WIN SHARE

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)

FURTHER ANNOUNCEMENT ON DISCLOSEABLE TRANSACTION IN RELATION TO THE TRANSFER OF 48% EQUITY INTEREST IN THE TARGET COMPANY

Reference is made to the announcement (the "**Announcement**") of Xinhua Winshare Publishing and Media Co., Ltd.* (the "**Company**" or "**Xinhua Winshare**") dated 12 April 2017 in respect of the discloseable transaction in relation to the transfer of 48% equity interest in Sichuan Wenxuan Zhuotai Investment Co., Ltd.* (四川文軒卓泰投資有限公司) (the "**Target Company**" or the "**Valued Entity**") (the "**Equity Transfer**"). Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

VALUATION OF THE TARGET COMPANY

The total shareholders' equity of the Target Company was approximately RMB781.0261 million as at 30 November 2015, the valuation date (the "**Valuation Date**") based on the valuation report (the "**Valuation Report**") dated 15 July 2016 prepared by China Enterprise Appraisals Consultation Co., Ltd. Southwestern Branch (北京中企華資產評估有限責任公司西南分公司), the independent professional valuer (the "**Independent Valuer**") engaged by the Group for the purpose of the Equity Transfer.

The corresponding valuation of the 48% equity interest in the Target Company to be disposed of is RMB374.8925 million based on the above valuation. The base price of the target equity interest is RMB423.5294 million on the basis of the above valuation and by reference to various factors such as the current status of the company and the market conditions as a whole.

The valuation of the Target Company (the "**Target Company Valuation**") is deemed to be a profit forecast (the "**Profit Forecast**") under the Rule 14.61 of the Listing Rules as the income approach is used in the Target Company Valuation. Accordingly, both Rules 14.60A and 14.62 of the Listing Rules are applicable.

The details of the basis of the valuation assumptions of the Target Company Valuation are set out as follows:

VALUATION ASSUMPTIONS

(I) General Assumptions

1. It is assumed that the Valued Entity will continue operating after the Valuation Date;

2. It is assumed that there will be no material changes resulting in an adverse impact on achieving the Valued Entity's established objectives of operation in the political, economic and social environment of the country and region where it is located after the Valuation Date;

3. It is assumed that there will be no material changes resulting in an adverse impact on achieving the Valued Entity's established objectives of operation in the macroeconomic policies, industrial policies and regional development policies of the PRC after the Valuation Date;

4. It is assumed that there will be no material changes in the interest rates, exchange rates, tax bases and tax rates, as well as policy charges in relation to the Valued Entity after the Valuation Date;

5. It is assumed that the management of the Valued Entity will meet its established objectives of production and operation and will be responsible and competent after the Valuation Date;

6. It is assumed that all operating activities of the Valued Entity will fully comply with the related laws and regulations, and will not have impact on its continuing operations and operating results due to illegal operations after the Valuation Date;

7. It is assumed that the accounting policies adopted by the Valued Entity after the Valuation Date will be consistent with the ones adopted in preparing the Valuation Report in all material respects; and

8. It is assumed that there will be no material adverse impacts on the Valued Entity arising from force majeure events after the Valuation Date.

(II) Special Assumptions

1. It is assumed that Xinhua Winshare will not affect the future development of Sichuan Winshare Vocational College, owned by the Target Company, after the transfer of equity interest in the Target Company;

2. It is assumed that the annual enrollment plans of Sichuan Winshare Vocational College, owned by the Target Company, in the future will not be greatly different from enrollment indicators approved and issued by the central government in accordance with related regulations, and all enrollment indicators of the annual enrollment plans will be met;

3. It is assumed that the educational entity(ies) owned by the Target Company will lawfully acquire legal certificates of school-running without delay while the governments will regularly re-approve and re-issue related certificates of school-running competence in accordance with related regulations, and hence the continuity of teaching activities will not be affected;

4. It is assumed that since its cessation of enrollment in 2016, Sichuan Winshare Vocational College, the educational entity owned by the Target Company, will not resume its business of secondary vocational teaching while continuing its business on a going concern basis in the future, and the continuing educational entity will only develop based on the existing fixed operating assets as at the Valuation Date and will not contribute more capital into expanding its scale of business; and

5. It is assumed that the Target Company will basically have even operating cash outflow and operating cash inflow.

The Board discussed with the Independent Valuer about different aspects including the bases and assumptions upon which the Target Company Valuation was prepared, and reviewed the Target Company Valuation for which the Independent Valuer was responsible. The Board also considered the letter to the Company from Deloitte Touche Tohmatsu Certified Public Accountants LLP ("**DTT**"), the auditor of the Company, dated 26 April 2017 regarding the arithmetical accuracy of the Target Company Valuation. The Board is of the opinion that the Target Company Valuation and the bases and assumptions of the Target Company Valuation, for which the Independent Valuer and the Directors are solely responsible, have been made after due and careful enquiry.

DTT also examined the discounted future estimated cash flows which the Target Company Valuation is involved. A letter from the Board issued in accordance with the Rule 14.62(3) and a letter from DTT dated 26 April 2017 issued in accordance with the Rule 14.62(2) were delivered to the Stock Exchange. The respective text of both letters is set out in Appendix I and Appendix II of this announcement. A letter in relation to report on the Profit Forecast from the Board and a comfort letter from DTT are included in the appendices of this announcement for the purpose of Rules 14.60A and 14.62 of the Listing Rules.

EXPERTS AND CONSENTS

The qualifications of the experts who have given their opinion and advice in this announcement are as follows:

Name	Qualification
China Enterprise Appraisals Consultation Co., Ltd. Southwestern Branch (北京中企華資產評估有限責任公司西南分公司)	an independent professional asset valuer appointed by the Company for the Equity Transfer. It is a firm established upon approval of the Ministry of Finance of the PRC to provide asset valuation services in the PRC
DTT	Certified Public Accountants

To the best knowledge, information and belief of the directors having made all reasonable enquiries, the Independent Valuer and DTT are third parties independent of the Group and its connected persons.

As at the date of this announcement, none of the Independent Valuer and DTT has any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Each of the Independent Valuer and DTT has given and has not withdrawn its consent to the publication of this announcement with the inclusion of its opinion and advice and all references to its name in the form and context in which they are included.

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

Sichuan, the PRC, 26 April 2017

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

* *For identification purposes only*

The Listing Division
The Stock Exchange of Hong Kong Limited
12th Floor, One International Finance Centre
1 Harbour View Street
Central, Hong Kong

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION – TRANSFER OF 48% EQUITY INTEREST IN THE TARGET COMPANY

The Company refers to the valuation of the market value of 48% equity interest in Sichuan Wenxuan Zhuotai Investment Co., Ltd.* (四川文軒卓泰投資有限公司) as at 30 November 2015, the valuation base date, prepared by China Enterprise Appraisals Consultation Co., Ltd. Southwestern Branch (北京中企華資產評估有限責任公司西南分公司) (the "**Independent Valuer**") on 15 July 2016 (the "**Valuation**"). As the income approach is adopted for the Valuation, the Valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules and, accordingly, Rules 14.60A and 14.62 of the Listing Rules are applicable.

The Company discussed with the Independent Valuer about different aspects including the bases and assumptions upon which the Valuation was prepared, and reviewed the Valuation for which the Independent Valuer was responsible.

The Company also considered the report from the Company's reporting accountant, Deloitte Touche Tohmatsu Certified Public Accountants LLP, regarding whether the Valuation was compiled properly so far as the calculations are concerned.

Pursuant to the requirements of Rule 14.62(3) of the Listing Rules, the Board of the Company is of the opinion that the Valuation prepared by the Independent Valuer has been made after due and careful enquiry.

Yours faithfully,
On behalf of the Board
Xinhua Winshare Publishing and Media Co., Ltd.*
He Zhiyong

Chairman

26 April 2017

* *For identification purposes only*

INDEPENDENT ASSURANCE REPORT ON CALCULATIONS OF DISCOUNTED FUTURE ESTIMATED CASH FLOWS IN CONNECTION WITH THE VALUATION OF EQUITY INTEREST IN SICHUAN WENXUAN ZHUOTAI INVESTMENT CO., LTD.

DTT(17)LS00002

TO THE DIRECTORS OF XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.

We have examined the calculations of the discounted future estimated cash flows on which the valuation prepared by China Enterprise Appraisals Consultation Co., Ltd. Southwestern Branch dated 15 July 2016, of the 100% equity interest in Sichuan Wenxuan Zhuotai Investment Co., Ltd. ("Wenxuan Zhuotai" or the "Target Company") as at 30 November 2015 (the "Valuation") is based. Wenxuan Zhuotai is a company registered in the People's Republic of China. The Valuation based on the discounted future estimated cash flows is regarded as a profit forecast under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and will be included in an announcement dated 26 April 2017 to be issued by Xinhua Winshare Publishing and Media Co., Ltd. (the "Company") in connection with the further announcement on discloseable transactions in relation to the transfer of 48% equity interest in the Target Company (the "Further Announcement").

Directors' Responsibility for the Discounted Future Estimated Cash Flows

The directors of the Company are responsible for the preparation of the discounted future estimated cash flows in accordance with the bases and assumptions determined by the directors and set out in the Further Announcement (the "Assumptions"). This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future estimated cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the "Code of Ethics for Professional Accountants" of the International Ethics Standards Board of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion on the arithmetical accuracy of the calculations of the discounted future estimated cash flows on which the Valuation is based and to report solely to you, as a body, as required by Rule 14.62(2) of the Listing Rules, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Our engagement was conducted in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain reasonable assurance on whether the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled in accordance with the Assumptions. Our work was limited primarily to making inquiries of the Company's management, considering the analyses and assumptions on which the discounted future estimated cash flows are based and checking the arithmetic accuracy of the compilation of the discounted future estimated cash flows. Our work does not constitute any valuation of Wenxuan Zhuotai.

Because the Valuation relates to discounted future estimated cash flows, no accounting policies of the Company have been adopted in its preparation. The Assumptions include hypothetical assumptions about future events and management actions which cannot be confirmed and verified in the same way as past results and these may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Valuation and the variation may be material. Accordingly, we have not reviewed, considered or conducted any work on the reasonableness and the validity of the Assumptions and do not express any opinion whatsoever thereon.

Opinion

Based on the foregoing, in our opinion, the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the Assumptions.

Deloitte Touche Tohmatsu
Certified Public Accountants LLP
Shanghai, China

26 April 2017