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winshare 文軒

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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Director(s)**”) of Xinhua Winshare Publishing and Media Co., Ltd.* (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Year**” or “**Reporting Period**”).

CONSOLIDATED BALANCE SHEET 31 DECEMBER 2025

				RMB
ITEM	Notes	31 December 2025	31 December 2024	
Assets				
Current Assets:				
Cash and bank balances	5	8,813,294,996.91	9,179,678,124.68	
Held-for-trading financial assets		47,285.12	60,122.67	
Notes receivable		–	933,791.30	
Accounts receivable	6	1,631,558,313.21	1,526,810,256.53	
Financing receivables		13,659,195.61	15,232,141.87	
Prepayments		101,661,653.47	64,815,102.00	
Other receivables	7	155,434,051.60	261,437,606.97	
Including: Dividends receivable		12,464,000.00	1,578,000.00	
Inventories	8	2,280,086,323.16	2,422,588,723.48	
Contract assets		10,220,367.99	5,584,567.76	
Non-current assets due within one year		22,507,427.20	49,263,308.47	
Other current assets		72,574,515.09	77,116,925.26	
Total Current Assets		13,101,044,129.36	13,603,520,670.99	

RMB

ITEM	Notes	31 December 2025	31 December 2024
Non-current Assets:			
Long-term receivables	9	13,693,637.50	39,192,878.89
Long-term equity investments	10	871,587,783.09	806,322,100.70
Other equity instrument investments	11	2,110,106,593.81	2,284,471,141.07
Other non-current financial assets	12	466,762,331.54	422,828,090.06
Investment properties		75,059,480.25	76,601,687.11
Fixed assets	13	2,347,072,000.84	2,359,715,499.52
Construction in progress		3,394,771.08	73,670,872.15
Right-of-use assets		330,892,995.19	234,572,966.34
Intangible assets		313,800,969.23	336,018,285.26
Development cost		7,650,470.72	3,745,447.13
Goodwill	14	622,652,907.24	622,652,907.24
Long-term prepaid expenses		28,688,755.34	26,459,764.43
Deferred tax assets		6,963,098.32	7,215,301.85
Other non-current assets	15	3,145,071,401.54	2,001,715,747.53
Total Non-current Assets		10,343,397,195.69	9,295,182,689.28
TOTAL ASSETS		23,444,441,325.05	22,898,703,360.27
Liabilities and shareholders' equity			
Current Liabilities:			
Short-term borrowings		10,000,000.00	10,000,000.00
Notes payable		–	4,486,667.50
Accounts payable	16	5,162,813,030.81	5,453,032,475.59
Advance receipts		7,506,790.10	1,662,994.41
Contract liabilities	17	591,240,193.13	603,867,865.69
Employee benefits payable		1,009,468,036.81	908,819,864.44
Taxes payable		47,287,226.56	42,024,302.50
Other payables	18	304,192,570.95	308,454,407.85
Non-current liabilities due within one year		83,930,280.44	76,862,500.83
Other current liabilities		141,378,687.62	184,325,801.95
Total Current Liabilities		7,357,816,816.42	7,593,536,880.76

RMB

ITEM	Notes	31 December 2025	31 December 2024
Non-current Liabilities:			
Lease liabilities		268,414,242.75	179,938,995.53
Long-term payables		5,374,260.12	—
Deferred income		85,837,398.10	53,436,961.20
Deferred tax liabilities		76,139,642.63	64,861,474.37
Total Non-current Liabilities		435,765,543.60	298,237,431.10
TOTAL LIABILITIES		7,793,582,360.02	7,891,774,311.86
Shareholders' Equity:			
Share capital	19	1,233,841,000.00	1,233,841,000.00
Capital reserve		2,524,643,969.45	2,524,643,969.45
Other comprehensive income	26	1,681,669,172.65	1,855,336,515.47
Surplus reserve		1,580,525,668.61	1,431,148,312.43
Retained profits	20	8,240,007,529.56	7,561,485,821.67
Total Shareholder's Equity Attributable to Equity Holders of the Parent		15,260,687,340.27	14,606,455,619.02
Non-controlling Interests		390,171,624.76	400,473,429.39
TOTAL SHAREHOLDERS' EQUITY		15,650,858,965.03	15,006,929,048.41
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		23,444,441,325.05	22,898,703,360.27

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

RMB

ITEM	<i>Notes</i>	Amount recognized in the current year	Amount recognized in the prior year
I. Operating income	<i>21</i>	11,731,677,466.92	12,328,513,892.29
Less: Operating costs	<i>21</i>	7,555,178,468.97	7,802,676,830.02
Taxes and levies		48,959,761.90	53,221,266.46
Selling expenses		1,383,001,873.94	1,438,983,986.01
Administrative expenses		1,624,855,897.16	1,673,614,925.66
Research and development expenditure		38,776,229.09	30,463,683.64
Finance expenses		(218,842,260.21)	(217,168,251.44)
Including: Interest expenses		14,765,402.88	12,441,882.61
Interest income		236,287,981.87	245,460,218.10
Add: Other income		99,901,680.48	105,902,307.93
Investment income		171,976,013.71	181,423,463.59
Including: Income from investments in associates and joint ventures		68,750,189.43	51,321,668.80
Gain (loss) from changes in fair values	<i>24</i>	58,735,314.31	(9,942,365.68)
Gain (loss) on credit impairment	<i>25</i>	22,835,758.88	(31,230,043.82)
Gain (loss) on asset impairment		(55,878,366.90)	(42,899,168.97)
Gain on disposal of assets		72,595,657.18	1,655,050.26
II. Operating profit		1,669,913,553.73	1,751,630,695.25
Add: Non-operating income		5,447,968.53	2,682,376.70
Less: Non-operating expenses		38,434,398.93	45,386,948.81
III. Total profit		1,636,927,123.33	1,708,926,123.14
Less: Income tax expenses	<i>23</i>	29,220,595.36	105,264,449.29

ITEM	Notes	Amount recognized in the current year	Amount recognized in the prior year
IV. Net profit		1,607,706,527.97	1,603,661,673.85
(I) Categorized by the nature of continuing operations:			
1. Profit from continuing operations		1,607,706,527.97	1,603,661,673.85
(II) Categorized by ownership:			
1. Net profit attributable to shareholders of the parent		1,568,450,497.66	1,544,856,196.33
2. Profit or loss attributable to non-controlling interests		39,256,030.31	58,805,477.52
V. Other comprehensive income, net of tax		(173,914,176.41)	717,636,964.30
Other comprehensive income attributable to shareholders of the parent, net of tax		(173,914,176.41)	717,636,964.30
(I) Other comprehensive income not reclassified to profit or loss		(173,914,176.41)	717,636,964.30
1. Changes in other equity instrument investment at fair value		(173,914,176.41)	717,636,964.30
VI. Total comprehensive income		1,433,792,351.56	2,321,298,638.15
Total comprehensive income attributable to shareholders of the parent		1,394,536,321.25	2,262,493,160.63
Total comprehensive income attributable to non-controlling interests		39,256,030.31	58,805,477.52
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)	27	1.27	1.25
(II) Diluted earnings per share (RMB/share)		1.27	1.25

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

RMB

ITEM	Amount recognized in the current year	Amount recognized in the prior year
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services	12,372,626,235.66	12,939,608,391.10
Receipts of tax refunds	168,889,644.13	97,505,449.62
Other cash receipts relating to operating activities	215,983,483.92	393,903,480.51
Sub-total of cash inflows from operating activities	12,757,499,363.71	13,431,017,321.23
Cash payments for goods purchased and services received	8,213,439,553.39	8,132,515,163.97
Cash payments to and on behalf of employees	1,893,559,102.97	1,838,151,893.23
Payments of various types of taxes	166,831,589.89	386,515,207.98
Other cash payments relating to operating activities	975,210,225.40	1,301,356,224.42
Sub-total of cash outflows from operating activities	11,249,040,471.65	11,658,538,489.60
Net Cash Flow from Operating Activities	1,508,458,892.06	1,772,478,831.63
II. Cash Flows from Investing Activities:		
Cash receipts from disposals and recovery of investments	55,402,703.87	28,450,610.87
Cash receipts from investment income	110,346,881.50	195,521,762.30
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	119,447,799.77	2,394,927.68
Other cash receipts relating to investing activities	165,000,000.00	890,000,000.00
Sub-total of cash inflows from investing activities	450,197,385.14	1,116,367,300.85
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	178,961,810.43	151,196,837.47
Cash payments to acquire investments	50,388,261.75	211,763,664.25
Other cash payments relating to investing activities	2,515,145,261.68	1,576,352,500.00
Sub-total of cash outflows from investing activities	2,744,495,333.86	1,939,313,001.72
Net Cash Flow from Investing Activities	(2,294,297,948.72)	(822,945,700.87)

RMB

ITEM	Amount recognized in the current year	Amount recognized in the prior year
III. Cash Flows from Financing Activities:		
Cash received from borrowings	10,000,000.00	10,000,000.00
Sub-total of cash inflows from financing activities	10,000,000.00	10,000,000.00
Cash payments for repayment of debts	10,000,000.00	10,000,000.00
Cash payments for distribution of dividends and profits and settlement of interest expenses	790,182,397.07	950,884,516.13
Including: Payments for distribution of dividends and profits to non-controlling shareholders of subsidiaries	49,557,834.94	559,570.85
Other cash payments relating to financing activities	106,939,732.23	114,408,583.13
Sub-total of cash outflows from financing activities	907,122,129.30	1,075,293,099.26
Net Cash Flow from Financing Activities	(897,122,129.30)	(1,065,293,099.26)
IV. Net Cash and Cash Equivalents	(1,682,961,185.96)	(115,759,968.50)
Add: Opening balance of Cash and Cash Equivalents	8,962,582,856.29	9,078,342,824.79
V. Closing Balance of Cash and Cash Equivalents	7,279,621,670.33	8,962,582,856.29

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. BASIC INFORMATION ABOUT THE COMPANY

The Company was registered at Administration for Market Regulation of Sichuan Province on 11 June 2005 with the share capital of RMB733,370,000.00.

On 30 May 2007, the Company publicly offered 401,761,000 shares of overseas listed foreign shares (“**H Shares**”) (including overallotment) in Hong Kong and was listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Upon completion of issuance, the share capital of the Company was changed to RMB1,135,131,000.00.

As approved by Reply on Approval of IPO of Xinhua Winshare Publishing and Media Co., Ltd. (Zheng Jian Xu Ke [2016] No.1544) issued by China Securities Regulatory Commission, the Company publicly offered 98,710,000 shares of RMB ordinary share (“**A Shares**”) to the public on 8 August 2016 and was listed on the Shanghai Stock Exchange. Upon the completion of IPO, the share capital of the Company changed into RMB1,233,841,000.00.

The legal representative of the Company is Mr. Zhou Qing. The registered address of the Company is located at Unit 1, Block 1, No. 238, Sanse Road, Jinjiang District, Chengdu, China and the headquarters is located at Xinhua Star Tower A, No. 238, Sanse Road, Jinjiang District, Chengdu, Sichuan.

The Group is actually and mainly engaged in: permitted items: wholesale of publications; distribution of primary and secondary school textbooks; Internet sales of publications; printing of publications; printing of packaging and decoration printed materials; printing of documents, materials and other printed materials; catering services (operated by branches); catering services (not producing smoke, odor, or exhaust gas); food sales; tourism business; road freight transportation (excluding dangerous goods). (items subject to prior approvals according to the law can only be operated upon obtaining approvals from the relevant authorities, and the specific business items are subject to the approval documents or licenses of relevant departments) General items: Internet sales (except for sales of goods requiring a license); copyright agency; investment activities with own funds; digital content production services (excluding publishing and distribution); sales of electronic products; wholesale of computer hardware and software and auxiliary equipment; retail of computer hardware and software and auxiliary equipment; software sales; sales of teaching equipment; sales of instruments and meters; wholesale of stationery; retail of stationery; retail of sporting goods and equipment; wholesale of sporting goods and equipment; organization of cultural and artistic exchange activities; experiential development activities and planning; education consulting services (excluding education training activities involving licensing and approval); sales of daily necessities; sales of office supplies; sales of toys, animation and amusement products; retail of daily household appliances; agency sales of single-purpose commercial prepaid cards; catering management; Food sales (only prepackaged food sales); non-residential real estate leasing; counter and stall rental; sales agency; consulting and planning services; conference and exhibition services (organizing exhibitions abroad is subject to approval of the relevant authorities); cultural venue management services; professional design services; graphic design and production; project management services; labor services (excluding labor dispatch); library management services; daily necessities rental; cultural supplies and equipment rental; outside-school hour care services for primary and secondary school students; business management consulting; information consulting services (excluding licensed information consulting services); information technology consulting services; graphic design; advertising production; packaging services; business management; furniture sales; office equipment and supplies sales; clothing and apparel retail; footwear and hat retail; cosmetics retail; knitwear and textile sales; sales of arts and crafts and ceremonial articles (excluding ivory and its products); sales of daily necessities; retail of arts and crafts and collectibles (excluding ivory and its products); sales of office equipment; wholesale of cosmetics; sales of packaging materials and products; sales of building decoration materials; organization for sports insurance; organization for sports competition; rental services (excluding licensed rental services); ticket agency services; tourism development project planning and consulting; business agency services; study space services; sales of artificial intelligence hardware; musical instrument retail; daily chemical product sales; photographic equipment and telescope retail; camera and equipment sales; leather product sales; slide projector and projection equipment sales; paper product sales; audio equipment sales; goods import and export; technology import and export; jewelry retail; vending machine sales; intelligent robot sales; consumer service robot sales; intelligent unmanned aerial vehicle sales; amusement and entertainment product sales; gold and silver product sales; sales of chemical products (excluding licensed chemical products); educational and teaching testing and evaluation activities; technical services, technology

development, technology consulting, technology exchange, technology transfer, and technology promotion; information system integration services; data processing and storage support services; software development; sales of copying and offset printing equipment; sales of inks (excluding hazardous chemicals); sales of teaching models and teaching aids; sales of specialized chemical products (excluding hazardous chemicals); sales of lighting fixtures; digital technology services; asset management services invested with own funds; human resources services (excluding employment agency activities and labor dispatch services); business training (excluding educational training, vocational skills training, and other training that require a license); retail of pet food and supplies; sales of maternal and infant products; book rentals; sales of labor protection products; sales of glasses (excluding contact lenses); sales of wearable smart devices; sales of communications equipment; sales of household goods; and amusement park services. (business activities may be independently conducted accordingly to the law with a business license, except for items subject to prior approvals according to the law).

The parent of the Company is Sichuan Xinhua Publishing and Distribution Group Co., Ltd. (**“Sichuan Xinhua Publishing and Distribution Group”**). The de facto controller of the Company is State-owned Assets Supervision and Administration Commission of Sichuan Province.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation

The Group has adopted the Accounting Standards for Business Enterprises (**“ASBE”**) and relevant regulations issued by the Ministry of Finance (**“MoF”**). In addition, the Group has disclosed relevant financial information in accordance with Information Disclosure and Presentation Rules for Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reporting (Revised in 2023), Hong Kong Companies Ordinance and Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (**“Listing Rules”**).

Going concern

The Group assessed its ability to continue as a going concern for the 12 months commencing from 31 December 2025, and found no events or circumstances that may cast significant doubts upon it. Hence the financial statements have been prepared on going concern basis.

3. TAX INCENTIVES AND OFFICIAL APPROVALS

Enterprise income tax

In accordance with the Announcement on Tax Policies for the Transformation of Operating Cultural Institutions into Enterprises of Cultural System Reform (Announcement of the MoF, State Administration of Taxation and Publicity Department No. 20 of 2024) issued by the MoF, State Administration of Taxation and Publicity Department, the Company and its subsidiaries, Beijing Shuchuan Xinhua Bookstore Book Distribution Co., Ltd., Sichuan Xinhua Online Network Co., Ltd., Sichuan Winshare Cultural Communication Co., Ltd., and the Company’s fourteen publishing units enjoyed enterprise income tax exemption from the registration date of transformation until 31 December 2027.

In accordance with the Notice on the Continuous Implementation of Several Tax Policies for the Transformation of Operating Cultural Institutions into Enterprises of Cultural System Reform (Announcement of the MoF, State Administration of Taxation and Publicity Department No. 71 of 2023), the Announcement on the List of the First Batch of State-transformed Cultural Enterprises (Liang Cai Fa Shui [2021] No. 4) and the Announcement on Tax Policies for the Transformation of Operating Cultural Institutions into Enterprises of Cultural System Reform (Announcement of the MoF, State Administration of Taxation and Publicity Department No. 20 of 2024) issued by the MoF, State Administration of Taxation and Publicity Department, Liangshanzhou Xinhua Bookstore Co., Ltd. (**“Liangshanzhou Xinhua Bookstore”**), a subsidiary of the Company, was entitled to the enterprise income tax exemption policy from 1 January 2021 to 31 December 2027.

In accordance with the Announcement on Renewing the Enterprise Income Tax Policy for Great Western Development (Announcement of the MoF, State Administration of Taxation and National Development and Reform Commission No. 23 of 2020) issued by the MoF, the State Administration of Taxation, and the National Development and Reform Commission, the Company and some of its subsidiaries were included in encouraged industries in Western China, which were subject to enterprise income tax calculated at the rate of 15% of the assessable income.

Value-added tax

Pursuant to Notice on Renewing the Implementation of Promoting Cultural Value-added Tax Preferential Policies (Announcement of MoF and the State Administration of Taxation No. 60 of 2023) issued by the MoF and the State Administration of Taxation, for the period from 1 January 2024 to 31 December 2027, the Group's publications of newspapers and journals published for children and the elderly, textbooks for students in primary and secondary schools and publications for ethnic minorities were entitled to preferential policy of 100% reimbursement of value-added tax during publishing phase; apart from the above publications that were entitled to preferential policy of 100% reimbursement of value-added tax, other publications such as books, journals, audio-visual products and electronic publications were entitled to preferential policy of 50% reimbursement of value-added tax during publishing phase; and the book wholesale and retail business was entitled to exemption from value-added tax.

4. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

For the twelve months ended 31 December 2025, there were no changes in significant accounting policies and accounting estimates of the Group.

5. CASH AND BANK BALANCES

<i>RMB</i>						
Item	31 December 2025			31 December 2024		
	Amounts of the original currencies	Exchange rate	Amount in RMB	Amounts of the original currencies	Exchange rate	Amount in RMB
Cash on hand:						
RMB	48,383.28	1.0000	48,383.28	202,669.04	1.0000	202,669.04
Bank balances:						
RMB (<i>Note 1</i>)	8,766,342,149.42	1.0000	8,766,342,149.42	9,133,000,046.19	1.0000	9,133,000,046.19
USD	19,583.04	7.0288	137,645.27	19,573.09	7.1884	140,699.20
EUR	–	8.2355	–	68.69	7.5257	516.94
HKD	72,151.83	0.9032	65,168.98	73,144.44	0.9260	67,734.67
JPY	304.00	0.0448	13.62	–	–	–
Other currency funds:						
RMB (<i>Note 2</i>)	46,701,636.34	1.0000	46,701,636.34	46,266,458.64	1.0000	46,266,458.64
Total			8,813,294,996.91			9,179,678,124.68

Note 1: As at 31 December 2025, the bank balances include 3-month above term deposits amounting to RMB4,605,405,342.50 (31 December 2024: RMB4,874,193,671.25). The management held the time deposits with the intention of flexible arrangement of funds and withdrew funds at any time depending on the capital needs. The bank balances include time deposits with a term exceeding 3 months and maturing within 1 year, which the management intended to hold to maturity with a principal of RMB1,393,000,000.00, and accrued interest calculated based on the effective interest rate method of RMB107,890,654.94.

Note 2: As at 31 December 2025, other cash and bank balances include the balances with Alipay App account, WeChat App account, E-commerce platform online store account and securities account of RMB13,918,964.70 (31 December 2024: RMB6,066,712.58), and the rest are restricted currency funds. At the end of the current year, of the Group's cash and bank balances with restricted ownership, there were: (1) security deposit placed in bank for the issuance of guarantee letter of RMB6,580,987.48; (2) security deposit for travel service quality of Sichuan Winshare Xingzhi Study Tour Travel Agency Co., Ltd., a subsidiary of the Group, of RMB1,100,000.00; (3) special fund for housing reform and housing repair of RMB25,101,684.16.

6. ACCOUNTS RECEIVABLE

(1) Disclosure by ageing

		<i>RMB</i>
	Carrying balance as at 31 December 2025	Carrying balance as at 31 December 2024
Ageing		
Within 1 year	1,435,364,371.82	1,322,268,524.78
More than 1 year but not exceeding 2 years	264,606,637.54	340,665,693.99
More than 2 years but not exceeding 3 years	158,468,908.49	300,967,987.68
More than 3 years	599,408,779.93	425,031,451.14
Subtotal	2,457,848,697.78	2,388,933,657.59
Less: Provision for credit loss	826,290,384.57	862,123,401.06
Total	1,631,558,313.21	1,526,810,256.53

The ageing analysis of accounts receivable above is based on the date on which the customer gains control over the relevant goods or services.

(2) Disclosure by provision method of credit loss

	31 December 2025				31 December 2024			
Category	Carrying value		Credit loss provision		Carrying amount		Credit loss provision	
	Amount	Percentage (%)	Amount	Provision percentage (%)	Amount	Percentage (%)	Amount	Provision percentage (%)
Provision for credit loss on an individual basis	468,312,292.07	19.05	267,608,828.39	57.14	460,346,993.09	19.27	242,157,920.27	52.60
Provision for credit loss on a collective basis	1,989,536,405.71	80.95	558,681,556.18	28.08	1,928,586,664.50	80.73	619,965,480.79	32.15
Total	2,457,848,697.78	100.00	826,290,384.57	1,631,558,313.21	2,388,933,657.59	100.00	862,123,401.06	1,526,810,256.53

Provision for credit loss on an individual basis

RMB

	31 December 2025		
Name of entity	Carrying balance	Provision for credit loss	Provision percentage (%) Reason for provision
Customer A	135,914,240.31	123,458,482.71	90.84 Poor solvency
Customer D	79,297,275.50	14,184,084.50	17.89 Decreasing recovery speed
Others	253,100,776.26	129,966,261.18	51.35 Decreasing recovery speed, etc.
Total	468,312,292.07	267,608,828.39	57.14

Provision for credit loss on a collective basis

As part of the Group's credit risk management, the Group uses an impairment matrix to determine the expected credit losses of accounts receivable formed by various businesses based on the ageing of accounts receivable. These businesses involve a large number of small customers with the same risk characteristics, and the ageing information can reflect the solvency of such customers as the accounts receivable fall due.

RMB

	31 December 2025		
Ageing	Carrying balance	Provision for credit loss	Provision percentage (%) Carrying value
Within 1 year	1,377,161,050.55	91,795,058.08	6.67 1,285,365,992.47
More than 1 year but not exceeding 2 years	216,794,338.76	82,564,823.09	38.08 134,229,515.67
More than 2 years but not exceeding 3 years	101,800,240.63	90,540,899.24	88.94 11,259,341.39
More than 3 years	293,780,775.77	293,780,775.77	100.00 –
Total	1,989,536,405.71	558,681,556.18	28.08 1,430,854,849.53

(3) Credit loss provision made or reversed in the Year

The credit loss provision made for the Year was RMB54,596,720.29, and the credit loss provision reversed was RMB89,617,791.38.

(4) Accounts receivable actually written off for the Year

The accounts receivable written off for the Reporting Period was RMB811,945.40.

(5) Top five debtors with the largest balances of accounts receivable at the end of the Year

RMB

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	As a percentage of the total closing balance of accounts receivable and contract assets	Closing balance of bad debt provision
				(%)	
Customer A	135,914,240.31	670,000.00	136,584,240.31	5.53	123,458,482.71
Customer D	79,297,275.50	—	79,297,275.50	3.21	14,184,084.50
Customer B	72,084,285.15	—	72,084,285.15	2.92	1,553,402.96
Customer S	44,255,466.62	—	44,255,466.62	1.79	351,990.92
Customer E	40,332,910.56	—	40,332,910.56	1.63	36,220,342.19
Total	<u>371,884,178.14</u>	<u>670,000.00</u>	<u>372,554,178.14</u>	<u>15.08</u>	<u>175,768,303.28</u>

The total transaction volume between the above-mentioned customers and the Group in 2025 accounted for less than 1% of the Group's operating income.

7. OTHER RECEIVABLES

7.1 Presentation of items

RMB

Item	31 December 2025	31 December 2024
Dividend receivables	12,464,000.00	1,578,000.00
Other receivables	142,970,051.60	259,859,606.97
Total	155,434,051.60	261,437,606.97

7.2 Dividend receivables

RMB

Item	31 December 2025	31 December 2024
Anhui Xinhua Media Co., Ltd. ("Wan Xin Media")	12,464,000.00	—
The Commercial Press (Chengdu) Co., Ltd. ("Commercial Press")	—	1,470,000.00
Sichuan Jiaoke Zhihui Education and Technology Co., Ltd. ("Jiaoke Zhihui") (former name: Sichuan Education and Science Forum Magazine Press Co., Ltd.)	—	108,000.00
Total	12,464,000.00	1,578,000.00

7.3 Other receivables

(1) Other receivables by ageing

RMB

Ageing	Carrying balance as at 31 December 2025	Carrying balance as at 31 December 2024
Within 1 year	69,780,365.66	175,539,251.01
More than 1 year but not exceeding 2 years	4,278,011.13	5,784,103.73
More than 2 years but not exceeding 3 years	4,368,011.13	22,332,274.48
More than 3 years	87,831,470.22	70,227,643.87
Subtotal	166,257,858.14	273,883,273.09
Less: Provision for credit loss	23,287,806.54	14,023,666.12
Total	142,970,051.60	259,859,606.97

(2) Disclosure by provision method of credit loss

RMB

Category	31 December 2025				31 December 2024			
	Carrying amount		Credit loss provision		Carrying amount		Credit loss provision	
	Amount	Percentage (%)	Amount	Provision percentage (%)	Amount	Percentage (%)	Amount	Provision percentage (%)
Provision for credit loss on an individual basis	108,442,712.55	65.23	13,954,655.74	12.87	90,620,695.85	33.09	–	–
Provision for credit loss on a collective basis	57,815,145.59	34.77	9,333,150.80	16.14	183,262,577.24	66.91	14,023,666.12	7.65
Total	166,257,858.14	100.00	23,287,806.54		273,883,273.09	100.00	14,023,666.12	259,859,606.97

Provision for credit loss on an individual basis

RMB

Name of entity	31 December 2025			Reason for provision
	Carrying balance		Provision for credit loss	
			Provision percentage (%)	
Deposit/security deposit/petty cash	94,488,056.81	–	–	N/A
Others	13,954,655.74	13,954,655.74	100.00	Poor solvency
Total	108,442,712.55	13,954,655.74	12.87	

Provision for credit loss on a collective basis

RMB

Ageing	31 December 2025			
	Carrying balance	Provision for credit loss	Provision percentage (%)	Carrying value
Within 1 year	45,480,847.06	149,110.56	0.33	45,331,736.50
More than 1 year but not exceeding 2 years	3,412,646.20	262,387.91	7.69	3,150,258.29
More than 2 years but not exceeding 3 years	1,267,076.99	1,267,076.99	100.00	–
More than 3 years	7,654,575.34	7,654,575.34	100.00	–
Total	57,815,145.59	9,333,150.80	16.14	48,481,994.79

(3) Credit loss provision made or reversed in the Year

The credit loss provision made for the Year was RMB14,497,789.13, and the credit loss provision reversed was RMB5,220,648.71.

(4) Other receivables actually written off for the Year

Other receivables written off amounted to RMB13,000.00 for the Reporting Period.

(5) Other receivables presented by nature

RMB

Nature of other receivables	31 December 2025	31 December 2024
Amount due from related parties	299,507.23	116,478.80
Deposit and security deposit	93,456,906.75	89,353,221.45
Petty cash	1,031,150.06	1,267,474.40
Enterprise income tax refund receivable	–	129,627,012.70
Others	71,470,294.10	53,519,085.74
Total	166,257,858.14	273,883,273.09

(6) Top five debtors with the largest balances of other receivables at the end of the Year

RMB

Name of entity	Nature	Balance as at 31 December 2025	Ageing	As a percentage of the total other receivables (%)	Balance of credit loss provision as at 31 December 2025
Higher Education Press Co., Ltd.	Deposit/security deposit	30,000,000.00	Less than 1 year, 1-2 years, more than 3 years	18.04	–
Bazhong Enyang District Land Reserve Center	Others	9,832,500.00	Less than 1 year	5.91	–
Hubei Ocean Engine Technology Co., Ltd.	Deposit/security deposit	5,884,436.02	Less than 1 year	3.54	–
Dazhou Senior High School Peiwen School	Deposit/security deposit	3,158,938.20	More than 3 years	1.9	–
Chengdu Zhonghang Real Estate Development Co., Ltd.	Deposit/security deposit	3,028,232.64	1-2 years, more than 3 years	1.82	–
Total		51,904,106.86		31.21	

8. INVENTORIES

(1) Categories of inventories

	31 December 2025			31 December 2024			RMB
Item	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount	
Goods on hand	2,366,503,272.41	231,423,658.56	2,135,079,613.85	2,450,567,885.32	224,290,040.35	2,226,277,844.97	
Work-in-progress	124,358,461.24	–	124,358,461.24	167,871,078.11	–	167,871,078.11	
Raw materials	24,133,435.97	3,485,187.90	20,648,248.07	31,926,748.45	3,486,948.05	28,439,800.40	
Total	2,514,995,169.62	234,908,846.46	2,280,086,323.16	2,650,365,711.88	227,776,988.40	2,422,588,723.48	

There was no inventory pledged at the end of the Year.

(2) Provision for impairment of inventories

	Decrease in the current year				RMB
Categories of inventories	1 January 2025	Provision/(reversal) for the current year	Reallocation for the current year	Write-off for the current year	31 December 2025
Goods on hand	224,290,040.35	52,047,901.17	8,316,990.14	36,597,292.82	231,423,658.56
Raw materials	3,486,948.05	32,999.12	–	34,759.27	3,485,187.90
Total	227,776,988.40	52,080,900.29	8,316,990.14	36,632,052.09	234,908,846.46

Provision for impairment of inventories on group basis

Group name	31 December 2025			31 December 2024		
	Carrying amount	Provision for impairment	Proportion of provision for impairment (%)	Carrying amount	Provision for impairment	Proportion of provision for impairment (%)
Goods on hand – books	2,180,871,019.97	185,454,621.84	8.50	2,304,932,298.19	175,059,365.26	7.59
Goods on hand – Paper	58,313,087.57	2,143,052.49	3.68	28,917,136.02	2,983,770.82	10.32
Goods on hand – Others	127,319,164.87	43,825,984.23	34.42	116,718,451.11	46,246,904.27	39.62
Work in progress	124,358,461.24	–	–	167,871,078.11	–	–
Raw materials	24,133,435.97	3,485,187.90	14.44	31,926,748.45	3,486,948.05	10.92
Total	2,514,995,169.62	234,908,846.46		2,650,365,711.88	227,776,988.40	

RMB

9. LONG-TERM RECEIVABLES

(1) Details of long-term receivables

RMB

Item	31 December 2025			31 December 2024		
	Book balance	Credit loss provision	Carrying amount	Book balance	Credit loss provision	Carrying amount
Goods sold by installments (Note)	42,242,883.68	6,041,818.98	36,201,064.70	91,589,834.55	3,133,647.19	88,456,187.36
Less: Long-term receivables included in non-current assets due within one year	26,417,865.50	3,910,438.30	22,507,427.20	51,068,383.73	1,805,075.26	49,263,308.47
Total	15,825,018.18	2,131,380.68	13,693,637.50	40,521,450.82	1,328,571.93	39,192,878.89

Note: Receivables of goods sold by installments are the Group's receivables of sales of education informatized and equipment business, which shall be collected by installments in accordance with the contract. The agreed period in the contract is 2-5 years and the Group has discounted the installments at a discount rate of 3.10%-4.75% (31 December 2024: 3.45%-5.00%).

(2) Details of credit loss provisions

The credit loss provision made for the period was RMB3,936,286.79, and the credit loss provision reversed was RMB1,028,115.00.

10. LONG-TERM EQUITY INVESTMENTS

(1) Summary of long-term equity investments:

<i>RMB</i>		
Item	31 December 2025	31 December 2024
Book balance of long-term equity investments	878,235,128.66	812,969,446.27
Less: Provision for impairment of long-term equity investments	6,647,345.57	6,647,345.57
Carrying amount of long-term equity investments	<u>871,587,783.09</u>	<u>806,322,100.70</u>

(2) Details of long-term equity investments are as follows:

RMB

Investee	Changes for the current year										Closing balance of provision for impairment
	1 January 2025	Addition in investment	Reduction in investment	Investment profit or loss recognized under equity method	Adjustment of other comprehensive income	Changes in other equity	Distribution of cash dividends or profits declared	Provision for impairment loss	Others	31 December 2025	
I. Joint Ventures											
Hainan Publishing House Co., Ltd.	338,049,693.49	-	-	48,658,726.87	-	-	-	-	-	386,708,420.36	-
Sichuan Fudou Technology Co., Ltd. ("Fudou Technology")	-	-	-	-	-	-	-	-	-	-	-
Sanya Xuancai Venture Capital Investment Fund Management Co., Ltd. ("Sanya Xuancai") (Note 1)	3,101,274.50	-	-	(219,155.06)	-	-	-	-	-	2,882,119.44	-
Subtotal	341,150,967.99	-	-	48,439,571.81	-	-	-	-	-	389,590,539.80	-
II. Associates											
Sichuan Wenbao Supply Chain Technology Co., Ltd. (former name: Sichuan Winshare BLOGIS Supply Chain Co., Ltd., ("Wenbao Company")) (Note 2)	47,158,237.70	-	-	1,641,169.96	-	-	-	-	-	48,799,407.66	-
The Commercial Press	3,809,064.08	-	-	215,173.57	-	-	-	-	-	4,024,237.65	-
Ren Min Eastern (Beijing) Book Industry Co., Ltd.	7,454,138.93	-	-	(348,631.39)	-	-	-	-	-	7,105,507.54	-
Guizhou Xinhua Winshare Book Audio-Visual Product Chainstore Co., Ltd. ("Guizhou Winshare")	-	-	-	-	-	-	-	-	-	-	-
Ming Bo Education Technology Holdings Co., Ltd.	9,490,019.84	-	-	(479,110.02)	-	-	-	-	-	9,010,909.82	-
Sichuan Centennial Preschool Educational Management Co., Ltd.	5,758,067.40	-	-	(289,311.12)	-	-	-	-	-	5,468,756.28	(1,604,619.30)
Chengdu Deyuan Gewu Private Equity Fund Management Co., Ltd. (former name: Chengdu Winshare Venture Capital Investment Fund Management Co., Ltd.)	21,138,361.87	-	-	4,269,698.24	-	-	-	-	-	25,408,060.11	-

Changes for the current year

Investee	1 January 2025	Addition in investment	Reduction in investment	Investment profit or loss recognized under equity method	Adjustment of other comprehensive income	Changes in other equity	Distribution of cash dividends or profits declared	Provision for impairment loss	Others	31 December 2025	Closing balance of provision for impairment
Jiaoke Zhihui	1,538,064.81	-	-	44,155.38	-	-	-	-	-	1,582,220.19	-
Fuzhou Winshare Technology Partnership (Limited Partnership) ("Fuzhou Winshare") (Note 3)	3,173,672.33	-	-	170,134.71	-	-	(2,884,507.04)	-	-	459,300.00	-
Sichuan Jiaoyang Sihuo Film Co., Ltd.	125,591.57	-	-	-	-	-	-	-	-	125,591.57	-
Xinhua Yingxuan (Beijing) Screen Culture Co., Ltd. ("Xinhua Yingxuan")	-	-	-	-	-	-	-	-	-	-	(5,042,726.27)
Tianjin Tianxi Zhongda Cultural Development Co., Ltd. ("Tianxi Zhongda") (Note 4)	23,656,205.62	-	-	2,010,119.17	-	-	(600,000.00)	-	-	25,066,324.79	-
Huaxuan Yinshi (Beijing) Cultural Communication Co., Ltd. ("Huaxuan Yinshi") (Note 5)	545,255.24	-	-	(473,436.31)	-	-	-	-	-	71,818.93	-
Hainan Phoenix Xinhua Publishing and Distribution Co., Ltd. ("Hainan Phoenix") (Note 6)	330,601,966.38	-	-	10,583,425.37	-	-	-	-	-	341,185,391.75	-
Sichuan Cuiya Education Technology Co., Ltd. ("Cuiya Education") (Note 7)	96,870.47	-	-	836,298.66	-	-	-	-	-	933,169.13	-
Sichuan Digital World Culture Technology Co., Ltd. ("Digital World") (Note 8)	10,625,616.47	-	-	2,130,931.40	-	-	-	-	-	12,756,547.87	-
Subtotal	465,171,132.71	-	-	20,310,617.62	-	-	(3,484,507.04)	-	-	481,997,243.29	(6,647,345.57)
Total	806,322,100.70	-	-	68,750,189.43	-	-	(3,484,507.04)	-	-	871,587,783.09	(6,647,345.57)

- Note 1:* According to the articles of association of Sanya Xuancai, Winshare Investment Co., Ltd. (“**Winshare Investment**”), a subsidiary of the Company, has 40% of the voting rights in the shareholders’ meeting and the other two shareholders will enjoy 30% of the voting rights respectively. Resolutions of annual financial budget plans, final accounting plan, profit distribution and make up losses plans made by the shareholders’ meeting of Sanya Xuancai shall be approved by over 75% of the votes from the shareholders. Therefore, Winshare Investment and the other two shareholders have joint control over Sanya Xuancai which is a joint venture of the Group.
- Note 2:* In June 2017, Sichuan Xinhua Winshare Logistics Co., Ltd. (“**Winshare Logistics**”), a subsidiary of the Company, entered into an investment agreement with BLOGIS Holdings Limited and Chengdu Longchuang Investment Management Center (Limited Partnership) to jointly establish Wenbao Company with a shareholding proportion of 45%, 40% and 15%, respectively. On 20 April 2023, Winshare Logistics transferred 45% of the equity interests in Wenbao Company it held to the Company at RMB46,234,600.00. According to the latest articles of association of Wenbao Company, the resolutions of Wenbao Company on the events such as annual financial budget plan, final accounting plan, profit distribution and making up losses plans etc. must be approved by the shareholders representing more than 50% of the voting power. Therefore, Wenbao Company is an associate of the Group.
- Note 3:* As a limited partner, Winshare Investment, a subsidiary of the Company, contributed 56.34% of the total subscribed capital to Fuzhou Winshare. According to the partnership agreement of Fuzhou Winshare, the investment decision-making committee is responsible for the decision of fund projects. Winshare Investment holds 25% of the voting rights in the investment decision-making committee, by which it can exert significant influence on Fuzhou Winshare. Therefore, Fuzhou Winshare is an associate of the Group.
- Note 4:* In July 2019, Sichuan Tiandi Publishing House Co., Ltd., a subsidiary of the Company, and Shanghai Ximalaya Network Technology Co., Ltd. (“**Shanghai Ximalaya**”) entered into an investment agreement, jointly establishing Tianxi Zhongda, with a shareholding proportion of 40% and 60% respectively. In 2020, Shanghai Ximalaya transferred 5% of the equity interests of Tianxi Zhongda it held to Huang Wenhua. In June 2021, Shanghai Ximalaya transferred 55% of the equity interests of Tianxi Zhongda it held to Shanghai Xizhao Network Technology Co., Ltd. According to the latest articles of association of Tianxi Zhongda, the resolutions of Tianxi Zhongda on the events such as annual financial budget plan, final accounting plan, profit distribution and making up losses plans etc. must be approved by the shareholders representing more than 50% of the voting power. Therefore, Tianxi Zhongda is an associate of the Group.

Note 5: In August 2019, the Company entered into an investment agreement with Beijing Guoling Smart Health and Elderly Care Industry Development Centre and Fenglinhong (Beijing) Cultural Communication Co., Ltd., jointly establishing Huaxuan Yinshi, with a shareholding proportion of 40%, 30% and 30% respectively. According to the articles of association, the resolutions of Huaxuan Yinshi on the events such as annual financial budget plan, final accounting plan, profit distribution and making up losses plans etc. must be approved by the shareholders representing more than 50% of the voting power. Therefore, Huaxuan Yinshi is an associate of the Group.

Note 6: On 30 December 2020, Hainan Xinhua Bookstore Group Co., Ltd. transferred 25% equity interests in Hainan Phoenix to the Company by way of transfer under an agreement. According to the articles of association of Hainan Phoenix, the Company has appointed two directors to Hainan Phoenix and is able to exercise significant influence over Hainan Phoenix. Therefore, Hainan Phoenix is an associate of the Group.

Note 7: On 14 July 2021, the Company entered into an investment agreement with Sichuan Magic Cloud Technology Co., Ltd., Sichuan Daily Newspaper Network Media Development Company Limited, Chengdu Lianxiang Future Technology Partnership (Limited Partnership), Sichuan Cable Radio and Television Network Co., Ltd. and Sichuan Rennixue Education Technology Co., Ltd., jointly establishing Cuiya Education, with a shareholding proportion of 18%, 34%, 18%, 15%, 11% and 4% respectively. According to the articles of association of Cuiya Education, the Company has appointed one director to Cuiya Education. The chairman of the board of directors shall be recommended by the Company and elected and removed by more than half of the directors of the board of directors. As the Company is able to exercise significant influence over Cuiya Education, Cuiya Education is an associate of the Group.

Note 8: On 12 March 2023, Sichuan Digital Publishing Co., Ltd., a subsidiary of the Company, and Sichuan New Media Group Co., Ltd. jointly established Digital World, with the shareholding ratios of the two parties being 49% and 51%, respectively. According to the articles of association of Digital World, the Group has appointed a director to Digital World, and can exert significant influence on Digital World. Therefore, Digital World is an associate of the Group.

(3) Details of unrecognized investment losses are as follows:

RMB

Item	31 December 2025		31 December 2024	
	Unrecognized investment losses for the current year	Accumulated unrecognized investment losses	Unrecognized investment losses for the current year	Accumulated unrecognized investment losses
Guizhou Winshare	–	5,557,990.70	–	5,557,990.70
Fudou Technology	238,234.04	4,619,967.40	273,977.79	4,381,733.36
Cuiya Education	–	–	(2,737.51)	–
Xinhua Yingxuan	5,230,171.74	36,346,143.24	14,996,970.24	31,115,971.50
Total	5,468,405.78	46,524,101.34	15,268,210.52	41,055,695.56

11. OTHER EQUITY INSTRUMENT INVESTMENTS

(1) Details of other equity instruments investments

Item	Changes in the current year						Dividend income recognized in the current year	Accumulated gain included in other comprehensive income	Accumulated loss included in other comprehensive income	Reason for FVTOCI income designation
	Balance as at 1 January 2025	Increase in investment	Decrease in investment	Gain included in other comprehensive income for the current year	Loss included in other comprehensive income for the current year	Balance as at 31 December 2025				
Wan Xin Media	914,857,600.00	-	-	-	94,726,400.00	820,131,200.00	24,928,000.00	633,715,872.00	-	The investment is not held for the purpose of selling it in the near term for short-term gains.
Jiangsu Hagon Intelligent Robot Co., Ltd. ("HGZN")	438,147.26	-	454,445.38	16,298.12	-	-	-	-	-	
Bank of Chengdu Co., Ltd.	1,368,800,000.00	-	-	-	79,200,000.00	1,289,600,000.00	71,280,000.00	1,049,600,000.00	-	
Others	375,393.81	-	-	-	-	375,393.81	5,585.40	-	1,646,699.35	
Total	2,284,471,141.07	-	454,445.38	16,298.12	173,926,400.00	2,110,106,593.81	96,213,585.40	1,683,315,872.00	1,646,699.35	-

(2) Information on the derecognition of HGZN in the current period:

Item	Accumulated gains transferred to retained earnings due to derecognition		Accumulated losses transferred to retained earnings due to derecognition		Reason for derecognition		RMB	
	earnings due to derecognition	transferred to retained earnings due to derecognition	earnings due to derecognition	transferred to retained earnings due to derecognition				
HGZN	-	-	246,833.59	246,833.59	Exit according to the target situation			

12. OTHER NON-CURRENT FINANCIAL ASSETS

RMB

Item	31 December 2025	31 December 2024
CITIC Buyout Investment Fund (Shenzhen) Partnership (Limited Partnership) (“ CITIC Buyout ”) (Note 1)	46,276,696.26	54,735,996.10
Winshare Hengxin (Shenzhen) Equity Investment Fund Partnership (Limited Partnership) (“ Winshare Hengxin ”) (Note 2)	6,943,403.29	37,271,655.94
Qingdao Goldstone Zhixin Investment Center (Limited Partnership) (Note 3)	–	110,225.19
Ningbo Meishan Free Trade Port Winshare Dingsheng Equity Investment Partnership (Limited Partnership) (Note 4)	73,045,120.14	77,397,665.02
Xinhua Internet E-commerce Co., Ltd. (“ Xinhua Internet ”) (Note 5)	1,055,422.24	1,055,422.24
Sichuan Culture Investment Jinwen Equity Investment Fund Partnership (Limited Partnership) (Note 6)	39,858,068.88	39,898,387.42
Goldstone Growth Equity Investment (Hangzhou) Partnership (Limited Partnership) (Note 7)	59,927,396.02	31,263,184.99
CICC Qichen Phase II (Wuxi) Emerging Industry Equity Investment Fund Partnership (Limited Partnership) (“ CICC Qichen ”) (Note 8)	180,782,445.62	119,730,029.16
Sinopec Marketing Co., Ltd. (Note 9)	58,873,779.09	61,365,524.00
Total	466,762,331.54	422,828,090.06

Note 1: Gains from changes in fair values for the current year were RMB10,580,725.21 (2024: losses of RMB4,010,872.57), and the recovery of the exit money due to liquidation of investment project totaled RMB19,040,025.05 (2024: RMB15,000,481.91).

Note 2: Gains from changes in fair values for the current year were RMB8,892,827.15 (2024: losses of RMB6,936,825.01), and the recovery of the exit money due to liquidation of investment project totaled RMB39,221,079.80 (2024: RMB0).

Note 3: Losses from changes in fair values for the current year were RMB30,118.64 (2024: losses of RMB183,185.36). The fund was liquidated and distributed in 2025, and the recovery of the exit money due to liquidation of the fund was RMB74,075.95 (2024: RMB0), while disposal losses of RMB6,030.60 (2024: RMB0) were recognized.

Note 4: Gains from changes in fair values for the current year were RMB1,741,384.80 (2024: gains of RMB177,403.60), and the recovery of the exit money due to liquidation of investment project amounted to RMB6,093,929.68 (2024: RMB206,577.55).

Note 5: In November 2020, the Company entered into an investment agreement with Xinhua Bookstore Headquarters Co., Ltd. and Wan Xin Media to make an investment of RMB3,000,000.00 in Xinhua Internet. The shareholding of the Company was 1.39%. Losses from changes in fair value for the current year were RMB0 (2024: losses of RMB1,944,577.76).

Note 6: Losses from changes in fair value for the current year were RMB40,318.54 (2024: losses of RMB41,130.39).

Note 7: Gains from changes in fair value for the current year were RMB8,664,211.03 (2024: gains of RMB1,335,744.42), and the new investment cost amounted to RMB20,000,000.00 (2024: RMB0).

Note 8: Gains from changes in fair value for the current year were RMB31,412,537.76 (2024: losses of RMB2,030,933.43), liquidation and exit funds of RMB360,121.30 (2024: RMB1,092,357.55) were recovered from the investment project, and the new investment cost amounted to RMB30,000,000.00 (2024: RMB0).

Note 9: Losses from changes in fair value for the current year were RMB2,491,744.91 (2024: gains of RMB3,678,934.55).

13. FIXED ASSETS

(1) Fixed assets

	<i>RMB</i>				
Item	Buildings	Machinery and equipment	Electronic equipment and others	Transportation vehicles	Total
Cost as at 31 December 2025	3,125,941,392.59	408,856,532.19	211,419,519.74	122,639,028.93	3,868,856,473.45
Accumulated depreciation as at 31 December 2025	971,843,135.74	284,642,131.31	171,474,940.36	93,808,268.68	1,521,768,476.09
Provision for impairment of fixed assets as at 31 December 2025	15,996.52	–	–	–	15,996.52
Carrying amount as at 31 December 2025	2,154,082,260.33	124,214,400.88	39,944,579.38	28,830,760.25	2,347,072,000.84

(2) As at the end of the Reporting Period, fixed assets of which certificates of title have not been obtained amounted to RMB63,211,546.91 in aggregate, and fixed assets of which certificates of title have not been obtained had no significant impact on the Group's operations.

(3) As at the end of the current year, there were no temporary idle fixed assets included in the Group's major operational fixed assets.

14. GOODWILL

(1) Cost of goodwill

	<i>RMB</i>			
Name of the investee or item resulting in goodwill	1 January 2025	Increase in the current year Incurred by business combination	Decrease in the current year Changes in scope of consolidation	31 December 2025
Acquisitions of fifteen publishing companies	500,571,581.14	–	–	500,571,581.14
Acquisition of Liangshanzhou Xinhua Bookstore	122,081,326.10	–	–	122,081,326.10
Others	544,629.46	–	–	544,629.46
Total	623,197,536.70	–	–	623,197,536.70

(2) Provision for impairment loss of goodwill

RMB

Name of the investee or item resulting in goodwill	1 January 2025	Increase in the current year Incurred by business combination	Decrease in the current year Changes in scope of consolidation	31 December 2025
Acquisitions of fifteen publishing companies	–	–	–	–
Acquisition of Liangshanzhou Xinhua Bookstore	–	–	–	–
Others	544,629.46	–	–	544,629.46
Total	544,629.46	–	–	544,629.46

(3) Information related to the asset group or asset group combination where goodwill is located

Name	Composition and basis of asset group or asset group combination	Business segment and basis	Consistent with previous year
Three of the fifteen publishing companies	The Group acquired fifteen publishing companies on 31 August 2010, resulting in goodwill of RMB500,571,581.14, which was allocated to the relevant asset group, namely three of the fifteen publishing companies in the publication segment.	The business type is publishing business, so it belongs to the publication segment.	Yes
Liangshanzhou Xinhua Bookstore	The Group acquired Liangshanzhou Xinhua Bookstore on 31 December 2022, resulting in goodwill of RMB122,081,326.10, which was allocated to the relevant asset group, namely Liangshanzhou Xinhua Bookstore.	The business type is textbooks and supplementary materials distribution and general books sale business, so it belongs to the distribution segment.	Yes
Others	N/A	N/A	Yes

(4) Detailed determination method of recoverable amount

The recoverable amount is determined according to the present value of the expected future cash flow

RMB

Item	Carrying value (Note)	Recoverable amount	Impairment amount	Forecast period	Key parameters of forecast period (growth rate, profit margin, etc.)	Basis for the determination of parameters of forecast period	Key parameters of stable period (growth rate, profit margin, discount rate, etc.)	Basis for the determination of key parameters of stable period
Three of the fifteen publishing companies	3,029,509,178.83	4,460,039,973.63	-	5 years	Growth rate: 1% Profit margin: 28.74%-39.26%	Determined based on the performance achieved in the previous five years of the historical years (2021 to 2025)	Growth rate: 1% Profit margin: 28.74% Discount rate: 12%-13%	The growth rate and profit margin are consistent with the last forecast year; the discount rate is formulated based on the specific risks of the publishing business.
Liangshanzhou Xinhua Bookstore	1,053,245,549.73	1,123,558,812.93	-	5 years	Growth rate: -13%-6% Profit margin: 18.91%-25.39%	Determined based on the performance achieved in the previous five years of the historical years (2021 to 2025)	Growth rate: 1% Profit margin: 18.91% Discount rate: 12%-13%	The growth rate and profit margin are consistent with the last forecast year; the discount rate is formulated based on the specific risks of the textbooks and supplementary materials distribution and general books sale business.

Total	4,082,754,728.56	5,583,598,786.56	-
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Note: Carrying value is the amount of an asset or an asset group with goodwill included.

15. OTHER NON-CURRENT ASSETS

RMB

Item	31 December 2025	31 December 2024
Prepaid purchase price for property	38,861,250.00	—
Term deposits and bank certificates of large amount deposit (<i>Note 1</i>)	3,062,939,775.54	1,930,007,651.28
Quality guarantee money	3,098,906.61	11,067,468.46
Prepaid price for equipment	—	19,554,798.00
Others	40,171,469.39	41,085,829.79
Total	3,145,071,401.54	2,001,715,747.53

Note 1: Time deposits and bank certificates of large amount deposit and interests that the Group does not intend to withdraw in advance within one year, with corresponding interest rates ranging 1.30%-3.55% (31 December 2024: 2.15%-3.55%).

16. ACCOUNTS PAYABLE

Details of ageing analysis of accounts payable are as follows:

RMB

Item	31 December 2025	31 December 2024
Within 1 year	4,027,006,094.10	4,281,192,649.53
More than 1 year but not exceeding 2 years	446,986,932.87	529,920,928.25
More than 2 years but not exceeding 3 years	199,815,380.71	186,994,251.27
More than 3 years	489,004,623.13	454,924,646.54
Total	5,162,813,030.81	5,453,032,475.59

Ageing analysis of accounts payable is carried out based on the time of purchasing goods or receiving labor services. Accounts payable aged more than one year are mainly final payments to suppliers.

17. CONTRACT LIABILITIES

(1) Presentation of contract liabilities

RMB

Item	31 December 2025	31 December 2024
Advanced receipts for sold goods	589,976,076.07	603,137,849.05
Membership card points	1,264,117.06	730,016.64
Total	591,240,193.13	603,867,865.69

(2) The important contract liabilities aged over 1 year were mainly pre-stored recharge cards amounted to RMB385,428,397.13.

(3) The significant changes in the balance of the Group's contract liabilities this year were as follows:

RMB

Item	Amount of changes	Reason for change
Advanced receipts for sold goods	217,709,451.92	Revenue recognized for the amount included in the opening carrying amount of contract liabilities
Advanced receipts for sold goods	204,547,678.94	Amount increased due to cash received

(4) Analysis on contract liabilities

The Group's receipts in advance for goods sold are mainly advanced receipts from books sold to customers such as students and presale of book purchase cards in retail stores, and these transaction funds are recognized as contract liabilities upon receipt. For advanced receipts from book sales, revenue is recognized upon transfer of control of related goods to customers.

The Group's retail stores adopt a reward policy of membership loyalty cards for customers. For customers with consumption points exceeding a certain level, points can be converted into cash for purchase in the retail stores. The Group allocates sale consideration to the sold goods and issued points in accordance with corresponding respective selling prices. Sale consideration allocated to reward points is recognized as contract liabilities, and as revenue upon redemption.

18. OTHER PAYABLES

(1) Total other payables

RMB

Item	31 December 2025	31 December 2024
Dividend payables	—	—
Other payables	304,192,570.95	308,454,407.85
Total	304,192,570.95	308,454,407.85

(2) Other payables by nature

RMB

Item	31 December 2025	31 December 2024
Amounts due to related parties	7,983.90	5,828,100.16
Security deposit/deposit/quality warranty/ performance security	84,811,994.43	74,788,528.47
Construction and infrastructure construction expenses	23,338,396.49	41,613,253.23
Amounts due to/from other entities	4,854,777.94	4,193,341.42
Others	191,179,418.19	182,031,184.57
Total	304,192,570.95	308,454,407.85

Other payables aged more than one year are mainly security deposit and deposit.

19. SHARE CAPITAL

RMB

Item	1 January 2025	Changes for the current year					31 December 2025
		Issue of new shares	Bonus issue	Capitalization of surplus reserve	Others	Subtotal	
Total number of shares	1,233,841,000.00	—	—	—	—	—	1,233,841,000.00

20. RETAINED PROFITS

RMB

Item	31 December 2025	31 December 2024	Proportion of appropriation or distribution
Retained profits at the beginning of the year	7,561,485,821.67	6,881,030,888.86	
Add: Net profit attributable to shareholders of the parent for the current year	1,568,450,497.66	1,544,856,196.33	
Less: Appropriation to statutory surplus reserve	149,377,356.18	136,435,073.52	(1)
Distribution of dividends on ordinary shares	740,304,600.00	727,966,190.00	(2)
Other equity instrument investment previously recorded in other comprehensive income transferred to retained earnings for the current period	246,833.59	–	
Retained profits at the end of the year	8,240,007,529.56	7,561,485,821.67	(3)

(1) Appropriation to statutory surplus reserve

According to the Articles of Association, the Company is required to transfer 10% of its net profit to the statutory surplus reserve. The transfer may be ceased if the balance of the statutory surplus reserve has reached 50% of the Company's registered capital. The statutory surplus reserve can be used to offset the loss of the Company, expanding production and operation or transferring to paid-in capital, but the retained statutory surplus reserve shall not be lower than 25% of the registered capital.

(2) Cash dividends approved at general meeting

On 20 May 2025, the resolution regarding the Company's 2024 Annual Profit Distribution Proposal was approved at 2024 annual general meeting of the Company. The profit distribution was based on the Company's total share capital of 1,233,841,000 shares before the implementation of the proposal. The cash dividend per share was RMB0.41 (tax-inclusive). On 23 October 2025, the resolution regarding the Company's 2025 Interim Profit Distribution Proposal was approved at 2025 first extraordinary general meeting of the Company. The profit distribution was based on the Company's total share capital of 1,233,841,000 shares before the implementation of the proposal. The cash dividend per share was RMB0.19 (tax-inclusive).

(3) Appropriation to surplus reserve by subsidiaries

At the end of the current year, the balance of the Group's retained profits includes the surplus reserve of RMB200,238,687.46 (31 December 2024: RMB182,982,907.55) appropriated to subsidiaries.

21. OPERATING INCOME AND OPERATING COSTS

(1) Classification

		<i>RMB</i>
Item	2025	2024
Principal operating income (<i>Note 1</i>)	11,547,793,287.98	12,148,425,666.72
Other operating income (<i>Note 2</i>)	183,884,178.94	180,088,225.57
Total operating income	11,731,677,466.92	12,328,513,892.29
Principal operating costs	7,518,648,006.90	7,785,810,419.98
Other operating costs	36,530,462.07	16,866,410.04
Total operating costs	7,555,178,468.97	7,802,676,830.02

Note 1: Included in principal operating income was sales revenue of books and publications of RMB10,489,348,706.32 (2024: RMB11,036,326,687.03).

Note 2: Included in other operating income was commissions from concessionaire sales of RMB25,623,748.78. Among which, gross revenue from concessionaire sales was RMB205,089,328.01 and gross cost from concessionaire sales was RMB179,465,579.23 (2024: commissions from concessionaire sales of RMB29,117,048.20. Among which, gross revenue from concessionaire sales was RMB218,883,072.35 and gross cost from concessionaire sales was RMB189,766,024.15).

(2) Income incurred by contracts is as follows:

RMB

Product	Principal operating income		Principal operating costs	
	2025	2024	2025	2024
I. Publication segment				
Textbooks and supplementary materials	1,447,842,739.12	1,463,887,374.56	820,493,731.67	833,086,241.66
General books	995,615,659.08	1,096,817,629.26	792,283,335.39	830,122,455.46
Printing and supplies	298,341,082.96	305,154,372.65	264,920,418.84	266,841,821.86
Newspapers and journals	39,520,778.15	54,650,009.54	23,254,056.18	31,430,288.08
Others	114,163,282.39	59,749,966.00	91,682,648.92	41,814,863.45
Subtotal	2,895,483,541.70	2,980,259,352.01	1,992,634,191.00	2,003,295,670.51
II. Distribution segment				
Textbooks and supplementary materials	3,938,054,788.55	4,385,168,212.78	2,525,852,073.82	2,784,456,848.57
General books	5,877,618,817.12	6,034,041,676.62	4,308,429,211.82	4,407,347,262.80
Education informatized and others	395,988,826.84	447,804,772.89	333,525,496.87	363,460,642.83
Subtotal	10,211,662,432.51	10,867,014,662.29	7,167,806,782.51	7,555,264,754.20
III. Others	444,456,899.86	439,467,392.40	375,912,598.05	372,440,388.52
Less: Inter-segment elimination	2,003,809,586.09	2,138,315,739.98	2,017,705,564.66	2,145,190,393.25
Total	11,547,793,287.98	12,148,425,666.72	7,518,648,006.90	7,785,810,419.98

Division of publication segment and distribution segment and other details are set out in Note 22.

(3) Details of performance obligation

Item	Time of obligation performance	Important payment term	Nature of goods transferred as committed by the Company	Main responsible person?	Amounts borne by the Company that are expected to be returned to customers	Types of quality assurance provided by the Company and related obligation
Sales of books and printing supplies	At the time of delivery	Nil	Self-owned, stenciling-rent or outsourcing	Yes	–	Providing guarantee-type quality assurance does not form a separate performance obligation
Education informatized and equipment business	At the time of delivery	2-5 years by installments	Self-developed or outsourcing	Yes	–	Providing guarantee-type quality assurance does not form a separate performance obligation

In addition to the education informatized and equipment business, the Group's operating income from main business mainly comes from the sales of general books and textbooks and supplementary materials, sales of printing and supplies, etc. The Group, as the main responsible person, performs the performance business at the time of delivery. The contracts do not contain important payment terms and important amounts expected to be returned to customers, and providing guarantee-type quality assurance does not form a separate performance obligation.

For revenue from the education informatized and equipment business, the Group, as the main responsible person, performs the performance business at the time of delivery. The contracts stipulate that payments shall be collected in installments over 2-5 years. The contracts do not contain important amounts expected to be returned to customers, and providing guarantee-type quality assurance does not form a separate performance obligation.

The Group has adopted a simplified practical expedient for service contracts originally expected to have a contract term of no more than one year, and therefore the information disclosed above does not include the transaction price allocated to the remaining performance obligations under such contracts.

22. SEGMENT REPORTING

Based on the Group's internal organization structure, management requirements and internal reporting system, the operations of the Group are classified into two reporting segments, which are publication segment and distribution segment. The reporting segments are determined based on the Group's business type. The Group's management periodically evaluates the operating results of these reporting segments to make decisions about resources to be allocated to the segments and assess their performance.

Major products and services delivered or provided by each of the reporting segments of the Group are:

Publication segment: Publishing of publications including books, journals, audio-visual products and digital products; provision of printing services and supply of printing materials; and

Distribution segment: Mainly the provision of textbooks to schools, teachers and students, and education informatized and equipment business for primary and secondary schools, retailing, distribution and online sales of publications, etc.

Other segment of the Group covers provision of capital operations, logistic service, etc. However, these operating businesses do not separately satisfy the definition of reportable segment. The relevant financial information of such operating businesses is consolidated and presented as "others" in the following table.

Segment information is disclosed in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to management. The accounting policies and measurement criteria are consistent with the accounting policies and measurement criteria adopted in the preparation of the financial statements.

(1) Segment reporting information

2025

						RMB
	Publication segment	Distribution segment	Others	Unallocated items	Inter-segment eliminations	Total
Principal operating income	2,895,483,541.70	10,211,662,432.51	444,456,899.86	–	(2,003,809,586.09)	11,547,793,287.98
Principal operating cost	1,992,634,191.00	7,167,806,782.51	375,912,598.05	–	(2,017,705,564.66)	7,518,648,006.90
Total assets	7,169,632,815.40	16,211,458,718.05	1,186,135,662.00	2,217,935,352.20	(3,340,721,222.60)	23,444,441,325.05
Total liabilities	1,627,566,782.58	8,777,273,452.16	508,012,468.37	78,219,013.80	(3,197,489,356.89)	7,793,582,360.02

2024

	RMB					
	Publication segment	Distribution segment	Others	Unallocated items	Inter-segment eliminations	Total
Principal operating income	2,980,259,352.01	10,867,014,662.29	439,467,392.40	–	(2,138,315,739.98)	12,148,425,666.72
Principal operating cost	2,003,295,670.51	7,555,264,754.20	372,440,388.52	–	(2,145,190,393.25)	7,785,810,419.98
Total assets	7,255,856,748.06	15,848,685,396.89	1,147,038,500.76	2,399,133,785.00	(3,752,011,070.44)	22,898,703,360.27
Total liabilities	1,716,979,151.60	9,170,353,843.83	507,862,229.20	80,972,755.00	(3,584,393,667.77)	7,891,774,311.86

(2) External revenue by geographical area of source and non-current assets by geographical location

More than 99% of the Group's income is sourced from a PRC customer and most of the Group's assets are located in China, therefore the regional data are not disclosed.

(3) Concentration on major customers

The Group's revenue from its single largest customer for 2025 is RMB1,122,314,838.13 (2024: RMB1,095,796,708.91), which is attributable to the distribution segment. Apart from the aforesaid single largest customer, the Group has no external customer from which the revenue accounts for 10% or more of the total revenue in 2025 and 2024.

Inter-segment transfers are measured on the basis of prices negotiated between different segment entities. Segment revenue and segment expenses are determined on the basis of actual revenue and expenses of each segment. Segment assets and liabilities are allocated according to the attributable assets employed by a segment in its operating activities and the attributable liabilities resulting from the operating activities of a segment.

23. INCOME TAX EXPENSES

Item	RMB	
	2025	2024
Current tax calculated according to tax laws and relevant requirements	17,921,180.79	12,781,253.15
Tax filing differences	(226,882.69)	954,164.40
Deferred income tax expenses	11,526,297.26	91,529,031.74
Total	29,220,595.36	105,264,449.29

Reconciliation of income tax expenses to the accounting profit is as follows:

	<i>RMB</i>	
Item	2025	2024
Accounting profit	1,636,927,123.33	1,708,926,123.14
Income tax expenses calculated at 25%	409,231,780.83	427,231,530.79
Tax concessions	(395,513,805.30)	(428,952,735.31)
Effect of non-deductible expenses	2,163,564.27	1,797,903.84
Effect of non-assessable income	(1,228,612.64)	(1,348,504.40)
Effect of utilization of deductible losses for which no deferred income tax asset was recognized in the prior period	(901,920.25)	(1,067,680.29)
Effect of utilization of deductible temporary differences for which no deferred income tax asset was recognized in the prior period	(995,663.10)	(318,298.49)
Effect of deductible temporary differences or deductible losses for which no deferred income tax asset was recognized during the current year	16,692,134.24	13,633,192.37
Tax filing differences	(226,882.69)	954,164.40
Tax effect of tax rate adjustment on the balance of deferred tax assets and deferred tax liabilities at the beginning of the period	—	93,334,876.38
Total	29,220,595.36	105,264,449.29

24. GAIN FROM FAIR VALUE CHANGE

	<i>RMB</i>	
Source of gains from fair value change	2025	2024
Financial assets at FVTPL	58,735,314.31	(9,942,365.68)
Including: Other non-current financial assets	58,729,503.86	(9,955,441.95)
Held-for-trading financial assets	5,810.45	13,076.27
Total	58,735,314.31	(9,942,365.68)

25. LOSS ON CREDIT IMPAIRMENT

<i>RMB</i>		
Item	2025	2024
Reversal of/(loss on) credit impairment of accounts receivable	35,021,071.09	(33,142,666.71)
(Loss on)/reversal of bad debt of other receivables	(9,277,140.42)	2,039,671.77
Loss on bad debt of long-term receivables	(2,908,171.79)	(127,048.88)
Total	22,835,758.88	(31,230,043.82)

26. OTHER COMPREHENSIVE INCOME

<i>RMB</i>							
Item	1 January 2025	Changes for the current year					31 December 2025
		Amount before income tax for the current year	Less: Income tax expenses	Post-tax amount attributable to the owner of the parent	Post-tax amount attributable to the non-controlling shareholders	Less: Other comprehensive income that is transferred to retained earnings	
Changes in fair value of other equity instrument investments	1,855,336,515.47	(173,910,101.88)	4,074.53	(173,914,176.41)	-	(246,833.59)	1,681,669,172.65

27. CALCULATION PROCESS OF BASIC EARNINGS PER SHARE

For the purpose of calculating basic earnings per share, net profit for the current period attributable to ordinary shareholders is as follows:

<i>RMB</i>		
	2025	2024
Net profit for the current period attributable to ordinary shareholders	1,568,450,497.66	1,544,856,196.33
Including: Net profit from continuing operations	1,568,450,497.66	1,544,856,196.33

For the purpose of calculating basic earnings per share, the denominator is the weighted average number of outstanding ordinary shares and its calculation process is as follows:

	<i>Number of shares</i>	
	2025	2024
Number of ordinary shares outstanding at the beginning of year	1,233,841,000.00	1,233,841,000.00
Number of ordinary shares outstanding at the end of year	1,233,841,000.00	1,233,841,000.00

Earnings per share:

	<i>RMB</i>	
	2025	2024
Net profit for the current period attributable to ordinary shareholders divided by number of ordinary shares outstanding at the end of year	1.27	1.25
Net profit for the current period attributable to ordinary shareholders and attributable to continuing operation divided by number of ordinary shares outstanding at the end of year	1.27	1.25

The Company has no dilutive potential ordinary shares.

28. EVENTS AFTER THE BALANCE SHEET DATE

At the board meeting held on 26 March 2026, the resolution regarding the profit distribution for 2025 was passed where the undistributed profit at the end of 2025 would be distributed at the price of RMB0.42 (tax inclusive) per share and the proposed dividend amounted to RMB518,213,220 (tax inclusive). The resolution shall take effect upon obtaining approval at the annual general meeting for 2025 to be held in May 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

(I) BUSINESS REVIEW

Industry Overview

In 2025, the central and local governments introduced a series of policies to promote high-quality development of the cultural industry, stimulating cultural consumption potential and to inject new momentum into the prosperity of the industry. The implementation of the resolutions of the Third Plenary Session of the 20th CPC Central Committee on deepening the reform of the cultural system and mechanism continued to unleash strong vitality of innovation and creation among various cultural entities. The Fourth Plenary Session of the 20th CPC Central Committee adopted the Proposals of the Central Committee of the Communist Party of China on Formulating the 15th Five-Year Plan for National Economic and Social Development, which outlined a clear blueprint for cultural development and pointed the way forward for the publishing industry. The Executive Meeting of the State Council considered and adopted the Regulations on Promoting National Reading, which clarified the principles, goals, tasks, and measures for promoting national reading, laying a solid institutional foundation for building a scholarly society. The General Office of the State Council issued policy documents such as the Several Economic Policies on Promoting High-Quality Cultural Development and the Several Measures on Further Cultivating New Growth Points to Boost Cultural Tourism Consumption, providing comprehensive support and promotion for the development of the cultural industry. The CPC Sichuan Provincial Committee adopted the Decision on Promoting the Deep Integration and Development of Culture and Tourism to Expand and Strengthen the Cultural Tourism Industry, launching a series of policy measures to accelerate the deep integration and development of culture and tourism, expand and strengthen the cultural tourism industry, and provide strong support for building a modern industrial system with Sichuan characteristics and advantages. Meanwhile, with the acceleration of technological innovation, developing new productive forces has become the core engine and a commonly accepted driver for the high-quality growth of the publishing industry and the broader cultural industry, driving the industry's accelerated transformation and upgrading.

The publishing industry has entered a deeper stage of transformation and upgrading, with the overall book market undergoing structural adjustment. According to the monitoring data publicly published by Beijing OpenBook Co., Ltd. ("**Open Book Data**"), the overall book retail market recorded a sales value of RMB110.4 billion in 2025, representing a year-on-year decrease of 2.24%, and the actual value declined by 3.80% year-on-year. In terms of channel growth, market polarization intensified. Only content e-commerce maintained positive growth, increasing by 30.43% year-on-year, while platform e-commerce, vertical and other e-commerce, and physical bookstore continued to face significant pressure, with year-on-year decreases of 22.67%, 10.63%, and 4.63%, respectively. In terms of channel composition, the dominant position of online channels was consolidated. Among them, the market share of content e-commerce in the overall retail market reached 40.53%, making it the largest retail sub-channel; the shares of platform e-commerce, vertical and other e-commerce, and physical bookstore were reallocated, accounting for 32.37%, 13.44%, and 13.65%, respectively. Monitoring data released by CENTRIN ECloud Co., Ltd. showed that the sales value of the book market in 2025 was RMB98.713 billion, a year-on-year decrease of 11.20%, indicating a further widened decline. Judging from the year-on-year sales performance of each channel, the decline in traditional e-commerce channel and physical retail channel expanded year by year, remaining in a continuous downward trajectory; the short-video e-commerce channel gradually transitioned from a high-speed growth stage to a steady upward stage, with its development momentum moderating. In terms of channel composition, the shares of traditional e-commerce and short-video e-commerce channels were similar, and the two jointly constituted the core sales channels of the book market, occupying a dominant position in the overall market share. Excluding cultural and educational books, the traditional e-commerce channel accounted for 50.01%, the short-video e-commerce channel accounted for 34.93%, and physical retail (including library supply and group purchasing) accounted for 15.06%.

Facing the dual traction of accelerated technological iteration and changing consumer demands, publishing enterprises have continued to focus on their main responsibilities and businesses. By actively combining macro-policy orientation with endogenous market driving forces, and taking cultivation of new productive forces as the core engine, they are striving to enhance their capabilities in content innovation, technological integration, and precise supply, thereby steadily promoting high-quality development.

Results

In 2025, the Group conscientiously implemented the decisions and arrangements of the Party Central Committee and the Sichuan Provincial Committee on accelerating the development of the cultural industry, fully, accurately, and comprehensively implemented the new development philosophy, continued to deepen reform, focused on improving quality and efficiency, accelerated digital and intelligent transformation, and steadily promoted high-quality development.

During the Year, the Group recorded operating income of RMB11,732 million, representing a year-on-year decrease of 4.84%, which was mainly attributable to the year-on-year decrease in sales of textbooks and supplementary materials and student books impacted by the market environment of education services industry. Net profit amounted to RMB1,608 million, which was mainly attributable to the changes in preferential income tax policies for restructured cultural enterprises, which resulted in last year's reversal of the deferred income tax expenses recognized at the end of 2023 and a slight increase in net profit as compared with last year.

Revenue

During the Year, the Group's revenue amounted to RMB11,732 million, representing a decrease of 4.84% as compared to RMB12,329 million in the same period last year, which was mainly attributable to the year-on-year decrease in sales of textbooks and supplementary materials and student books impacted by the market environment of education services industry.

Operating costs

During the Year, the operating costs of the Group amounted to RMB7,555 million, representing a decrease of 3.17% as compared to RMB7,803 million in the same period last year, which was mainly attributable to the decrease brought about by the decline in sales scale. Among which, the principal operating costs amounted to RMB7,519 million, representing a year-on-year decrease of 3.43%.

Gross profit margin

During the Year, the consolidated gross profit margin of the Group was 35.60%, decreased by 1.11 percentage points from 36.71% in the same period last year. Among which, the gross profit margin of principal businesses was 34.89%, decreased by 1.02 percentage points from 35.91% in the same period last year, which was mainly attributable to changes in sales structure.

ANALYSIS OF OPERATING SEGMENTS

The operating businesses of the Group are divided into two reporting segments: the publication segment and the distribution segment.

2025 marked the final year of the "14th Five-Year Plan". The Group adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, conscientiously implemented the decisions and deployments of the CPC Central Committee and the CPC Sichuan Provincial Committee on accelerating the development of the cultural industry, fully, accurately, and comprehensively implemented the new development philosophy, continued to deepen reform, focused on improving quality and efficiency, accelerated digital and intelligent transformation, and steadily promoted high-quality development.

Affected by policy adjustments in the education services industry, demographic shifts, and structural adjustments in the book retail market, the operation and development of the publishing and distribution industry faced multiple challenges. In response to changing market conditions, the Group took proactive measures, including strengthening the linkage mechanism between publishing and distribution channels, building data-driven content creation capabilities, and advancing IP development and operations. The Company also accelerated the adjustment and transformation of its retail stores, promoted integration between online and offline operations to deliver quality cultural resources to grassroots levels, leveraged its strengths in online book e-commerce to develop customized content products and increase its market share in select niche categories, and optimized the structure of educational and cultural book products to better align with the “double reduction” policy and the growing demand for quality education. In 2025, the Group achieved an operating income of RMB11,732 million. Among which, the principal operating income of the publication segment amounted to RMB2,895 million, representing a decrease of RMB85 million compared to the previous year; the principal operating income of the distribution segment amounted to RMB10,212 million, representing a decrease of RMB655 million compared to the previous year.

The Group actively optimized its business model, explored and expanded incremental business, and simultaneously implemented measures such as strengthening procurement management and cost control, and reducing accounts receivable, in an effort to enhance profitability. However, due to external market conditions and resulting changes in the sales structure, the gross profit margin and profit of the principal businesses for the Year declined.

Details of the principal businesses by product and by region are as follows:

RMB

Industry	Principal business by industry					
	Operating income	Operating costs	Gross profit margin (%)	Change of operating income as compared with prior year (%)	Change of operating costs as compared with prior year (%)	Change of gross profit margin as compared with prior year (ppt)
Publication	2,895,483,541.70	1,992,634,191.00	31.18	(2.84)	(0.53)	(1.60)
Distribution	10,211,662,432.51	7,167,806,782.51	29.81	(6.03)	(5.13)	(0.67)
Others	444,456,899.86	375,912,598.05	15.42	1.14	0.93	0.17
Inter-segment elimination	(2,003,809,586.09)	(2,017,705,564.66)				
Total	11,547,793,287.98	7,518,648,006.90	34.89	(4.94)	(3.43)	(1.02)

		Principal business by product					
Product		Operating income	Operating costs	Gross profit margin (%)	Change of operating income as compared with prior year (%)	Change of operating costs as compared with prior year (%)	Change of gross profit margin as compared with prior year (ppt)
I.	Publication	2,895,483,541.70	1,992,634,191.00	31.18	(2.84)	(0.53)	(1.60)
	Textbooks and supplementary materials	1,447,842,739.12	820,493,731.67	43.33	(1.10)	(1.51)	0.24
	General books	995,615,659.08	792,283,335.39	20.42	(9.23)	(4.56)	(3.90)
	Printing and supplies	298,341,082.96	264,920,418.84	11.20	(2.23)	(0.72)	(1.36)
	Newspapers and journals	39,520,778.15	23,254,056.18	41.16	(27.68)	(26.01)	(1.33)
	Others	114,163,282.39	91,682,648.92	19.69	91.07	119.26	(10.33)
II.	Distribution	10,211,662,432.51	7,167,806,782.51	29.81	(6.03)	(5.13)	(0.67)
	Textbooks and supplementary materials	3,938,054,788.55	2,525,852,073.82	35.86	(10.20)	(9.29)	(0.64)
	General books	5,877,618,817.12	4,308,429,211.82	26.70	(2.59)	(2.24)	(0.26)
	Education informatized and others	395,988,826.84	333,525,496.87	15.77	(11.57)	(8.24)	(3.07)
III.	Others	444,456,899.86	375,912,598.05	15.42	1.14	0.93	0.17
	Including: Logistics services	434,734,395.19	372,592,082.59	14.29	0.86	0.61	0.21
Inter-segment elimination total		(2,003,809,586.09)	(2,017,705,564.66)				
Total		11,547,793,287.98	7,518,648,006.90	34.89	(4.94)	(3.43)	(1.02)

Principal business by region						
Region	Operating income	Operating costs	Gross profit margin (%)	Change of operating income as compared with prior year (%)	Change of operating costs as compared with prior year (%)	Change of gross profit margin as compared with prior year (ppt)
Within Sichuan Province	7,673,934,258.03	4,113,806,012.33	46.39	(7.80)	(6.59)	(0.70)
Outside Sichuan Province	3,873,859,029.95	3,404,841,994.57	12.11	1.28	0.68	0.52
Principal business by sales model						
Sales model	Operating income	Operating costs	Gross profit margin (%)	Change of operating income as compared with prior year (%)	Change of operating costs as compared with prior year (%)	Change of gross profit margin as compared with prior year (ppt)
Offline sales	5,789,135,100.80	3,625,312,684.02	37.38	(8.80)	(5.68)	(2.07)
Online sales	5,758,658,187.18	3,893,335,322.88	32.39	(0.73)	(1.24)	0.35
Total	11,547,793,287.98	7,518,648,006.90	34.89	(4.94)	(3.43)	(1.02)

Overview of operation of the principal business segments is as follows:

RMB0,000

	Sales volume (10,000 copies)			Sales value			Principal operating income (tax exclusive)			Principal operating costs			Gross profit margin (%)	
	Growth rate (%)		Current period	Growth rate (%)		Current period	Growth rate (%)		Current period	Growth rate (%)		Current period	Prior year	Current period
	Prior year	Prior year		Prior year	Prior year		Prior year	Prior year		Prior year	Prior year			
Publication segment:														
Self-compiled textbooks and supplementary materials	9,615.33	7,718.82	(19.72)	135,421.76	120,269.88	(11.19)	69,516.11	61,852.57	(11.02)	33,188.96	29,324.94	(11.64)	52.26	52.59
Plate-leased textbooks and supplementary materials	14,084.74	15,092.38	7.15	110,497.63	119,047.44	7.74	69,935.96	75,984.94	8.65	44,171.61	46,763.26	5.87	36.84	38.46
General books	13,713.93	14,811.40	8.00	547,427.07	669,565.58	22.31	109,681.76	99,561.57	(9.23)	83,012.25	79,228.33	(4.56)	24.32	20.42
Printing of textbooks and supplementary materials on behalf of others	2,250.30	2,045.05	(9.12)	10,368.46	10,386.12	0.17	6,936.67	6,946.76	0.15	5,948.05	5,961.17	0.22	14.25	14.19
Distribution segment:														
Textbooks and supplementary materials	37,035.51	34,218.10	(7.61)	454,195.33	407,572.49	(10.26)	438,516.82	393,805.48	(10.20)	278,445.68	252,585.21	(9.29)	36.50	35.86
General books	25,328.63	22,153.88	(12.53)	1,014,765.20	1,013,547.73	(0.12)	603,404.17	587,761.88	(2.59)	440,734.73	430,842.92	(2.24)	26.96	26.70

(1) Publication segment

The publication segment of the Group covers publishing of publications including books, newspapers and journals, audio-visual products and digital products; provision of printing services and supply of printing materials.

During the Year, revenue from the sales of the publication segment amounted to RMB2,895 million, representing a decrease of 2.84% as compared with RMB2,980 million during the same period of last year.

During the Year, gross profit margin of the publication segment was 31.18%, decreased by 1.60 percentage points from 32.78% for the same period of last year.

Major cost breakdown of the publication segment

RMB0,000

	Publication of textbooks and supplementary materials			Publication of general books		
	Prior year	Current period	Growth rate (%)	Prior year	Current period	Growth rate (%)
Plate-leased textbooks and supplementary materials expenses	9,136.25	9,445.29	3.38	NA	NA	NA
Copyright fee	2,835.24	2,988.35	5.40	1,043.26	1,380.70	32.34
Author's remuneration	3,584.54	3,806.80	6.20	22,134.86	18,990.45	(14.21)
Printing costs	22,484.15	23,405.15	4.10	32,553.07	34,298.56	5.36
Paper costs	41,381.36	38,011.78	(8.14)	20,905.08	18,920.22	(9.49)
Documentation fee	986.06	1,554.65	57.66	5,238.48	4,560.37	(12.94)
Others	2,901.03	2,837.35	(2.20)	1,137.50	1,078.03	(5.23)

Note: With respect to the binding of printed materials, the production of general books is priced two ways: free materials only and free binding and materials. Of which, the settlement price for free materials only refers to the printing fee only. For free binding and materials production, the printer will be responsible for paper purchase and the settlement price is inclusive of the printing fee and cost of paper. The printing costs herein are inclusive of the printing fee and cost of paper materials.

Textbooks and supplementary materials

According to the Reply on the Publishing Qualifications of Sichuan Education Publishing House and 16 Other Publishers for Primary and Secondary School Supplementary Materials (Chuban Guanzi [2012] No. 605) from the Publishing Management Department of the former General Administration of Press and Publication, Sichuan Education Publishing House Co., Ltd., a subsidiary of the Company, is qualified for the publication of supplementary materials on all subjects, while 8 other publishers are qualified for the publication of supplementary materials on different subjects of primary and secondary schools. Such textbooks and supplementary materials are mainly published for sales within Sichuan Province.

In 2025, the Group kept pace with market changes and continued to deepen reform and innovation. By bringing together industry experts and excellent editorial teams, the Group enhanced the quality of its content creation. It implemented a differentiated product strategy, developing unique educational products tailored to different regions, educational stages, and subjects. The Group also strengthened the building of specialized brands by leveraging its own advantageous resources, thereby creating an educational publishing brand with high recognition and influence.

The Group promoted the compilation, revision and review of non-uniformly compiled national curriculum textbooks and local textbooks as required. The national curriculum textbook English (《英語》) for primary schools, national curriculum provincial approved textbooks Information Technology (《信息科技》) and provincial textbooks such as Lovely Sichuan (《可愛的四川》) have been compiled and revised and successfully passed the review. Through strengthened policies and market researches, the Company developed supplementary material products that met new curriculum standards and channel needs. At the same time, the Company actively expanded subscription channels outside Sichuan to increase market share and brand influence.

The Group focused on technological innovation as well as user needs, usage scenarios, and consumption habits integrating high-quality resources to promote the integrated development of educational publishing. Based on market feedback, the Group continuously iterated and upgraded its digital products to enhance product competitiveness. The Company authorized the “Nano Box” and “Yuanfudao” apps to provide digital resources for the Sichuan education version of primary school English curriculum textbooks, and enriched learning resources on the exclusive channel of “Sichuan Education Learning” on Ximalaya platform, as well as on the “Winshare Youjiao” platform. It also created the “AI Accompanying Me to Learn” integrated publishing project, innovatively developing a “paper books + AI digital platform” product model that includes five series: composition, classical Chinese, English, labor education, and mental health. This covers the three educational stages of primary, middle, and high school. In addition, the Company carried out digital book copyright licensing cooperation, with content covering online educational applications and educational electronic hardware products.

During the Year, the sales revenue of textbooks and supplementary materials under the Group's publication segment amounted to RMB1,448 million, representing a decrease of 1.10% as compared to RMB1,464 million in the same period last year. The cost of sales amounted to RMB820 million, representing a decrease of 1.51% as compared to RMB833 million in the same period last year. The gross profit margin was 43.33%, which slightly increased from 43.09% for the same period last year.

General books

In 2025, the Group adhered to its principal business of publishing, taking the promotion of high-quality development as its overarching theme, with a focus on content innovation, in-depth development of high-quality topics and author resources, consolidated the front of thematic publishing, and created original masterpieces. It enhanced the collaborative efficiency of the entire industry chain, improved the linkage mechanism between publishing and distribution channels, stimulated the endogenous driving force of the business, and steadily promoted the improvement of quality and efficiency in the publishing and media segment. According to the Open Book Data, the Group's market share in terms of actual sales value in the overall book market ranked 11th, and 7th among similar local entities.

The Group made steady progress in promoting integrated publishing development, actively building the "publishing+" integrated ecosystem, and driving in-depth linkage between its content resources with cultural tourism and educational scenarios to continuously enrich publishing formats. It launched over 1,000 new integrated products, including e-books, audio books, radio dramas, digital collections, metaverse books, and cultural and creative products. The Company developed several key integrated publishing projects. The business dimensions of the "Watch Panda All-media Three-Dimensional Communication Platform" were further expanded, with the influence and commercial value of the Panda IP being continuously unleashed. Leveraging the Company's extensive educational and teaching resources, it transformed traditional book publishing services into an intelligent knowledge service platform that uses artificial intelligence technology to provide users with multi-scenario teaching and multi-format products.

During the Year, the sales revenue of general books under the Group's publication segment amounted to RMB996 million, representing a decrease of 9.23% as compared to RMB1,097 million in the same period last year, mainly due to intensifying market competition, resulting in a decrease in actual sales value rate. The cost of sales was RMB792 million, representing a decrease of 4.56% as compared to RMB830 million in the same period last year. The gross profit margin was 20.42%, representing a decrease of 3.90 percentage points from 24.32% in the same period last year.

Newspapers and journal

The Group has 13 newspaper and journal brands (comprising 2 newspapers and 11 journals, including newspapers and journals run by the publishing houses), covering categories such as culture, children, popular science, fashion with readership spanning all age groups from toddlers to middle-aged and elderly people. In 2025, the quality of original reports published in these newspapers and journals by the Group has been further improved. Sichuan Pictorial, Reader's Journal Press, and All-media Panda Platform issued a total of 12,906 posts, with total reading volume of over 10.21 million. In particular, six articles achieved over 100,000 views, and nearly 30 articles were reposted by central-level media outlets such as People's Daily Online, Xinhua Net, Xuexi Qiangguo, and China Daily.

During the Year, a total of 15,078,700 copies of newspapers and journals were sold by the publication segment of the Group. The sales revenue amounted to RMB39,520,800, which decreased by 27.68% year-on-year. The selling expenses amounted to RMB23,254,100, which decreased by 26.01% year-on-year. The gross profit margin was 41.16%, which decreased by 1.33 percentage points as compared with the same period last year.

(2) Distribution segment

The distribution segment of the Group mainly covers provision of textbooks to schools, teachers and students and education informatized and educational materials business for primary and secondary schools, retailing, distribution and online sales of publications.

During the Year, revenue from the sales of the distribution segment amounted to RMB10,212 million, representing a decrease of 6.03% as compared with RMB10,867 million during the same period last year.

During the Year, gross profit margin of the distribution segment of the Group was 29.81%, decreased by 0.67 percentage points from 30.48% during the same period of last year.

Textbooks and supplementary materials

Being the sole source supplier in Sichuan Province for the supply of textbooks to primary and secondary school students during their compulsory education, the Group enters into the purchase contract regarding free textbooks for students during compulsory education (義務教育階段學生免費教科書採購合同) with the provincial education office each school year. In 2025, the Company entered into the "Government Purchase Contract regarding free textbooks for students during compulsory education in Sichuan Province from 2025 to 2026" (四川省2025-2026學年義務教育階段學生免費教科書政府採購合同書).

In 2025, the Group closely aligned itself with policies such as expanding and improving the quality of basic education and strengthening standardized management, and kept pace with the changes in demand and market of products and services as well as the market trend of decentralizing choices. The Group continued to advance product mix optimization, service extension, and business integration, and worked to build a high-quality education service system that is highly compatible with ongoing education reforms. The Group further enhanced the quality and efficiency and optimized the structure of its proprietary product system, strengthened supply chain synergy, deepened digital and intelligent transformation, and continuously elevated the level of education services. Focusing on changes in education and teaching practices, the Group strengthened the iterative research and development of products and optimized product content and formats, with newly compiled and revised products accounting for over 70% while simultaneously optimizing the layout across educational stages by adding textbooks for elective modules in regular high schools and supplementary materials for further education in secondary vocational schools.

During the Year, 342,181,000 copies of textbooks and supplementary materials with sales value of RMB4,076 million were sold by the distribution segment of the Group, achieving sales revenue of RMB3,938 million, representing a year-on-year decrease of 10.20%. The gross profit margin was 35.86%, decreased by 0.64 percentage points year-on-year.

General books

In 2025, the Group deepened the integrated development of its reading services and continuously enhanced its online and offline full-channel operational capabilities. It further consolidated its role as the principal distribution channel for key thematic and current affairs publications and made every effort to provide subscription, distribution, and service support for such key titles. Innovating its public cultural services, the Group actively integrated into the province's pilot program for rural bookstore reform and upgrading. It launched the "Winshare Xiangyue" mini-program to provide product selection services for 11 pilot counties (districts), thereby promoting the direct delivery of high-quality cultural resources to the grassroots. Furthermore, the Group continued to promote store upgrades and renovation, completing the renewal and upgrade of physical stores such as Nanchong Book City, and expanding cultural tourism integration pop-up stores to enhance readers' cultural consumption experience. It optimized and adjusted its product structure, further improving its range of student reading materials and developed cultural and creative products based on original IPs to meet continuously changing market demands. The Group also strengthened the application of new technologies to empower the refined operation of online channels, deepened the content e-commerce ecological matrix, and consolidated its leading advantages in book e-commerce nationwide. By optimizing the operation model of online "cloud stores", the instant retail business of "Reading at Home" successfully launched on platforms such as JD Miao Song, Meituan, and Taobao Flash Delivery, promoting in-depth online-offline integration and creating diversified consumption scenarios.

During the Year, 221,538,800 copies of general books with sales value of RMB10,135 million were sold by the distribution segment of the Group. The sales revenue amounted to RMB5,878 million, representing a year-on-year decrease of 2.59%. The cost of sales amounted to RMB4,308 million, representing a year-on-year decrease of 2.24%. The gross profit margin was 26.70%, representing a year-on-year decrease of 0.26 percentage points.

Education informatized and others

In 2025, the Group leveraged digital technologies to empower traditional teaching supplements, adding 35,000 digital resources to supplement textbooks and partnering with leading Internet education enterprises to carry out pilot projects for digital and intelligent homework, providing teaching services such as intelligent grading and learning condition analysis. The Group innovated its brand marketing models, facilitating business conversion and market consolidation through brand activities, thereby achieving a simultaneous enhancement in brand influence and operating efficiency. Centering on high-quality resources and highly efficient classroom teaching, the Group built a digital platform matrix comprising “Winshare Youjiao”, “Winshare Youxue”, and “Winshare Youxuan”, covering all scenarios of teaching, learning, and purchasing, and constructing an integrated full-chain model encompassing environmental construction, teaching applications, and operational services. In particular, visits to “Winshare Youjiao” reached 3.0278 million during the Year, while “Winshare Youxue” reached over 6,000 schools, serving more than 4.96 million students. The labor and practical education business benefited 464,000 primary and secondary students across the province, with 360 teacher training projects implemented to serve over 85,000 educators, thereby building a diversified, high-quality education services ecosystem.

During the Year, sales revenue of education informatized and other business of the distribution segment of the Group amounted to RMB396 million, representing a year-on-year decrease of 11.57%, mainly because the education informatized and education equipment business was affected by project preparation and acceptance time, prompting proactive measures to scale back inefficient operations. The cost of sales amounted to RMB334 million, representing a year-on-year decrease of 8.24%. The gross profit margin was 15.77%, representing a decrease of 3.07 percentage points from 18.84% in the same period last year, mainly due to increased market competition in labor and practical education services and teacher training business of other businesses, resulting in a decrease in the average order value.

(II) ANALYSIS OF OPERATING RESULTS AND FINANCIAL PERFORMANCE

Expenses

During the Year, the Group’s selling expenses amounted to RMB1,383 million, representing a decrease of 3.89% as compared to RMB1,439 million in the same period last year, mainly due to the fact that the Group continued to strengthen expense control during the Year, resulting in a decrease in expenses including advertising and promotion fees, logistics expenses, vehicle fees and travel fees as compared to the same period last year.

During the Year, the Group’s administrative expenses amounted to RMB1,625 million, representing a decrease of 2.91% as compared to RMB1,674 million in the same period last year, mainly due to the fact that the Group continued to strengthen expense control during the Year, resulting in a decrease in expenses including business entertainment fees, depreciation and amortization expenses, repair charges, travel fees and conference fees as compared to the same period last year.

During the Year, the Group’s finance expenses amounted to RMB-219 million as compared to RMB-217 million in the same period last year, the change of which was not significant.

During the Year, the Group's research and development ("R&D") expenses amounted to RMB38,776,200, representing an increase of 27.29% as compared to RMB30,463,700 in the same period last year, which was mainly due to the increase in investment in business management systems and technological innovation applications integrated with business during the Year.

Gain from changes in fair value

During the Year, the Group's gain from changes in fair value amounted to RMB58,735,300, representing an increase of RMB68,677,700 as compared with a loss from changes in fair value of RMB9,942,400 in the same period last year, which was mainly due to changes in fair value of projects held by funds such as CICC Qichen, Winshare Hengxin and CITIC Buyout invested by the Group during the Year due to the impact of capital market conditions.

Investment income

During the Year, the Group's investment income amounted to RMB172 million, representing a decrease of 5.21% from RMB181 million in the same period last year, which was mainly due to the year-on-year decrease in cash dividends declared by Wan Xin Media, a participating company, for the Year.

Other incomes and non-operating income/expenses

During the Year, the Group's other incomes amounted to RMB100 million as compared to RMB106 million in the same period last year, the change of which was not significant.

During the Year, the Group's non-operating income amounted to RMB5,448,000, representing an increase of 103.10% as compared to RMB2,682,400 in the same period last year, which was mainly due to the increase in gain from the disposal of scrapped goods during the Year.

During the Year, the Group's non-operating expenses amounted to RMB38,434,400, representing a decrease of 15.32% as compared to RMB45,386,900 in the same period last year, which was mainly due to the year-on-year decrease in donation expenses.

Gains on asset disposal

During the Year, the Group's gain on asset disposal amounted to RMB72,595,700, representing an increase of RMB70,940,600 as compared to RMB1,655,100 in the same period last year, which mainly represented the gain from the disposal of office building in Fangzhuang, Beijing.

Income tax expenses

During the Year, the Group's income tax expenses amounted to RMB29,220,600, as compared to RMB105,264,400 in the same period last year, which was mainly due to the changes in preferential income tax policies for restructured cultural enterprises, which resulted in last year's reversal of the deferred income tax expenses recognized at the end of 2023.

Other comprehensive income

During the Year, the Group's net other comprehensive income after tax amounted to a loss of RMB174 million, representing a decrease of RMB892 million as compared to a gain of RMB718 million in the same period last year, which was mainly due to the fluctuation in the market value of the shares of listed companies held by the Company such as Wan Xin Media and Bank of Chengdu.

Profit

During the Year, the Group achieved a net profit of RMB1,608 million, representing a year-on-year increase of 0.25%, which was mainly benefited from the changes in preferential income tax policies for restructured cultural enterprises, which resulted in last year's reversal of the deferred income tax expenses recognized at the end of 2023. Net profit attributable to the shareholders of the Company amounted to RMB1,568 million, representing a year-on-year increase of 1.53%. Net profit attributable to the shareholders of the Company after non-recurring gain or loss amounted to RMB1,457 million, representing a year-on-year decrease of 12.11%.

Earnings per share

Earnings per share is calculated based on the net profit attributable to the shareholders of the Company for the Year divided by the weighted average number of the ordinary shares in issue during the Year. During the Year, earnings per share of the Group amounted to RMB1.27, which increased by 1.60% as compared to RMB1.25 in the same period last year. For details regarding the calculation of earnings per share, please refer to Note 27 to the consolidated financial statements in this results announcement.

R&D COMMITMENTS

Breakdown of R&D commitments

	<i>RMB</i>
R&D expenses for the current year	27,501,442.53
R&D commitments capitalized for the current year	12,626,238.44
Total R&D commitments	40,127,680.97
Total R&D commitments as a percentage of revenue (%)	0.34
Percentage of R&D commitments capitalized (%)	31.47
Total no. of R&D personnel of the Company	98
No. of R&D personnel as a percentage of total no. of personnel of the Company (%)	1.33

The R&D commitments of the Group amounted to RMB40,127,700, representing an increase of 90.73% as compared to RMB21,038,800 in the same period last year, mainly due to the increase in investment in business management systems and technological innovation applications integrated with business during the Year.

ANALYSIS OF CHANGES IN CASH FLOW

During the Year, cash flow from operating activities of the Group amounted to net inflow of RMB1,508 million, decreased by 14.90% as compared to net inflow of RMB1,772 million in the same period last year, which was mainly due to the decline in sales which resulted in a decrease in net cash flow from operating activities.

During the Year, cash flow from investing activities of the Group amounted to net outflow of RMB2,294 million, as compared to net outflow of RMB823 million in the same period last year, which was mainly due to the increase in time deposits placed this year as compared with the same period last year.

During the Year, cash flow from financing activities of the Group amounted to net outflow of RMB897 million as compared to net outflow of RMB1,065 million in the same period last year, which was mainly due to the cash dividends paid this year of RMB790 million, representing a decrease of RMB161 million compared with RMB951 million in the same period last year.

The major items of cash flow changes are set out below:

RMB

Item	This period	The same period last year	Change (%)	Reasons of change
Tax refund received	168,889,644.13	97,505,449.62	73.21	Mainly due to changes in the preferential income tax policies for restructured cultural enterprises, which resulted in the receipt of an enterprise income tax refund of RMB130 million paid in 2024 during the Year, compared to an enterprise income tax refund of RMB60 million received in the previous year.
Other cash receipts relating to operating activities	215,983,483.92	393,903,480.51	(45.17)	Mainly due to the decrease in interest income, government subsidies, and security deposits received during the period as compared with the same period last year.
Taxes paid	166,831,589.89	386,515,207.98	(56.84)	Mainly due to changes in the preferential income tax policies for restructured cultural enterprises, so that the enterprise income tax and other taxes paid during the period decreased more significantly year-on-year.
Cash receipts from recovery of investment	55,402,703.87	28,450,610.87	94.73	Mainly due to an increase in fund exits and investment recovery this year compared with last year.
Cash receipts from investment income	110,346,881.50	195,521,762.30	(43.56)	Mainly due to the decrease in dividends received from participating companies such as Wan Xin Media and Hainan Phoenix and interests from time deposits this year compared with last year.
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	119,447,799.77	2,394,927.68	4,887.53	Mainly due to the receipt of proceeds from the disposal of office building in Fangzhuang, Beijing during the Year.
Other cash receipts relating to investing activities	165,000,000.00	890,000,000.00	(81.46)	It represents time deposit withdrawal upon maturity.
Cash payments to acquire investments	50,388,261.75	211,763,664.25	(76.21)	The expenditure for the Year was mainly for the allocation of fund investments, while the expenditure for the previous year was mainly for the purchase of bank certificates of large amount deposit.
Other cash payments relating to investing activities	2,515,145,261.68	1,576,352,500.00	59.55	Mainly due to the change in time deposits that cannot be withdrawn in advance within one year or with no intention to withdraw in advance.

ASSETS AND LIABILITIES ANALYSIS

As at 31 December 2025, the position of the Group's major assets and liabilities and their movements are as follows:

RMB

Item	At the end of the current period	Amount as at the end of the current period as a percentage of the total assets (%)	At the end of the prior period	Amount as at the end of the prior period as a percentage of the total assets (%)	Percentage change in the amount from the end of the prior period to the end of the current period (%)	Explanation of situation
Notes receivable	–	–	933,791.30	0.00	(100.00)	Mainly due to the decrease in the balance of receivables settled by commercial acceptance bills in the logistics business at the end of the Year as compared with the beginning of the Year.
Prepayments	101,661,653.47	0.43	64,815,102.00	0.28	56.85	Mainly due to the increase in prepayments.
Other receivables	155,434,051.60	0.66	261,437,606.97	1.14	(40.55)	Mainly due to changes in the preferential income tax policies for restructured cultural enterprises, which resulted in the receipt of an enterprise income tax refund of RMB130 million paid in 2024 during the Year.
Contract assets	10,220,367.99	0.04	5,584,567.76	0.02	83.01	Mainly due to the change in quality warranty.
Non-current assets due within one year	22,507,427.20	0.10	49,263,308.47	0.22	(54.31)	Mainly due to the decrease in closing balance of receivables as compared with the opening balance as a result of the fact that the receivables of education informatized and education equipment business, which adopted collection by instalments, were transferred to receivables as the agreed payment period approached.

Item	At the end of the current period	Amount as at the end of the current period as a percentage of the total assets (%)	At the end of the prior period	Amount as at the end of the prior period as a percentage of the total assets (%)	Percentage change in the amount from the end of the prior period to the end of the current period (%)	Explanation of situation
Long-term receivables	13,693,637.50	0.06	39,192,878.89	0.17	(65.06)	Mainly due to the decrease in closing balance of receivables as compared with the opening balance as a result of the fact that the portion of receivables of education informatized and education equipment business, which will fall due within one year and adopted collection by instalments, were transferred to “non-current assets due within one year”.
Construction in progress	3,394,771.08	0.01	73,670,872.15	0.32	(95.39)	Mainly due to the completion and transfer to fixed assets of the textbook warehouse of Yanyuan County Branch of Liangshanzhou Xinhua Bookstore, a subsidiary of the Company, and the Xichang storage and logistics base construction project during the current period.
Right-of-use assets	330,892,995.19	1.41	234,572,966.34	1.02	41.06	The increase in right-of-use assets was mainly due to the Group’s renewal of the three-year lease contract with Sichuan Xinhua Publishing and Distribution Group at the beginning of the Year, on the basis of which another renewal period of the lease was considered.
Development expenditure	7,650,470.72	0.03	3,745,447.13	0.02	104.26	Mainly due to the increase in software R&D projects that have not yet been completed at the end of the Year compared with the beginning of the Year.

Item	At the end of the current period	Amount as at the end of the current period as a percentage of the total assets (%)	At the end of the prior period	Amount as at the end of the prior period as a percentage of the total assets (%)	Percentage change in the amount from the end of the prior period to the end of the current period (%)	Explanation of situation
Other non-current assets	3,145,071,401.54	13.42	2,001,715,747.53	8.74	57.12	Mainly due to the increase in time deposits and bank certificates of large amount deposit with no intention to withdraw in advance.
Notes payable	–	–	4,486,667.50	0.02	(100.00)	Mainly due to the decrease in the balance of trade payables settled by bills for the education informatized and equipment business and logistics business at the end of the Year as compared with the beginning of the Year.
Receipts in advance	7,506,790.10	0.03	1,662,994.41	0.01	351.40	Mainly due to changes in the balance of house rental received in advance.
Lease liabilities	268,414,242.75	1.14	179,938,995.53	0.79	49.17	The increase in lease payments in the future was mainly due to the Group's renewal of the three-year lease contract with Sichuan Xinhua Publishing and Distribution Group at the beginning of the Year, on the basis of which another renewal period of the lease was considered.
Long-term payables	5,374,260.12	0.02	–	–	N/A	Mainly due to the addition of royalties payable for the Year by Digital Publishing, a subsidiary of the Company.
Deferred income	85,837,398.10	0.37	53,436,961.20	0.23	60.63	Mainly due to changes in book subsidies and project subsidies during the Year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2025, the Group had cash and short-term deposits of approximately RMB8,813 million (31 December 2024: RMB9,180 million), and short-term borrowings of RMB10 million (31 December 2024: RMB10 million).

As at 31 December 2025, the gearing ratio (calculated by dividing total liabilities by total assets) of the Group was 33.24%, representing a decrease of 1.22 percentage points as compared with 34.46% as at 31 December 2024. The Group's overall financial structure was relatively stable.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities.

PLEDGE OF ASSETS

As at 31 December 2025, the balance of deposits of the Group amounting to RMB7,681,000 (31 December 2024: RMB13,955,200) was pledged as security deposits placed with the bank for the issuance of letter of guarantee. Save as disclosed above, the Group did not have any other assets under pledge or guarantee.

FOREIGN EXCHANGE RISK

Almost all of the Group's assets, liabilities, revenues, costs and expenses were denominated in RMB. As a result, the management believes that foreign exchange exposure of the Group is minimal and confirms no foreign exchange hedging arrangement has been made.

WORKING CAPITAL MANAGEMENT

	31 December 2025	31 December 2024
Current ratio	1.8	1.8
Inventory turnover days	113.6	118.4
Trade receivables turnover days (<i>Note</i>)	50.7	46.6
Trade payables turnover days	256.5	256.4

As at 31 December 2025, the current ratio of the Group was 1.8, remaining stable as compared with that at the end of last year. During the Year, inventory turnover days were 113.6 days, which decreased by 4.8 days as compared with that of the same period last year. Trade receivables turnover days were 50.7 days, which increased by 4.1 days as compared with that of the same period last year. Trade payables turnover days were 256.5 days, which increased by 0.1 days as compared with that of the same period last year. The above indicators reflect that the operations of the Group are relatively stable. The turnover days of inventory, trade receivables and trade payables are in line with the industry features of the publication and distribution business.

Note: The trade receivables turnover days were calculated based on the aggregate amount of accounts receivable, notes receivable and long-term receivables due within one year.

EVENTS AFTER THE BALANCE SHEET DATE

At the board meeting held on 26 March 2026, the resolution regarding the profit distribution for 2025 was passed where the undistributed profit at the end of 2025 would be distributed at the price of RMB0.42 (tax inclusive) per share and the proposed dividend amounted to RMB518,213,220 (tax inclusive). The resolution shall take effect upon obtaining approval at the annual general meeting for 2025 to be held in May 2026.

Saved as disclosed above, the Group did not have any significant events after the balance sheet date.

(III) OVERVIEW OF SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

During the Year, the Group focused on its growth strategies and improved existing industrial layout. While developing its principal businesses, the Group pushed ahead the integration of business and finance with a view to establishing the Group as a first-class cultural media group in the PRC.

The Company was interested in 80,000,000 shares of Bank of Chengdu. Its shareholding was 1.89%. The cost of investment was RMB240 million. Bank of Chengdu is mainly engaged in commercial banking business approved by China's banking regulator. During the period, a dividend income of RMB71,280,000 and a fair value loss of RMB79 million from Bank of Chengdu were recognized. As at 31 December 2025, the market capitalization of the shares held by the Company in Bank of Chengdu was RMB1,290 million, accounting for 5.50% of the audited total assets of the Group as at 31 December 2025.

The Company was interested in 124,640,000 shares of Wan Xin Media. Its shareholding was 6.37%. The cost of investment was RMB186 million. Wan Xin Media is mainly engaged in cultural services, education services, full supply chain management and other culture-related businesses. During the period, a dividend income of RMB24,928,000 and a fair value loss of RMB95 million from Wan Xin Media were recognized. As at 31 December 2025, the market capitalization of the shares held by the Company in Wan Xin Media was RMB820 million, accounting for 3.50% of the audited total assets of the Group as at 31 December 2025.

Wan Xin Media and Bank of Chengdu are financial investments of the Company which not only generate attractive dividend income to the Group for the period, but also bring higher capital appreciation to the Group in the future. The Company will monitor the price trends of the A share market and these two stocks from time to time. Coupled with the industrial development, the Company will formulate corresponding investment strategies to continuously and steadily contribute to the finance income of the Company.

During the Year, details of the external investments made by the Group are set out in Notes 10, 11 and 12 to the consolidated financial statements in this results announcement.

Information of the major subsidiaries

RMB0'000

Name of company	Type of company	Main business	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Sichuan Education Publishing House Co., Ltd.	Subsidiary	Book publication	1,000.00	154,037.88	121,659.94	79,471.86	32,303.14	32,305.55
Sichuan Publication Printing Co., Ltd.	Subsidiary	Plate-leased printing and supply of textbooks	5,000.00	72,757.72	60,284.15	37,707.87	14,856.23	14,856.37
Sichuan Winshare Online E-commerce Co., Ltd.	Subsidiary	Online sales of various products	6,000.00	334,936.74	(6,981.73)	361,321.60	1,632.33	1,001.01

(IV) EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group had a total of 7,354 (31 December 2024: 7,531) employees.

The Group improves and optimizes its employee remuneration policies and remuneration management system continuously, by which it has established a results performance-based incentive mechanism that aligns employees' remuneration to the Group's development. The standard remuneration package of the Group includes job salary, performance incentives, subsidies and benefits. Pensions, medical insurance, unemployment insurance, employment injury insurance, maternity insurance and housing welfare funds, corporate annuity, group supplemental medical insurance, etc. are available to the employees.

Upholding the human resource principle of "people-oriented", the Group attaches great importance to and cares about the growth and development of employees. The Group constantly provides employees with learning and exchange opportunities. By carrying out highly targeted and wide-coverage training as well as outbound exchanges and learning, the Group helps employees enrich their professional knowledge and improve their skill levels. Closely following the strategic goal of reform and development, based on the objectives and requirements of personnel training that are in line with the corporate strategies, and with discovery and selection as the premise, good selection and utilization as the foundation, and education and nurturing as the basis, the Group continues to deepen talent training planning and system construction, proactively reserves and builds a talent team, and creates

a well-structured talent team. The Group also improves the operation and management level of existing cadres to build a compound management team. Based on the requirements of business development and employee development in terms of capabilities and qualities, the Group improves the professional knowledge and skills of employees as well as their comprehensive quality, with a view to driving business development with employee capabilities and qualities.

During the Year, the Group deepened the training results through online training and combination of online and offline training. Throughout the Year, training sessions were organized with an attendance exceeding 39,300 employees.

(V) FUTURE PROSPECTS

Growth strategy

With the goal of becoming an internationally influential comprehensive cultural service group, the Company, by focusing on the principal publishing and media business, innovating the industrial development model, and capitalizing on the two-tier driven strategy of “technology + capital”, will push ahead the upgrading of the publishing and media industry chain, and build a premium system covering four major segments, namely creative content publishing, education services, cultural consumption services and supply chain services, as well as the investment and financing system that features capital operations, so as to meet the needs of the public for a better cultural life, while developing itself into an innovative and fast-growing publishing and media enterprise.

Operating plans

The Group will focus on its main responsibilities and principal businesses, adhere to innovation-driven development, comprehensively deepen reform, accelerate the cultivation of new productive forces in publishing and distribution and adopt a proactive and determined approach to ensure a strong start for the “15th Five-Year Plan”, continuously creating a new landscape for the Company’s high-quality development. In 2026, the Group will implement the following operating plans:

1. Enhance the core competitiveness of content publishing

Deeply cultivate high-quality content and core author resources, focus on major thematic publishing and Sichuan-characteristic cultural IPs, improve original reserves, and uphold the principle of achieving both social and economic benefits; extend the boundaries of “publishing +”, accelerate digital and intelligent transformation, explore new formats of cross-border integration, and realize the digital and intelligent empowerment of content production; leverage the advantages of the entire industry chain, use data-driven approaches to optimize content, and enhance market conversion efficiency; strengthen the “going out” business, deepen overseas cooperation through copyright trade, expand the international market, and facilitate the global dissemination of Chinese culture.

2. Optimize the education services business system

Proactively adapt to technological and policy changes, strengthen content development, innovate research and development mechanism for educational products, and continuously improve the quality of proprietary supplementary materials; focus on education and teaching to provide digital resource services, explore and develop digital and intelligent educational products, and expand application scenarios for smart teaching; promote the optimization and upgrading of online service platforms, break down data and resource barriers, and build an integrated user operation system; optimize the allocation for urban education services resources, innovate sales models, and enhance market competitiveness; comprehensively advance regional study tour business, create premium study tour products, and expand market influence.

3. Accelerate the integrated innovation of reading services

Fully leverage the Group's role of publishing and distribution as a leading channel and main front, making every effort to promote, distribute and support key thematic current affairs publications; promote the integration of culture and tourism, deeply integrate into local culture, implement categorized operation and management of physical stores, upgrade cultural and creative business formats, and enhance the experience of physical stores; actively expand library and university reading services, government and enterprise institutional cultural space customization services, rural bookstore cultural services, and other businesses; optimize scenario-based marketing for platform e-commerce, and accelerate the in-depth operation of content e-commerce; vigorously promote the integration of AI technology and business, and advance the application of new technologies in the operating process; innovate the exhibition model, continuously build a national reading activity system supported by events such as the Tianfu Book Fair and "Tianfu Book Fair • National Reading", plan and carry out the first "National Reading Activity Week", and deepen the influence of national reading activities.

4. Deepen the construction of supply chain service system

Enhance digital and intelligent empowerment by continuously building digital and intelligent logistics system, developing a digitally and intelligently driven logistics operation collaboration platform and logistics operation management platform, advance the comprehensive launch of intelligent sorting equipment, and continuously enhance the flexible supply chain service capabilities characterized by "data-driven, agile response, and customizability". Continuously optimize the supply chain of printing materials, comprehensively advance the construction of workshop data collection platform, strive to build a digital, intelligent, and green model factory, continuously enhance production efficiency, and make every effort to ensure product quality.

5. Promote the improvement of quality and efficiency in capital operations

Focus on main responsibilities and principal businesses, capitalizing on the trend of cultural and technological integration, and continue to promote the transformation and upgrading of the Company's relevant businesses through capital means, thereby reserving high-quality projects and cultivating core capabilities for the Company's high-quality development; further improve the business structure of capital operations, rationally allocate investment portfolios, strengthen risk prevention and control, and obtain gains from capital operations.

(VI) POTENTIAL RISKS

1. Market risk

In recent years, the rapid development of emerging channels, coupled with rising consumer demand for diversified knowledge services and immersive interactive experiences, has imposed higher requirements on the content production quality, creativity and channel service capabilities, posing multiple market risk challenges to the Group. The Group will closely track market trends and user needs, actively innovate content presentation formats, continuously improve content quality and experience value, expand and optimize emerging channel networks, promote refined channel operations, and strive to improve the supply level of content products and services.

2. Policy risk

Adjustments to industry and education policies will profoundly impact on the operating environment and market competition. Failure to adapt promptly to policy changes and seize the policy window period will make it difficult to adapt to market changes and business development. The Group will closely monitor policy developments, enhance the ability to analyze policy directions, optimize business strategies in a timely manner, continuously improve the product and service system, and constantly enhance adaptability and competitiveness.

3. Technical risk

As digital and intelligent development trends deepen, the accelerating iteration of technologies in areas such as integrated publishing and smart education is reshaping the publishing and distribution industry chain, bringing unprecedented opportunities for industry transformation while also posing challenges to the Group's content-technology integration and transformation. The Group will proactively embrace the development trends of cutting-edge technologies such as artificial intelligence, utilize new technologies to drive product innovation, model innovation, and industry innovation, empower industrial transformation and upgrading with technology, and accelerate the development of new and quality publishing productivity.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Year, neither the Company nor any of the subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sales of treasury shares).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving sound corporate governance, continuously perfecting and optimizing the internal control system of the Company. The Company has adopted and complied with the principles and code provisions set out in the Corporate Governance Code in Appendix C1 to the Listing Rules during the Year, with the exception of the deviation from code provision B.2.2.

According to code provision B.2.2, each director (including directors with a specific service term) shall take turns to resign, at least once every three years. The service term of the Company's fifth session of the Board of Directors expired on 23 January 2025. Since the nomination of Director candidates has not been completed, the election and appointment of the Company's sixth session of the Board of Directors and all the special committees under the Board will be postponed. To maintain the continuity and stability of the work of the Board of Directors, the terms of the Directors will be extended accordingly. The Company will proceed with the election and appointment of the new session of the Board of Directors as soon as practicable. Please refer to the announcement of the Company dated 23 January 2025 for details.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

For the purpose of governing securities transactions by the Directors and the supervisors (the “**Supervisor(s)**”), the Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as a code of conduct for securities transactions by the Directors and Supervisors. The supervisory committee of the Company was abolished on 23 December 2025, until which the Model Code was also applicable to the Supervisors. Having made specific enquiries to each of the Directors and Supervisors, all Directors and Supervisors confirmed that they have complied with all the terms set out in the Model Code during the Year and for the period from 1 January 2025 to 23 December 2025, respectively.

AUDIT COMMITTEE

The Company has established the audit committee (the “**Audit Committee**”) in compliance with Rules 3.21 and 3.22 of the Listing Rules with specific written terms of reference.

The Audit Committee has reviewed the audited consolidated financial statements of the Group as set out in this results announcement for the Year and has communicated and discussed the financial reporting, risk management and internal control with the management and auditors of the Company. The Audit Committee considered that the consolidated financial statements have been prepared in accordance with applicable accounting standards and requirements and appropriate disclosures were made.

As at the date of this results announcement, so far as the Board is aware, the information set out herein is the same as those to be set out in the Company's annual report for 2025.

DIVIDEND

The Company paid the interim dividend for the first half of 2025 of RMB0.19 (tax inclusive) per share to the shareholders on 23 December 2025.

The Board has proposed the distribution of dividend for the year ended 31 December 2025 of RMB0.42 (tax inclusive) per share (2024: RMB0.41 (tax inclusive) per share), totaling RMB518,213,220 (tax inclusive) (the “**Dividend for 2025**”). Dividends payable to A shareholders will be declared and paid in RMB, whereas dividends payable to the H shareholders will be declared in RMB and payable in Hong Kong dollars, the exchange rate of which would be calculated based on the average exchange rate published by the People’s Bank of China during the week preceding the 2025 annual general meeting (the “**2025 AGM**”).

In accordance with the “Corporate Income Tax Law of the People’s Republic of China” and its implementation regulations, where a PRC domestic enterprise distributes dividends to nonresident enterprise shareholders, it is required to withhold 10% corporate income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of the dividend as corporate income tax, distribute the dividend to nonresident enterprise shareholders, i.e., any shareholders who hold the Company’s shares in the name of non-individual shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or holders of H shares registered in the name of other groups and organizations.

Pursuant to the letter titled the “Tax arrangements on dividends paid to Hong Kong residents by mainland companies” issued by the Stock Exchange to the issuers on 4 July 2011 and the “State Taxation Administration Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045” (Guo Shui Han [2011] No. 348), it is confirmed that the overseas resident individual shareholders holding the stocks issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax arrangements between the countries where they reside and China or the tax arrangements between mainland China and Hong Kong (Macau). Therefore, the Company will withhold 10% of the dividend as individual income tax, unless it is otherwise specified by the relevant tax regulations and tax agreements, in which case the Company will withhold individual income tax of such dividends in accordance with the tax rates and according to the relevant procedures as specified by the relevant regulations.

The proposed Dividend for 2025 is subject to the approval by the shareholders at the forthcoming 2025 AGM of the Company.

H shareholders whose names appear on the register of members of the Company at 4:30 p.m. on Wednesday, 27 May 2026 are entitled to attend and vote at the 2025 AGM. H shareholders whose names appear on the register of members of the Company on the dividend entitlement date are entitled to the Dividend for 2025 of the Company (if approved by the shareholders). The Dividend for 2025 above will be paid before 27 July 2026 (if approved by the shareholders).

H shareholders are advised to consult their own professional advisers about the tax effect in China, Hong Kong and/or other countries (regions) in respect of owning and disposal of H shares if they are in any doubt as to the above arrangements.

Shareholders should read this paragraph carefully. Should there be anyone who intends to change his/her identity as a shareholder, please seek advice on the relevant procedures from the nominees or trustees. The Company is neither obliged nor responsible for ascertaining the identities of the shareholders. In addition, the Company will withhold corporate income tax and individual income tax in strict compliance with the relevant laws or regulations and the registered information on the H share register of members as at the dividend entitlement date, and will not entertain or assume responsibility for any requests or claims in relation to any delay or inaccuracies in ascertaining the identity of the shareholders or any disputes over the arrangements for withholding the corporate income tax and individual income tax.

2025 AGM

The 2025 AGM will be held on Wednesday, 27 May 2026 at Xinhua Star Tower A, No. 238, Sanse Road, Jinjiang District, Chengdu, the PRC. Details of the 2025 AGM will be set out in the notice of the 2025 AGM to be despatched by the Company in due course. Such notice will also be published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.winshare.com.cn).

CLOSURES OF REGISTER OF MEMBERS FOR H SHARES

In order to ascertain the shareholders who are entitled to attend the 2025 AGM and to receive the Dividend for 2025 (if approved by the shareholders), the register of members for H shares will be closed by the Company during the following periods:

To ascertain the H shareholders who are qualified to attend and vote at the 2025 AGM:

Latest time for lodging transfers of H shares	4:30 p.m., Wednesday, 20 May 2026
Closure of register of members for H shares	from Thursday, 21 May 2026 to Wednesday, 27 May 2026 (both days inclusive)
Date for holding the 2025 AGM	Wednesday, 27 May 2026

To ascertain the H shareholders who are entitled to the proposed Dividend for 2025:

Latest time for lodging transfers of H shares	4:30 p.m., Monday, 1 June 2026
Closure of register of members for H shares	from Tuesday, 2 June 2026 to Thursday, 4 June 2026 (both days inclusive)
Dividend entitlement date	Thursday, 4 June 2026

In order for the H shareholders to qualify to attend and vote at the 2025 AGM and to receive the Dividend for 2025 (if approved by the shareholders) proposed by the Company, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration before the abovementioned deadlines for lodging the transfer documents.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement of the Company for the Year is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.winshare.com.cn), and the annual report of the Company for 2025 (including the audited financial statements) will be despatched to the shareholders on or before 30 April 2026 and will be published on the Stock Exchange's website and the Company's website.

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

Sichuan, the PRC, 26 March 2026

As at the date of this announcement, the Board comprises (a) Mr. Zhou Qing, Mr. Liu Longzhang and Mr. Li Kun as executive Directors; (b) Mr. Ke Jiming and Ms. Tan Ao as non-executive Directors; and (c) Mr. Lau Tsz Bun, Mr. Deng Fumin and Mr. Han Wenlong as independent non-executive Directors.

* *For identification purposes only*