



四川新華文軒連鎖股份有限公司

SICHUAN XINHUA WINSHARE CHAINSTORE CO., LTD.*

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

(Stock Code: 811)

ANNOUNCEMENT

POSTPONEMENT OF RE-ELECTION AND/OR APPOINTMENT OF DIRECTORS AND SUPERVISORS

This announcement is published voluntarily by Sichuan Xinhua Winshare Chainstore Co., Ltd. (the “**Company**”) to allow the public to acknowledge the latest development of the Company.

Pursuant to the articles of association (the “**Articles**”) of the Company and the laws of the People's Republic of China (“**PRC**”), the term of office of each of the directors of the Company (the “**Directors**”) and supervisors of the Company (the “**Supervisors**”) shall commence from the date of his appointment until the expiry of the relevant session of the board of Directors (the “**Board**”) and the board of supervisors of the Company (the “**Board of Supervisors**”). The Company adopted 11 June 2005, being the date of establishment of the Company, as the date of commencement of the first session of each of the Board and the Board of Supervisors and each session shall be for a term of three years. Accordingly, all current Directors and Supervisors shall retire from offices and be subject to re-election in June 2008.

On 18 April 2008, the Board passed a resolution to postpone the re-election/appointment of the Directors, and the Board of Supervisors also passed a resolution to postpone the re-election/appointment of the Supervisors, to a general meeting of the Company to be held in or around late July 2008 (the “**EGM**”). The Company is currently actively liaising with all relevant parties in respect of the proposed nomination of Directors and Supervisors to the second session of each of the Board and the Board of Supervisors. As at the date of this announcement, the nomination has not been finalised. The Directors believe it is in the best interests of the Company and the shareholders of the Company (the “**Shareholders**”) to postpone the re-election/appointment of Directors and Supervisors. The Directors also believe that the postponement will not have any material impact on the day-to-day operation of the Company.

Under the Articles, all existing Directors and Supervisors shall continue to perform their duties as Directors/Supervisors before a new session of each of the Board and the Board of Supervisors is elected. All existing Directors and Supervisors have confirmed that they will continue to hold their offices and perform their duties until the EGM, in accordance with the Articles and all relevant laws and regulations.

The Company will endeavour to expedite the nomination process and will publish the notice of EGM and provide the relevant information to the Shareholders for consideration as soon as practicable.

By order of the Board
SICHUAN XINHUA WINSHARE CHAINSTORE CO., LTD.
Gong Cimin
Chairman

Hong Kong, 20 April 2008

As at the date of this announcement, (a) the executive Directors are Gong Cimin, Dai Chuanping, Yang Miao and Zhang Yexin; (b) the non-executive Directors are Wang Jianping, She Jingping, Li Jiawei, Wu Qiang, Mo Shixing and Zhao Junhuai; and (c) the independent non-executive Directors are Han Xiaoming, Cheng Sanguo and Chan Yuk Tong.

** For identification purposes only*