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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)

PROPOSED ADOPTION OF OUTLINE OF STRATEGIC PLANNING (2021-2025)

The board (the “**Board**”) of directors (the “**Director(s)**”) of Xinhua Winshare Publishing and Media Co., Ltd.* (the “**Company**”) announces that, on 16 June 2020, the Board approved the proposed adoption of the Outline of the Company’s Strategic Planning (2021-2025) (the “**Proposed Adoption of Outline of Strategic Planning (2021-2025)**”). The Outline of Strategic Planning (2021-2025) is subject to consideration and approval at the extraordinary general meeting of the Company.

PROPOSED ADOPTION OF OUTLINE OF STRATEGIC PLANNING (2021-2025) BY THE COMPANY

To achieve continuous growth of the Company, the Board of the Company proposes the adoption of the Outline of Strategic Planning (2021-2025) and the details are as follows:

(I) Corporate Mission

To promote cultural heritage and guide industrial development.

(II) Strategic Vision

To build itself into the most innovative and growing publishing and media enterprise in China and a comprehensive cultural service group with international influence.

(III) Development Philosophy

High-quality development, innovative development, integrated development and people-oriented development.

(IV) Overall Strategic Thinking

To focus on the principal business of publishing and media and the innovative industrial development model. Through the “technology + capital” two-wheeled driven strategy, the Company promotes the upgrade of the publishing and media industry chain and builds a first-class system covering four major segments namely content innovation and publication, education service, cultural consumption service and supply chain service as well as an investment and financing mechanism of capital operations to satisfy the needs of the people for a better cultural life and to build itself into the most innovative and growing publishing and media enterprise in China and a comprehensive cultural service group with international influence.

(V) AIMING TO ACHIEVE STRATEGIC DEVELOPMENT

As to business objectives, during the period of strategic planning, while achieving continuous, sound and coordinated growth, the Company will maintain faster growth in revenue and profit with expanding market share and capital appreciation for the Company so as to generate positive economic returns to shareholders and rank in the forefront among the publishing and media groups in China in terms of overall capabilities.

As to capability objectives, the Company will shape the capability of content resource collection – development – transformation and build an innovative cultural consumption service model while enhancing the overall competitiveness of the education “content + service” and the innovation of the supply chain service model. In addition to shaping the capability of data asset operations, the Company endeavours to enhance the capabilities of capital operations, strategic research and judgment, strategic goal achievement and strategic rectification, as well as strategic management and risk management.

(VI) STRATEGIC DEVELOPMENT PATH

To consolidate the high-quality development of the publishing and media business as its principal business, embark on the journey of on integrated development and innovation, promote the breakthrough development of the traditional publishing and media business, and enhance the Company’s overall market competitiveness.

REASONS FOR AND BENEFITS OF PROPOSED ADOPTION OF THE OUTLINE OF STRATEGIC PLANNING (2021-2025)

A series of documents including the *Outline of the 13th Five-Year Plan for China* and the *Outline of the National Cultural Development Reform Plan for the 13th Five-Year Plan* have established the core position of the future cultural industry in the national economy. Looking ahead, the cultural industry will face crucial opportunities for strategic growth. The changes in the economic, social, technological and capital environments have brought opportunities as well as tremendous challenges to the cultural industry in terms of growth, development, business model and competition. A new growth momentum has emerged in the media and the publishing, digital publishing and education service sectors. The external environment that the Group is subject to has also experienced profound and material changes.

At the same time, upon implementation of the existing business strategies, the Company's strategic objectives have been basically achieved, which has effectively capitalised on and consolidated the strengths of the "A+H" capital platform, publishing capability, reading service capability and education service capability. These are conducive to laying a foundation for the sound development of the Company in the future. However, as the market environment changes, the Company will also need to seek a new development path amidst shortfalls in the areas of overall development, content publishing, channel service and capital operations when competing in the market for corporate development.

Given the aforesaid reasons, the Board considers that, taking into account the Company's current resources and conditions and actual business needs, it is high time for the Company to rationalise and think deeply about the future's development direction and strategic planning and therefore the Outline of Strategic Planning (2021-2025) is proposed for adoption.

The Board considers that the Proposed Adoption of the Outline of Strategic Planning (2021-2025) is in the interest of the Group and the shareholders of the Company (the "Shareholders") as a whole.

EXTRAORDINARY GENERAL MEETING

The Proposed Adoption of Outline of Strategic Planning (2021-2025) is subject to the Shareholders' approval by ordinary resolution at the extraordinary general meeting.

None of the Shareholders are required to abstain from voting on the resolution regarding the Proposed Adoption of Outline of Strategic Planning (2021-2025) at the extraordinary general meeting.

CIRCULAR TO SHAREHOLDERS

A circular containing the details of the Proposed Adoption of Outline of Strategic Planning (2021-2025) and the notice convening the extraordinary general meeting will be despatched to the Shareholders as soon as practicable.

By Order of the Board
XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.*
He Zhiyong
Chairman

Sichuan, the PRC
16 June 2020

As at the date of this announcement, the Board comprises (a) Mr. He Zhiyong and Mr. Chen Yunhua 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 Binxi as independent non-executive Directors.

* For identification purposes only