsibility for the truthfulness, accuracy and completeness of the information contained in this quarterly report.
- 1.2 Save as Mr. Chen Yunhua (Director) who appointed Mr. Zhang Peng (Director) as proxy to vote on his behalf due to other business commitments and Mr. Yang Miao (Director) who appointed Mr. He Zhiyong (Director) as proxy to vote on his behalf due to other business commitments, all other Directors attended the Board meeting held on 26 October 2018 at which this third quarterly report was considered and approved.
- 1.3 He Zhiyong (the head of the Company), Zhu Zaixiang (the person-in-charge of accounting affairs), and Wu Sufang (the person-in-charge of the accounting department (Accounting Officer)), warrant the truthfulness, accuracy and completeness of the financial statements in the third quarterly report.
- 1.4 The third quarterly report of the Company is unaudited. The audit committee of the Company has reviewed the third quarterly results of the Group for the nine months ended 30 September 2018.

II. CORPORATE INFORMATION

2.1 Major financial data

	<i>RMB</i>		
	As at the end of the reporting period	As at the end of last year	Change (%)
Total assets	13,435,698,196.55	12,286,705,641.32	9.35
Net assets attributable to shareholders of the listed company	8,210,741,074.24	8,027,301,715.11	2.29
	From the beginning of the year to the end of the reporting period (January – September)	From the beginning to the end of the reporting period of last year (January – September)	Change (%)
Net cash flow from operating activities	581,257,170.79	96,813,857.81	500.39
	From the beginning of the year to the end of the reporting period (January – September)	From the beginning to the end of the reporting period of last year (January – September)	Change (%)
Operating income	5,478,917,876.78	5,013,012,933.20	9.29
Net profit attributable to shareholders of the listed company	599,730,815.03	675,726,117.42	-11.25
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	549,057,415.36	494,363,703.63	11.06
Weighted average return on net assets (%)	7.21	8.27	Decrease of 1.06 percentage points
Basic earnings per share (RMB/share)	0.49	0.55	-10.91
Diluted earnings per share (RMB/share)	N/A	N/A	N/A

Items and amounts of extraordinary gains or losses

RMB

Item	Amount for the period (July to September)	Amount for the beginning of the year to the end of the reporting period (January – September)
Gain or loss on disposal of non-current assets	74,032.72	1,486,408.90
Government subsidies (except for government subsidies which are closely related to the corporate business and entitled in standard amounts or quantities in conformity with the uniform standards of the State) attributable to gains or losses for the period	4,123,489.67	17,663,225.00
Gain and loss arising from changes in fair value of trading financial assets and trading financial liabilities and investment gains received from disposal of trading financial assets, trading financial liabilities and available-for-sale financial assets (except for those related to effective hedging businesses under ordinary business scope of the Company)	7,639,022.33	40,258,232.52
Other non-operating income and expenses apart from the above items	-1,992,333.61	-6,197,354.83
Effect of minority interests (after tax)	-284,438.38	-1,676,551.00
Effect of income tax	-170,810.97	-860,560.92
Total	9,388,961.76	50,673,399.67

Note: Winshare Investment Co., Ltd, a subsidiary of the Company is principally engaged in investment. Its investment gains and gains/losses on fair value changes received from disposal of and holding financial assets at fair value through profit or loss are not accounted for as non-recurring gain and loss. Such investment gains and losses on fair value changes during the current period amounted to RMB558,399.83 and RMB25,993,105.43, respectively.

2.2 Total number of shareholders, the shareholding of top ten shareholders and top ten tradable shareholders (or unrestricted shareholders) as at the end of the reporting period

Unit: share

Total number of shareholders (shareholder) 31,279

Shareholding of top ten shareholders

Name of shareholder (in full)	Shareholding as at the period end	Percentage (%)	Restricted shareholding	Pledged or locked-up Status	Number	Nature of shareholders
Sichuan Xinhua Publishing Group Co., Ltd.* (四川新華發行集團有限公司)	605,942,525	49.11	592,809,525	Nil		State
Hong Kong Securities Clearing Company Limited	415,029,937	33.64	0	Unknown		Overseas legal person
Chengdu Hua Sheng (Group) Industry Co., Ltd.* (成都市華盛(集團)實業有限公司)	53,336,000	4.32	0	Nil		Domestic non-state- owned legal person
Sichuan Publication Group Co., Ltd.* (四川出版集團有限責任公司)	36,522,893	2.96	0	Nil		State-owned legal person
Sichuan Daily Newspaper Group* (四川日報報業集團)	9,264,513	0.75	0	Nil		State-owned legal person
Liaoning Publication Group Co., Ltd.* (遼寧出版集團有限公司)	6,485,160	0.53	0	Nil		State-owned legal person
China Everbright Bank Co., Ltd. – Everbright Prudential Quantitative Core Securities Investment Fund (中國光大銀行股份有限公司 – 光大保德信量化核心證券投資基金)	3,010,958	0.24	0	Nil		Unknown
LEUNG YOK FUN	3,000,000	0.24	0	Unknown		Unknown
Vanguard Investment Australia Ltd. – Vanguard Emerging Market Stock Index Fund (Exchange)	1,796,153	0.15	0	Nil		Unknown
Agricultural Bank of China Limited – CSI 500 ETF Open Index Securities Investment Fund (中國農業銀行股份有限公司 – 中證500交易型開放式指數證券投資基金)	1,407,823	0.11	0	Nil		Unknown

Shareholding of top ten unrestricted shareholders

Name of shareholder	Number of unrestricted tradable shares held	Class of shares and number Class Number
Hong Kong Securities Clearing Company Limited	415,029,937	Overseas listed foreign shares 415,029,937
Chengdu Hua Sheng (Group) Industry Co., Ltd.* (成都市華盛(集團)實業有限公司)	53,336,000	RMB ordinary shares 53,336,000
Sichuan Publication Group Co., Ltd.* (四川出版集團有限責任公司)	36,522,893	RMB ordinary shares 30,572,893 Overseas listed foreign shares 5,950,000
Sichuan Xinhua Publishing Group Co., Ltd.* (四川新華發行集團有限公司)	13,133,000	Overseas listed foreign shares 13,133,000
Sichuan Daily Newspaper Group* (四川日報報業集團)	9,264,513	RMB ordinary shares 9,264,513
Liaoning Publication Group Co., Ltd.* (遼寧出版集團有限公司)	6,485,160	RMB ordinary shares 6,485,160
China Everbright Bank Co., Ltd. – Everbright Prudential Quantitative Core Securities Investment Fund (中國光大銀行股份有限公司 – 光大保德信量化核心證券投資基金)	3,010,958	RMB ordinary shares 3,010,958
LEUNG YOK FUN	3,000,000	Overseas listed foreign shares 3,000,000
Vanguard Investment Australia Ltd. – Vanguard Emerging Market Stock Index Fund (Exchange)	1,796,153	RMB ordinary shares 1,796,153
Agricultural Bank of China Limited – CSI 500 ETF Open Index Securities Investment Fund (中國農業銀行股份有限公司 – 中證500交易型開放式指數證券投資基金)	1,407,823	RMB ordinary shares 1,407,823
Shareholders above with related party relationship or acting in concert	There is no related party relationship between shareholders of state-owned shares and shareholders of state-owned legal person shares in the above. Apart from that, it is not aware that there are any shareholders above with related party relationship or acting in concert.	
Holders of preference shares with restored voting rights and their shareholdings	Nil	

III. MATERIAL MATTERS

3.1 Details and reasons for significant changes of principal accounting statement items and financial indicators

Analysis on significant changes in balance-sheet items

RMB

Item	Closing balance of the reporting period	Opening balance of the year	Change (%)	Main reasons for changes
Prepayments	155,467,441.86	79,865,675.12	94.66	Mainly due to the increase in prepayments to suppliers with respect to the digitalised education business at the end of the period over that at the beginning of the year.
Other current assets	84,957,279.61	26,501,297.91	220.58	Mainly due to the recognition in accordance with the New Revenue Standard during the period. The closing balance included the return cost receivable of RMB49,948,600.
Long-term receivables	303,300,993.72	194,801,883.56	55.70	Mainly due to the growth of digitalised education and equipment business which adopted instalment sales during the period.
Employee benefits payable	224,719,294.16	322,778,103.03	-30.38	Mainly due to the distribution of 2017 staff incentives included in the opening balance.
Other current liabilities	194,733,728.77	104,063,704.12	87.13	Mainly due to the recognition of returns of RMB66,001,900 which was reflected under “Other current liabilities” in accordance with the New Revenue Standard during the period, resulting in a more substantial change from the beginning of the period.

Analysis on significant changes in income-statement items

RMB

Item	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January - September)	Change (%)	Main reasons for changes
Operating income	5,478,917,876.78	5,013,012,933.20	9.29	The growth of operating income for the period was mainly benefiting from the growth of sales from the education service business, online sales of books business and general book publication business.
Operating costs	3,488,245,092.17	3,279,674,293.30	6.36	The increase in operating costs was mainly due to the growth of sales revenue.
Research and development expenditure	10,561,519.57	5,038,174.29	109.63	The research and development expenditure of the Company represents the commitments in the digitalised education business. The part expensed during the period increased as compared with the same period of last year.
Loss on credit impairment	55,438,826.74	31,196,549.55	77.71	The increase in provision for loss on credit impairment during the period as compared with the same period of last year was mainly due to the effect of delayed implementation of the preferential policy on value-added tax, which affected the recovery progress of receivables from the Company's distribution business, and the high concentration of recovery of 2018 autumn receivables from the education service business in the fourth quarter.
Other income	32,724,184.07	49,978,219.10	-34.52	Mainly due to the refund of value-added tax in prior years under the levy first and refund later policy yet to be received by some publishing units during the period.

Item	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January - September)	Change (%)	Main reasons for changes
Investment income	89,314,203.51	247,090,600.96	-63.85	Mainly due to the disposal gain on transfer of 48% equity interest in Sichuan Winshare Zhuotai Investment Co., Ltd. (“ Sichuan Wenzhuo ”) (a joint venture), 34% equity interest in Chengdu Xinhui Industrial Co., Ltd. (“ Chengdu Xinhui ”) (an associate) and 85% equity interest in Beijing Huaying Winshare Movie & TV Culture Co., Ltd (“ Huaying Winshare ”) (a subsidiary) and the related gains totalling RMB167 million during the same period of last year.
Gains/losses on fair value changes	-16,815,529.24	68,769.17	N/A	Mainly due to the classification of the Company’s investments in CITIC Buyout Investment Fund (Shenzhen) Partnership (Limited Partnership), Winshare Hengxin (Shenzhen) Equity Investment Fund (Limited Partnership), Qingdao Jinshi Zhixin Investment Center (Limited Partnership) and Taizhou Xinheng Zhongrun Investment Fund (Limited Partnership) under the New Financial Instrument Standard as financial assets at fair value through profit or loss. As a result, loss on fair value change was recognized during the period (same period of last year: at fair value through other comprehensive income).

Item	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January - September)	Change (%)	Main reasons for changes
Gains/losses on disposal of assets	1,486,429.22	205,883.88	621.97	Mainly due to the increase in gains on disposal of properties by a subsidiary of the Company during the period.
Non-operating income	6,722,489.80	2,646,844.11	153.98	Mainly due to the increase in default penalty of overdue payment on the northern renovation project received by a subsidiary of the Company during the period.
Non-operating expenses	12,919,844.63	20,587,503.42	-37.24	Mainly due to the decrease in donation expenses of the Company during the period as compared with the same period of last year.
Other comprehensive income, net of tax	-326,195,155.90	-680,709,279.37	52.08	Mainly due to the changes in the market capitalization of the shares held by the Company in Auhui Xinhua Media Co., Ltd. and Bank of Chengdu Co., Ltd.

Analysis on significant changes in cash-flow statement items

RMB

Item	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning of last year to the end of the reporting period (January – September)	Change (%)	Main reasons for changes
Receipts of tax refunds	1,028,409.17	28,597,506.51	-96.40	Mainly due to the refund of value-added tax in prior years under the levy first and refund later policy yet to be received by some publishing units during the period.
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,848,878.96	1,182,576.37	140.90	Mainly due to the increase in cash received from the disposal of properties by a subsidiary of the Company during the period.
Net cash receipts from disposals of subsidiaries and other business units	393,915.64	199,958,056.98	-99.80	Mainly due to the increase in net cash inflow from the transfer of 48% equity interest in Sichuan Wenzhuo (a joint venture), 34% equity interest in Chengdu Xinhui (an associate) and 85% equity interest in Huaying Winshare (a subsidiary) during the same period of last year.
Other cash receipts relating to investing activities	20,000,000.00	155,352,459.49	-87.13	Mainly due to the recovery of entrustment loans in the sum of RMB120 million from Sichuan Wenzhuo during the same period of last year.
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	66,689,472.31	185,781,208.02	-64.10	Mainly due to the decrease in commitments in the Publishing and Media Creativity Centre (construction in progress) during the period as compared with the same period of last year.
Net cash payments to acquire subsidiaries and other business units	4,900,000.00	7,150,000.00	-31.47	Mainly due to the decrease in payments to invest in associates and joint ventures during the period as compared with the same period of last year.
Other cash payments relating to investing activities	–	40,530,969.55	-100.00	Mainly due to the additional term deposits during the same period of last year.
Cash receipts from capital contributions	5,035,000.00	–	N/A	Mainly due to the receipts of capital contributions from minority shareholders by Beijing Aerospace Cloud Education Technology Co., Ltd. (a subsidiary) during the period.

Item	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning of last year to the end of the reporting period (January – September)	Change (%)	Main reasons for changes
Other cash receipts relating to financing activities	12,545.29	1,050,000.00	-98.81	Mainly due to the increase in government grants received by the Company in relation to assets during the same period of last year.
Other cash payments relating to financing activities	–	69,271,000.00	-100.00	Mainly due to the payment with respect to the acquisition of 35% minority interest in Sichuan Xinhua Colour Printing Co., Ltd. (a subsidiary) during the same period of last year.

IV. APPENDIX

4.1 Financial Statements

Consolidated Balance Sheet 30 September 2018 (Unaudited)

RMB

Item	Closing balance of the period	Opening balance of the year
Current assets:		
Cash and bank balances	2,108,075,322.21	1,885,682,217.83
Held-for-trading financial assets	1,192,530,054.88	1,157,828,233.14
Notes receivable and accounts receivable	1,519,485,293.30	1,280,220,854.76
Including: Notes receivable	3,876,783.60	2,060,000.00
Accounts receivable	1,515,608,509.70	1,278,160,854.76
Prepayments	155,467,441.86	79,865,675.12
Other receivables	137,774,419.35	109,354,915.49
Including: Interests receivable	15,291,549.11	10,789,780.86
Inventories	2,215,910,894.74	1,764,445,460.22
Non-current assets due within one year	280,000,000.00	280,000,000.00
Other current assets	84,957,279.61	26,501,297.91
Total current assets	7,694,200,705.95	6,583,898,654.47

Item	Closing balance of the period	Opening balance of the year
Non-current assets:		
Long-term receivables	303,300,993.72	194,801,883.56
Long-term equity investments	366,969,492.88	356,585,702.56
Other equity instrument investment	1,514,732,779.35	1,560,899,742.06
Other non-current financial assets	532,070,563.26	555,188,258.36
Investment properties	67,622,821.08	70,688,502.05
Fixed assets	1,268,627,952.16	1,293,739,079.58
Construction in progress	639,788,742.86	622,149,298.16
Intangible assets	338,507,923.69	340,754,220.83
Development cost	37,699,231.15	44,550,953.70
Goodwill	500,590,036.14	500,590,036.14
Long-term prepaid expenses	23,316,161.72	19,098,549.65
Deferred income tax assets	9,243,347.45	10,257,055.60
Other non-current assets	139,027,445.14	133,503,704.60
Total Non-current Assets	5,741,497,490.60	5,702,806,986.85
Total assets	13,435,698,196.55	12,286,705,641.32
Current Liabilities:		
Notes payable and accounts payable	4,035,149,786.51	3,144,291,382.23
Contract liabilities	387,657,869.24	321,443,922.21
Employee benefits payable	224,719,294.16	322,778,103.03
Taxes payable	33,733,415.08	42,878,058.50
Other payables	310,523,228.88	264,369,944.04
Including: Dividends payable	205,439.69	202,228.29
Other current liabilities	194,733,728.77	104,063,704.12
Total current liabilities	5,186,517,322.64	4,199,825,114.13

Item	Closing balance of the period	Opening balance of the year
Non-current liabilities:		
Deferred income	76,308,293.41	86,227,572.50
Deferred income tax liabilities	36,519,756.83	43,830,724.30
Total non-current liabilities	112,828,050.24	130,058,296.80
Total liabilities	5,299,345,372.88	4,329,883,410.93
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	1,233,841,000.00	1,233,841,000.00
Capital reserve	2,572,587,684.82	2,572,587,684.82
Other comprehensive income	1,084,075,478.26	1,230,619,792.07
Surplus reserve	625,743,635.42	625,743,635.42
Undistributed profits	2,694,493,275.74	2,364,509,602.80
Total equity attributable to shareholders of the parent company	8,210,741,074.24	8,027,301,715.11
Minority interest	-74,388,250.57	-70,479,484.72
Total owners' equity (or shareholders' equity)	8,136,352,823.67	7,956,822,230.39
Total liabilities and owners' equity (or shareholders' equity)	13,435,698,196.55	12,286,705,641.32
Legal Representative of the Company: He Zhiyong	Person-in-charge of accounting affairs: Zhu Zaixiang	Person-in-charge of the accounting department: Wu Sufang

Balance Sheet of the Parent Company

30 September 2018

(Unaudited)

RMB

Item	Closing balance of the period	Opening balance of the year
Current assets:		
Cash and bank balances	1,485,718,361.26	1,107,004,995.34
Held-for-trading financial assets	1,190,740,054.88	1,135,028,233.14
Notes receivable and accounts receivable	1,342,668,106.58	977,264,568.14
Including: Accounts receivable	1,342,668,106.58	977,264,568.14
Prepayments	39,293,389.75	38,146,741.68
Other receivables	519,205,311.04	749,257,609.73
Including: Interests receivable	15,291,549.11	10,789,780.86
Dividends receivable	—	260,000,000.00
Inventories	658,911,747.49	1,267,888,034.33
Non-current assets due within one year	280,000,000.00	280,000,000.00
Other current assets	27,053,595.93	21,836,897.85
Total current assets	5,543,590,566.93	5,576,427,080.21
Non-current assets:		
Long-term receivables	157,776,192.72	57,782,527.52
Long-term equity investments	3,455,263,436.10	3,206,109,361.15
Other equity instrument investment	1,513,075,200.00	1,558,691,200.00
Other non-current financial assets	99,761,043.13	96,885,632.80
Investment properties	21,013,746.80	21,688,889.32
Fixed assets	837,830,667.56	842,948,046.79
Construction in progress	638,895,901.53	621,339,829.29
Intangible assets	144,425,524.87	144,677,299.19
Long-term prepaid expenses	18,839,775.68	12,832,910.42
Other non-current assets	581,932,721.15	596,408,980.60
Total Non-current Assets	7,468,814,209.54	7,159,364,677.08
Total assets	13,012,404,776.47	12,735,791,757.29
Current Liabilities:		
Notes payable and accounts payable	4,307,535,679.99	4,150,733,662.61
Contract liabilities	274,546,195.44	240,697,799.13
Employee benefits payable	127,358,123.18	212,907,765.25
Taxes payable	4,454,392.41	18,382,724.24
Other payables	647,013,678.40	419,773,590.84
Other current liabilities	45,548,601.48	3,826,315.05
Total current liabilities	5,406,456,670.90	5,046,321,857.12

Item	Closing balance of the period	Opening balance of the year
Non-current liabilities:		
Deferred income	12,085,503.49	17,250,635.60
Total non-current liabilities	12,085,503.49	17,250,635.60
Total liabilities	5,418,542,174.39	5,063,572,492.72
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	1,233,841,000.00	1,233,841,000.00
Capital reserve	2,631,057,328.10	2,631,057,328.10
Other comprehensive income	1,085,348,206.10	1,136,163,193.05
Surplus reserve	624,908,885.29	624,908,885.29
Undistributed profits	2,018,707,182.59	2,046,248,858.13
Total owners' equity (or shareholders' equity)	7,593,862,602.08	7,672,219,264.57
Total liabilities and owners' equity (or shareholders' equity)	13,012,404,776.47	12,735,791,757.29
Legal Representative of the Company: He Zhiyong	Person-in-charge of accounting affairs: Zhu Zaixiang	Person-in-charge of the accounting department: Wu Sufang

Consolidated Income Statement
From January to September 2018
(Unaudited)

RMB

Item	Amount for the period (July – September)	Amount for the previous period (July – September)	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January – September)
I. Total operating income	1,901,239,177.22	1,826,997,685.99	5,478,917,876.78	5,013,012,933.20
Including: Operating income	1,901,239,177.22	1,826,997,685.99	5,478,917,876.78	5,013,012,933.20
II. Total operating costs	1,758,072,476.89	1,698,338,482.95	4,993,123,100.06	4,626,906,864.84
Including: Operating costs	1,247,833,029.47	1,253,262,060.46	3,488,245,092.17	3,279,674,293.30
Taxes and levies	6,834,957.23	4,702,848.40	22,971,754.09	20,961,436.32
Selling expenses	204,048,197.05	178,231,707.25	688,355,809.46	593,229,414.30
Administrative expenses	305,784,704.62	275,453,832.75	749,215,082.25	704,985,800.55
Research and development expenditure	1,705,472.62	3,948,700.12	10,561,519.57	5,038,174.29
Finance expenses	-1,034,877.12	-8,551,351.87	-13,289,086.04	-17,653,442.96
Including: Interest expenses	6,435.62	–	6,435.62	–
Interest income	-7,743,420.47	-8,504,255.13	-22,486,066.84	-19,714,464.28
Loss on impairment of assets	-14,172,235.01	-8,928,373.00	-8,375,898.18	9,474,639.49
Loss on credit impairment	7,073,228.03	219,058.84	55,438,826.74	31,196,549.55
Add: Other income	6,505,661.40	7,862,451.67	32,724,184.07	49,978,219.10
Investment income (loss expressed with “-”)	10,580,569.81	44,715,520.12	89,314,203.51	247,090,600.96
Including: Income from investment in associates and joint ventures	2,115,209.94	2,984,191.28	4,324,304.76	5,057,908.90
Gains from changes in fair values (loss expressed with “-”)	-4,160,583.02	42,785.60	-16,815,529.24	68,769.17
Gain on disposal of assets (loss expressed with “-”)	74,032.72	161,398.14	1,486,429.22	205,883.88
III. Operating profit (loss expressed with “-”)	156,166,381.24	181,441,358.57	592,504,064.28	683,449,541.47
Add: Non-operating income	1,960,653.81	940,937.14	6,722,489.80	2,646,844.11
Less: Non-operating expenses	3,952,987.42	2,915,052.77	12,919,844.63	20,587,503.42
IV. Total profit (total loss expressed with “-”)	154,174,047.63	179,467,242.94	586,306,709.45	665,508,882.16
Less: Income tax expenses	-1,013,925.87	-58,034.80	-4,685,779.42	644,409.37

Item	Amount for the period (July – September)	Amount for the previous period (July – September)	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January – September)
V. Net profit (net loss expressed with “-”)	155,187,973.50	179,525,277.74	590,992,488.87	664,864,472.79
(I) Categorized by the nature of continuing operation				
1. Net profit from continuing operations (net loss expressed with “-”)	155,187,973.50	179,525,277.74	590,992,488.87	664,864,472.79
(II) Categorized by ownership				
1. Net profit attributable to owners of the parent company	150,834,373.64	177,801,215.16	599,730,815.03	675,726,117.42
2. Profit/loss attributable to minority shareholders	4,353,599.86	1,724,062.58	-8,738,326.16	-10,861,644.63
VI. Other comprehensive income, net of tax	-86,871,667.26	-211,335,858.33	-326,195,155.90	-680,709,279.37
Other comprehensive income attributable to owners of the parent company, net of tax	-86,871,667.26	-211,335,858.33	-326,195,155.90	-680,709,279.37
(I) Other comprehensive income not reclassified to profit of loss	-86,871,667.26	-211,335,858.33	-326,195,155.90	-680,709,279.37
1. Fair value changes of other equity instrument investment	-86,871,667.26	-211,335,858.33	-326,195,155.90	-680,709,279.37
VII. Total comprehensive income	68,316,306.24	-31,810,580.59	264,797,332.97	-15,844,806.58
Total comprehensive income attributable to owners of the parent company	63,962,706.38	-33,534,643.17	273,535,659.13	-4,983,161.95
Total comprehensive income attributable to minority shareholders	4,353,599.86	1,724,062.58	-8,738,326.16	-10,861,644.63
VIII. Earnings per share:				
(I) Basic earnings per share (RMB/share)	0.12	0.14	0.49	0.55
(II) Diluted earnings per share (RMB/share)	N/A	N/A	N/A	N/A

Legal Representative of the
Company: He Zhiyong

Person-in-charge of accounting
affairs: Zhu Zaixiang

Person-in-charge of the accounting
department: Wu Sufang

Income Statement of the Parent Company
From January to September 2018
(Unaudited)

RMB

Item	Amount for the period (July – September)	Amount for the previous period (July – September)	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January – September)
I. Operating income	1,173,627,678.75	1,469,778,746.45	4,734,910,031.45	4,000,041,054.01
Less: Operating costs	763,819,238.70	1,117,033,122.72	3,378,896,254.58	2,810,196,520.56
Taxes and levies	530,965.96	588,179.06	8,066,666.41	7,410,831.10
Selling expenses	193,622,013.46	166,778,125.41	515,257,989.14	467,838,187.52
Administrative expenses	195,782,157.33	175,760,491.20	538,484,376.97	498,988,904.90
Finance expenses	2,000,136.11	-4,309,021.03	-4,431,485.15	-11,696,175.64
Including: Interest expenses	1,369,674.67	559,051.36	2,500,697.28	1,371,571.91
Interest income	-4,794,395.54	-4,114,138.34	-13,897,535.93	-13,386,906.17
Loss on impairment of assets	255,788.25	-8,141,932.43	4,738,053.60	1,551,296.70
Loss on credit impairment	312,203.91	-598,085.34	38,984,976.99	11,901,145.06
Add: Other income	410,364.26	589,474.87	1,415,467.93	1,570,525.25
Investment income (loss expressed with “-”)	7,949,859.17	-5,248,410.33	82,883,064.61	304,874,922.11
Including: Income from investment in associates and joint ventures	-65,328.41	3,963,820.03	8,505,774.95	8,386,008.10
Gains from changes in fair values (loss expressed with “-”)	-376,165.25	42,785.60	9,177,576.19	68,769.17
Gain on disposal of assets (loss expressed with “-”)	19,707.14	16,752.28	15,541.53	76,836.50
II. Operating profit (loss expressed with “-”)	25,308,940.35	18,068,469.28	348,404,849.17	520,441,396.84
Add: Non-operating income	41,808.10	975,336.56	1,359,735.92	1,929,102.16
Less: Non-operating expenses	3,811,709.84	2,720,535.11	12,352,947.58	19,779,553.88
III. Total profit (total loss expressed with “-”)	21,539,038.61	16,323,270.73	337,411,637.51	502,590,945.12
IV. Net profit (net loss expressed with “-”)	21,539,038.61	16,323,270.73	337,411,637.51	502,590,945.12
(I) Net profit from continuing operations (net loss expressed with “-”)	21,539,038.61	16,323,270.73	337,411,637.51	502,590,945.12
V. Other comprehensive income, net of tax	-86,435,200.00	-204,409,600.00	-325,672,000.00	-671,809,600.00
(I) Other comprehensive income not reclassified to profit of loss	-86,435,200.00	-204,409,600.00	-325,672,000.00	-671,809,600.00
1. Fair value changes of other equity instrument investment	-86,435,200.00	-204,409,600.00	-325,672,000.00	-671,809,600.00
VI. Total comprehensive income	-64,896,161.39	-188,086,329.27	11,739,637.51	-169,218,654.88
VII. Earnings per share:				
(I) Basic earnings per share (RMB/share)	0.02	0.01	0.27	0.41
(II) Diluted earnings per share (RMB/share)	N/A	N/A	N/A	N/A

Legal Representative of the
Company: He Zhiyong

Person-in-charge of accounting
affairs: Zhu Zaixiang

Person-in-charge of the accounting
department: Wu Sufang

Consolidated Cash Flow Statement
From January to September 2018
(Unaudited)

RMB

Item	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January – September)
I. Cash flows from operating activities:		
Cash receipts from sale of goods and rendering of services	5,685,681,463.81	5,114,671,180.94
Cash received from tax refund	1,028,409.17	28,597,506.51
Other cash receipts relating to operating activities	163,769,058.38	129,434,869.42
Sub-total of cash inflows from operating activities	5,850,478,931.36	5,272,703,556.87
Cash paid for goods purchased and services received	3,666,727,196.59	3,857,506,948.36
Cash paid to and on behalf of employees	787,109,651.82	651,398,003.92
Payments of taxes	98,764,318.78	100,110,556.68
Other cash payments relating to operating activities	716,620,593.38	566,874,190.10
Sub-total of cash outflows from operating activities	5,269,221,760.57	5,175,889,699.06
Net cash flow from operating activities	581,257,170.79	96,813,857.81
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	1,749,941,678.78	2,078,315,386.94
Cash receipts from investment income	92,735,877.18	78,209,242.91
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,848,878.96	1,182,576.37
Net cash received from disposal of subsidiaries and other operating units	393,915.64	199,958,056.98
Other cash receipts relating to investing activities	20,000,000.00	155,352,459.49
Sub-total of cash inflows from investing activities	1,865,920,350.56	2,513,017,722.69
Cash paid to acquire fixed assets, intangible assets and other long-term assets	66,689,472.31	185,781,208.02
Cash paid to acquire investments	1,783,181,271.85	1,550,520,878.42
Net cash paid for acquisition of subsidiaries and other operating units	4,900,000.00	7,150,000.00
Other cash payments relating to investing activities	–	40,530,969.55
Sub-total of cash outflows from investing activities	1,854,770,744.16	1,783,983,055.99
Net cash flow from investment activities	11,149,606.40	729,034,666.70

Item	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January – September)
III. Cash flows from financing activities:		
Cash receipts from capital contributions	5,035,000.00	—
Including: Cash received by subsidiaries from receiving minority investment	5,035,000.00	—
Other cash receipts relating to financing activities	12,545.29	1,050,000.00
Sub-total of cash inflows from financing activities	5,047,545.29	1,050,000.00
Cash paid for dividend, profit appropriation or interest	359,977,106.29	502,733,430.00
Including: Dividends and profits paid to minority shareholders by subsidiaries	202,228.29	—
Cash paid for other financing activities	—	69,271,000.00
Sub-total of cash outflows from financing activities	359,977,106.29	572,004,430.00
Net cash flow from financing activities	-354,929,561.00	-570,954,430.00
IV. Effect of change in foreign exchange rate on cash and cash equivalents		
V. Net increase in cash and cash equivalents	237,477,216.19	254,894,094.51
Add: Opening balance of cash and cash equivalents	1,825,572,649.15	1,634,167,257.70
VI. Closing balance of cash and cash equivalents	2,063,049,865.34	1,889,061,352.21
Legal Representative of the Company: He Zhiyong	Person-in-charge of accounting affairs: Zhu Zaixiang	Person-in-charge of the accounting department: Wu Sufang

Cash Flow Statement of the Parent Company
From January to September 2018
(Unaudited)

RMB

Item	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January – September)
I. Cash flows from operating activities:		
Cash receipts from sale of goods and rendering of services	4,512,737,519.99	4,042,772,800.37
Other cash receipts relating to operating activities	94,545,268.34	78,628,084.67
Sub-total of cash inflows from operating activities	4,607,282,788.33	4,121,400,885.04
Cash paid for goods purchased and services received	2,655,758,610.92	2,557,292,947.76
Cash paid to and on behalf of employees	525,714,131.54	419,723,704.38
Payments of taxes	21,038,250.82	33,824,913.71
Other cash payments relating to operating activities	557,532,233.77	502,151,526.57
Sub-total of cash outflows from operating activities	3,760,043,227.05	3,512,993,092.42
Net cash flow from operating activities	847,239,561.28	608,407,792.62
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	1,688,931,678.78	1,675,384,657.53
Cash receipts from investment income	81,329,023.91	81,452,930.07
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	560,300.36	517,939.49
Net cash received from disposal of subsidiaries and other operating units	–	357,607,830.78
Other cash receipts relating to investing activities	66,299,824.81	151,463,944.57
Sub-total of cash inflows from investing activities	1,837,120,827.86	2,266,427,302.44
Cash paid to acquire fixed assets, intangible assets and other long-term assets	55,242,573.37	163,035,437.49
Cash paid to acquire investments	1,776,245,417.74	1,242,252,550.14
Net cash paid for acquisition of subsidiaries and other operating units	205,884,154.11	13,900,000.00
Other cash payments relating to investing activities	55,000,000.00	265,910,969.55
Sub-total of cash outflows from investing activities	2,092,372,145.22	1,685,098,957.18
Net cash flow from investment activities	-255,251,317.36	581,328,345.26

Item	Amount for the beginning of the year to the end of the reporting period (January – September)	Amount for the beginning to the end of the reporting period of last year (January – September)
III. Cash flows from financing activities:		
Other cash receipts relating to financing activities	148,500,000.00	–
Sub-total of cash inflows from financing activities	148,500,000.00	–
Cash paid for repayment of debts	–	55,000,000.00
Cash paid for dividend, profit appropriation or interest	359,774,878.00	502,733,430.00
Cash paid for other financing activities	–	69,271,000.00
Sub-total of cash outflows from financing activities	359,774,878.00	627,004,430.00
Net cash flow from financing activities	-211,274,878.00	-627,004,430.00
IV. Net increase in cash and cash equivalents	380,713,365.92	562,731,707.88
Add: Opening balance of cash and cash equivalents	1,105,004,995.34	915,684,202.39
V. Closing balance of cash and cash equivalents	1,485,718,361.26	1,478,415,910.27

Legal Representative of the
Company: He Zhiyong

Person-in-charge of accounting
affairs: Zhu Zaixiang

Person-in-charge of the accounting
department: Wu Sufang

By order of the Board
Xinhua Winshare Publishing and Media Co., Ltd.*
He Zhiyong
Chairman

Sichuan, the PRC, 26 October 2018

As at the date of this announcement, the Board comprises (a) Mr. He Zhiyong, Mr. Chen Yunhua and Mr. Yang Miao as executive directors; (b) Mr. Luo Jun, Mr. Zhang Peng and Mr. Han Xiaoming as non-executive directors; and (c) Mr. Chan Yuk Tong, Ms. Xiao Liping and Mr. Fang Bingxi as independent non-executive directors.

* For identification purposes only