

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in 四川新華文軒連鎖股份有限公司 (Sichuan Xinhua Winshare Chainstore Co., Ltd.*), you should at once hand this circular with the accompanying forms of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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WIN SHARE

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)

**(I) PROPOSED GRANT OF GENERAL MANDATE
TO REPURCHASE H SHARES
AND
(II) NOTICES OF EXTRAORDINARY GENERAL MEETING
AND CLASS MEETINGS**

The notices convening the extraordinary general meeting and the respective class meetings for holders of H shares (“**H Shares**”) and domestic shares (“**Domestic Shares**”) of 四川新華文軒連鎖股份有限公司 (Sichuan Xinhua Winshare Chainstore Co., Ltd.*) (the “**Company**”) to be held on Tuesday, 10 February 2009 at Sichuan Xinhua International Hotel, No.8 Guzhongsi Street, Chengdu, Sichuan, the People's Republic of China (“**PRC**”), are set out on pages 11 to 19 of this circular.

Whether or not you are able to attend the meetings in person, you are requested to complete and return the accompanying forms of proxy in accordance with the instructions printed thereon. In case of holders of H Shares, the proxy forms shall be lodged with the H share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806–1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; and in case of holders of Domestic Shares, the proxy forms shall be lodged at the head office in the PRC of the Company, as soon as possible and in any event not later than 24 hours before the time scheduled for holding such meetings (or any adjourned meetings thereof). Completion and delivery of the forms of proxy will not preclude you from attending and voting in person at the meeting or any adjournment if you so wish.

* For identification purposes only

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“acting in concert”	has the meaning as defined under the Takeovers Code
“Articles” or “Articles of Association”	the articles of association of the Company
“associates”	has the meaning as defined under the Listing Rules
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, but for the purposes of this circular only, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Class Meetings”	the class meeting for holders of Domestic Shares to be held immediately after the conclusion of the EGM and the class meeting for holders of H Shares to be held immediately after the conclusion of the said class meeting for holders of Domestic Shares, the respective notices of which are set out on pages 14 to 19 of this circular, or any adjournment thereof respectively
“Class Meeting Notices”	the notices for convening the Class Meetings set out on pages 14 to 19 of this circular
“Company”	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 PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange
“Company Law”	《中華人民共和國公司法》(the Company Law of the PRC), as enacted by the Standing Committee of the Eighth National People’s Congress of the PRC on 29 December 1993 and effective on 1 July 1994, as amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning as defined under the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Shares”	ordinary shares in the capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and credited as fully paid up in RMB by PRC nationals and/or PRC incorporated entities

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be held at Sichuan Xinhua International Hotel, No. 8 Guzhongsi Street, Chengdu, Sichuan, PRC on Tuesday, 10 February 2009 at 9:30 a.m. to approve the grant to the Directors of the Repurchase Mandate, or any adjournment thereof
“EGM Notice”	the notice for convening the EGM set out on pages 11 to 13 of this circular
“H Shares”	overseas listed foreign shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	21 November 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mandatory Provisions”	《到境外上市公司章程必備條款》(the Mandatory Provisions for the Articles of Association of the Companies to be Listed Overseas) issued on 27 August 1994 by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System of the PRC
“Parent”	四川新華發行集團有限公司 (Sichuan Xinhua Publishing Group Co. Ltd.*), a wholly State-owned company established in the PRC, and a promoter and the controlling shareholder of the Company as at the Latest Practicable Date
“Repurchase Mandate”	subject to the conditions set out in the proposed resolution approving the repurchase mandate at the EGM and the Class Meetings, the general mandate to be granted to the Board to exercise the power of the Company to repurchase H Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of H Shares in issue of the Company as at the date of the passing of the relevant resolution as set out in the EGM Notice and the Class Meeting Notices
“SAFE”	State Administration of Foreign Exchange of the PRC
“Share(s)”	ordinary shares of the Company with a nominal value of RMB1.00 each, comprising both Domestic Shares and H Shares
“Shareholder(s)”	registered holder(s) of the Share(s)

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

* *For identification purposes only*



WIN SHARE

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)

Executive Directors:

Mr. Gong Cimin (Chairman)

Mr. Zhang Bangkai (Vice Chairman)

Non-Executive Directors:

Ms. Wang Jianping

Mr. Zhang Chengxing

Mr. Li Jiawei

Mr. Luo Jun

Mr. Yu Changjiu

Mr. Wu Qiang

Mr. Mo Shixing

Mr. Zhao Junhuai

Registered office in the PRC:

12th Floor, No. 86 Section One

People's South Road

Qingyang District

Chengdu, Sichuan

PRC

Head office in the PRC:

No.6 Wenxuan Road

Shang Mao Avenue

Cheng Bei

Chengdu, Sichuan 610081

PRC

Independent Non-executive Directors:

Mr. Han Xiaoming

Mr. Cheng Sanguo

Mr. Chan Yuk Tong

Principal place of business

in Hong Kong:

8th Floor, Gloucester Tower

The Landmark

15 Queen's Road Central

Hong Kong

27 November 2008

To the Shareholders

Dear Sir/Madam,

PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES

INTRODUCTION

The Repurchase Mandate was proposed at the EGM and the Class Meetings for the Shareholders' consideration and approval.

The purposes of this circular are (i) to provide you with information regarding the special resolution to be proposed at the EGM and the Class Meetings to grant to the Directors the Repurchase Mandate; and (ii) to give you the EGM Notice and the Class Meeting Notices.

* For identification purposes only

LETTER FROM THE BOARD

REPURCHASE MANDATE

The Company Law, the Mandatory Provisions and the Articles of Association provide for certain restrictions on share repurchase which are applicable to all classes of shares of the Company.

The Company Law (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered capital; (b) in connection with a merger between itself and another entity that holds its shares; (c) granting shares as reward to the staff of the company; or (d) the repurchase is made at the request of its shareholders who disagrees with shareholders' resolutions in connection with a merger or division. The Mandatory Provisions, which the Company has incorporated in the Articles of Association, provide that subject to obtaining the approval of the relevant PRC regulatory authorities and in compliance with the Articles of Association, the Company may repurchase its issued Shares for the purpose of reducing its share capital or in connection with a merger between itself and another entity that holds its Shares or in circumstances permitted by laws or administrative regulations.

The Listing Rules permit the shareholders of a PRC joint stock limited company to grant a general mandate to its directors to repurchase shares of such company that is listed on the Stock Exchange. Such mandate is required to be given by way of a special resolution passed by its shareholders in general meeting and special resolutions passed by holders of domestic shares and holders of overseas listed foreign shares at separate meetings.

H Shares are traded on the Stock Exchange in Hong Kong dollars. Therefore, the repurchase of H Shares by the Company is subject to the approval of the SAFE (or its successor authority), and the price payable by the Company upon any repurchase of H Shares will be paid in Hong Kong dollars.

In accordance with the requirements of the Articles of Association applicable to capital reduction, the Company will have to notify its creditors of the passing of the resolution for the reduction of the registered capital of the Company. In addition, the Company Law provides that the shares repurchased by a company will have to be cancelled and the registered capital of that company will therefore be reduced by an amount equivalent to the aggregate nominal value of the shares so cancelled. In the event of a reduction of registered capital, the Company shall inform its creditors by way of written notice and announcement within a prescribed period after the passing of the relevant resolutions approving such reduction. The creditors shall be entitled to request the Company for repayment of loan or provision of guarantee. The statutory notification requirement allows the creditors an opportunity for the recovery or security of the debt (in particular for those unsecured debts) where the Company's registered capital is to be reduced.

Conditions to repurchase H Shares

In order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to repurchase any H Shares (including where such repurchase may lead to an enhancement of the net asset value per Share and/or the earnings per Share), approval is proposed to be sought from the Shareholders for the grant of the Repurchase Mandate to the Directors. In accordance with the legal and regulatory requirements described above, the Directors give notices to convene the EGM and the Class Meetings. At each such meeting, a special resolution will be proposed to grant to the Directors the

LETTER FROM THE BOARD

Repurchase Mandate which is a conditional general mandate to repurchase H Shares in issue on the Stock Exchange with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of passing of such special resolution.

The Repurchase Mandate will be conditional upon (a) the special resolution for approving the grant of the Repurchase Mandate being passed at each of the EGM and the Class Meetings; and (b) the approvals of SAFE (or its successor authority) and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate. If the above conditions are not fulfilled, the Repurchase Mandate will not be exercisable by the Directors.

The Repurchase Mandate would expire on the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of a period of twelve months following the passing of the relevant resolution at the EGM and the Class Meetings; or (c) the date on which the authority conferred by the special resolution is revoked or varied by a special resolution of the Shareholders in a general meeting or by a special resolution of holders of H Shares or holders of Domestic Shares at their respective class meetings.

The H Shares which may be repurchased by the Company pursuant to the Repurchase Mandate shall not exceed 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of passing of the resolution approving the Repurchase Mandate at the EGM and the Class Meetings.

An explanatory statement giving certain information regarding the Repurchase Mandate is set out in the Appendix to this circular.

EGM AND CLASS MEETINGS

Set out on pages 11 to 19 of this circular are notices convening the EGM and the Class Meetings to be held on Tuesday, 10 February 2009 at Sichuan Xinhua International Hotel, No.8 Guzhongsi Street, Chengdu, Sichuan, PRC. Special resolution is proposed to the Shareholders at the EGM to consider and, if thought fit, for granting to the Directors the Repurchase Mandate. Special resolution in respect of the granting to the Directors of the Repurchase Mandate is proposed to the Shareholders at the Class Meetings for their consideration and approval.

A form of proxy for use at each of the EGM and the Class Meetings is enclosed. Whether or not you are able to attend the meetings in person, you are requested to complete and return the accompanying forms of proxy in accordance with the instructions printed thereon. In case of holders of H Shares, the proxy forms shall be lodged with the H share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806–1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; and in case of holders of Domestic Shares, the proxy forms shall be lodged at the head office in the PRC of the Company, as soon as possible and in any event not later than 24 hours before the time scheduled for holding such meetings (or any adjourned meetings thereof). Completion and delivery of the forms of proxy will not preclude you from attending and voting in person at the meeting or any adjournment if you so wish.

LETTER FROM THE BOARD

PROCEDURES TO DEMAND A POLL AT GENERAL MEETING

Pursuant to the Articles of Association, at any general meeting a resolution shall be decided on a show on hands unless a poll is (before or after any vote by show of hands) demanded:

- by the chairman of the meeting;
- by at least two Shareholders entitled to vote present in person or by proxy; or
- by one or more Shareholders present in person or by proxy and representing 10% or more of all Shares carrying the right to vote at the meeting.

RECOMMENDATION

The Directors are of the opinion that the proposed grant of the Repurchase Mandate is in the interests of the Company and its Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM and the Class Meetings.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this circular.

Yours faithfully,
By order of the Board
Sichuan Xinhua Winshare Chainstore Co., Ltd.*
Gong Cimin
Chairman

* For identification purposes only

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision on whether to vote for or against the special resolution to approve the grant of the Repurchase Mandate to the Directors.

LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below. The Company is empowered by the Articles of Association to repurchase its own securities.

REGISTERED CAPITAL

As at the Latest Practicable Date, the registered capital of the Company was RMB1,135,131,000 comprising 693,193,900 Domestic Shares and 441,937,100 H Shares. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the EGM and the Class Meetings, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 44,193,710 H Shares, being the maximum of 10% of the total H Shares in issue as at the date of passing the relevant resolution.

REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the interests of the Company and the Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and the Shareholders.

FUNDING OF REPURCHASES

In repurchasing the H Shares, the Company may only apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws, rules and regulations of the PRC, including but not limited to surplus funds and undistributed profits of the Company.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with its position as at 31 December 2007 as disclosed in the Company's latest published audited accounts contained in the annual report for the year ended 31 December 2007. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regarded to the circumstances then prevailing, in the best interests of the Company.

STATUS OF REPURCHASED H SHARES

The Listing Rules provide that the listing of all the H Shares repurchased by the Company shall automatically be cancelled and the relevant share certificates shall be cancelled and destroyed. Under the PRC laws, the H Shares repurchased by the Company will be cancelled and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled.

H SHARE PRICES

The highest and lowest prices at which the H Shares have traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

Month	H Shares	
	Highest (HK\$)	Lowest (HK\$)
2007		
November	6.98	5.26
December	5.53	4.75
2008		
January	5.35	3.25
February	3.76	2.99
March	3.31	2.16
April	3.80	2.70
May	4.06	2.97
June	3.09	2.21
July	2.66	2.22
August	2.55	2.10
September	2.60	1.60
October	1.83	0.98
1 November to the Latest Practicable Date	1.64	1.28

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates, have any present intention to sell to the Company any of the H Shares in the Company if the Repurchase Mandate is approved at the EGM and the Class Meetings.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the Parent was the controlling shareholder of the Company, which held 592,809,525 Domestic Shares, representing approximately 52.22% of the registered capital of the Company. On the basis that 1,135,131,000 Shares was in issue as at the Latest Practicable Date and assuming that no other Shares will be issued or repurchased by the Company on or prior to the date of the EGM and the Class Meetings and the Parent has not disposed of its shares, if the Repurchase Mandate were exercised in full, the percentage interests in the Company of the Parent and its associates would increase to approximately 54.34% of the then registered capital of the Company. The Directors are not aware of any consequences which will arise under either or both of the Takeovers Code and any similar applicable law as a result of any repurchases to be made under the Repurchase Mandate. Moreover, the Directors will not make share repurchase on the Stock Exchange if such repurchase would result in the requirements under Rule 8.08 of the Listing Rules not being complied with.

As at the Latest Practicable Date, no connected person of the Company had notified the Company that he/she/it has a present intention to sell any H Shares nor had such connected person undertaken not to sell any of the securities held by him/her/it to the Company in the event that the Repurchase Mandate is granted and is exercised.

SECURITIES REPURCHASE MADE BY THE COMPANY

The Company had not purchased any H Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of 四川新華文軒連鎖股份有限公司 (Sichuan Xinhua Winshare Chainstore Co., Ltd.*) (the “**Company**”) will be held at 9:30 a.m. on Tuesday, 10 February 2009 at Sichuan Xinhua International Hotel, No.8 Guzhongsi Street, Chengdu, Sichuan, the People's Republic of China (the “**PRC**”) for the purposes of considering and, if thought fit, passing the following resolution:

SPECIAL RESOLUTION

1. To authorise the board (the “**Board**”) of directors (the “**Directors**”) of the Company to repurchase H Shares of the Company (the “**H Shares**”) subject to the following conditions:
 - (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H Shares in issue of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
 - (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent of the aggregate nominal value of H Shares in issue of the Company as at the date of the passing of this resolution;
 - (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the class meeting for holders of H Shares of the Company to be held on Tuesday, 10 February 2009 (or on such adjourned date as may be applicable); and the class meeting for holders of domestic shares of the Company to be held on Tuesday, 10 February 2009 (or on such adjourned date as may be applicable); and
 - (ii) the approval of the State Administration of Foreign Exchange of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;

* For identification purposes only

NOTICE OF EGM

- (d) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting following the passing of this special resolution;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting or by a special resolution of holders of H Shares or holders of domestic shares of the Company at their respective class meetings; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
- (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC.

By order of the Board of
Sichuan Xinhua Winshare Chainstore Co., Ltd.*
GONG Cimin
Chairman

Sichuan, the PRC, 27 November 2008

Notes:

1. The register of members of the Company will be closed from 11 January 2009 to 10 February 2009 (both days inclusive), during which period no transfer of shares of the Company can be registered. In order to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for holders of H shares of the Company) or the head office in the PRC of the Company (for holders of domestic shares of the Company), no later than 4:30 p.m. on 9 January 2009.
2. Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and, in the event of a poll, vote on their behalves. A proxy need not be a member of the Company.

NOTICE OF EGM

3. In order to be valid, the proxy form must be deposited by hand or post, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Rooms 1806–1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong and, for holders of domestic shares of the Company, to the head office in the PRC of the Company not less than 24 hours before the time for holding the EGM or not less than 24 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the EGM or any adjourned meetings should you so wish.
4. Shareholders or their proxies shall produce their identity documents when attending the EGM.
5. Shareholders who intend to attend the EGM should complete the reply slip and return it by hand, by post or by fax to the H share registrar of the Company (for holders of H shares of the Company) or to the head office in the PRC of the Company (for holders of the domestic shares of the Company) on or before 21 January 2009.
6. The EGM is expected to take 20 minutes. Shareholders attending the EGM shall be responsible for their own travel and accommodation expenses.
7. The head office in the PRC of the Company is as follows:

No. 6 Wenxuan Road
Shang Mao Avenue, Cheng Bei
Chengdu, Sichuan 610081
PRC

As at the date of this notice, the board of directors of the Company comprises (a) Mr. Gong Cimin and Mr. Zhang Bangkai as executive directors; (b) Ms. Wang Jianping, Mr. Zhang Chengxing, Mr. Li Jiawei, Mr. Luo Jun, Mr. Yu Changjiu, Mr. Wu Qiang, Mr. Mo Shixing and Mr. Zhao Junhuai as non-executive directors; and (c) Mr. Han Xiaoming, Mr. Cheng Sanguo and Mr. Chan Yuk Tong as independent non-executive directors.

** For identification purposes only*



WIN SHARE

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)

NOTICE OF H SHARES CLASS MEETING

NOTICE IS HEREBY GIVEN that a class meeting for holders of H Shares (the “**Class Meeting**”) of 四川新華文軒連鎖股份有限公司 (Sichuan Xinhua Winshare Chainstore Co., Ltd.*) (the “**Company**”) will be held at 10:30 a.m. (or immediately after the class meeting for holders of domestic shares in the Company to be convened and held on the same date and at the same place) on Tuesday, 10 February 2009 at Sichuan Xinhua International Hotel, No.8 Guzhongsi Street, Chengdu, Sichuan, the People's Republic of China (the “**PRC**”) for the purposes of considering and, if thought fit, passing the following resolution:

SPECIAL RESOLUTION

1. To authorise the board (the “**Board**”) of directors (the “**Directors**”) of the Company to repurchase H Shares of the Company (the “**H Shares**”) subject to the following conditions:
 - (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H Shares in issue of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
 - (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent of the aggregate nominal value of H Shares in issue of the Company as at the date of the passing of this resolution;
 - (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the extraordinary general meeting for holders of shares of the Company to be held on Tuesday, 10 February 2009 (or on such adjourned date as may be applicable); and the class meeting for holders of domestic shares of the Company to be held on Tuesday, 10 February 2009 (or on such adjourned date as may be applicable); and
 - (ii) the approval of the State Administration of Foreign Exchange of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;

* For identification purposes only

NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

- (d) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting following the passing of this special resolution;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting or by a special resolution of holders of H Shares or holders of domestic shares of the Company at their respective class meetings; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
 - (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC.

By order of the Board of
Sichuan Xinhua Winshare Chainstore Co., Ltd.*
GONG Cimin
Chairman

Sichuan, the PRC, 27 November 2008

Notes:

1. The register of members of the Company will be closed from 11 January 2009 to 10 February 2009 (both days inclusive), during which period no transfer of shares of the Company can be registered. In order to qualify to attend and vote at the Class Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 9 January 2009.
2. Shareholders who are entitled to attend and vote at the Class Meeting may appoint one or more proxies to attend and, in the event of a poll, vote on their behalves. A proxy need not be a member of the Company.

NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

3. In order to be valid, the proxy form must be deposited by hand or post to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Rooms 1806–1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the Class Meeting or not less than 24 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the Class Meeting or any adjourned meetings should you so wish.
4. Shareholders or their proxies shall produce their identity documents when attending the Class Meeting.
5. Shareholders who intend to attend the Class Meeting should complete the reply slip and return it by hand, by post or by fax to the H share registrar of the Company on or before 21 January 2009.
6. The Class Meeting is expected to take 20 minutes. Shareholders attending the Class Meeting shall be responsible for their own travel and accommodation expenses.

As at the date of this notice, the board of directors of the Company comprises (a) Mr. Gong Cimin and Mr. Zhang Bangkai as executive directors; (b) Ms. Wang Jianping, Mr. Zhang Chengxing, Mr. Li Jiawei, Mr. Luo Jun, Mr. Yu Changjiu, Mr. Wu Qiang, Mr. Mo Shixing and Mr. Zhao Junhuai as non-executive directors; and (c) Mr. Han Xiaoming, Mr. Cheng Sanguo and Mr. Chan Yuk Tong as independent non-executive directors.

** For identification purposes only*



WIN SHARE

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)

NOTICE OF DOMESTIC SHARES CLASS MEETING

NOTICE IS HEREBY GIVEN that a class meeting for holders of Domestic Shares (the “**Class Meeting**”) of 四川新華文軒連鎖股份有限公司 (Sichuan Xinhua Winshare Chainstore Co., Ltd.*) (the “**Company**”) will be held at 10:00 a.m. (or immediately after the extraordinary general meeting of the Company to be convened and held on the same date and at the same place) on Tuesday, 10 February 2009 at Sichuan Xinhua International Hotel, No.8 Guzhongsi Street, Chengdu, Sichuan, the People's Republic of China (the “**PRC**”) for the purpose of considering and, if thought fit, passing the following resolution:

SPECIAL RESOLUTION

1. To authorise the board (the “**Board**”) of directors (the “**Directors**”) of the Company to repurchase H Shares of the Company (the “**H Shares**”) subject to the following conditions:
 - (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H Shares in issue of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
 - (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent of the aggregate nominal value of H Shares in issue of the Company as at the date of the passing of this resolution;
 - (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the extraordinary general meeting for holders of shares of the Company to be held on Tuesday, 10 February 2009 (or on such adjourned date as may be applicable); and the class meeting for holders of H Shares of the Company to be held on Tuesday, 10 February 2009 (or on such adjourned date as may be applicable); and
 - (ii) the approval of the State Administration of Foreign Exchange of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;

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NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

- (d) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting following the passing of this special resolution;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting or by a special resolution of holders of H Shares or holders of domestic shares of the Company at their respective class meetings; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
 - (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC.

By order of the Board of
Sichuan Xinhua Winshare Chainstore Co., Ltd.*
GONG Cimin
Chairman

Sichuan, the PRC, 27 November 2008

Notes:

1. The register of members of the Company will be closed from 11 January 2009 to 10 February 2009 (both days inclusive), during which period no transfer of shares of the Company can be registered. In order to qualify to attend and vote at the Class Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the head office in the PRC of the Company no later than 4:30 p.m. on 9 January 2009.
2. Shareholders who are entitled to attend and vote at the Class Meeting may appoint one or more proxies to attend and, in the event of a poll, vote on their behalves. A proxy need not be a member of the Company.
3. In order to be valid, the proxy form must be deposited by hand or post to the head office in the PRC of the Company not less than 24 hours before the time for holding the Class Meeting or not less than 24 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the Class Meeting or any adjourned meetings should you so wish.

NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

4. Shareholders or their proxies shall produce their identity documents when attending the Class Meeting.
5. Shareholders who intend to attend the Class Meeting should complete the reply slip and return it by hand, by post or by fax to the head office in the PRC of the Company on or before 21 January 2009.
6. The Class Meeting is expected to take 20 minutes. Shareholders attending the Class Meeting shall be responsible for their own travel and accommodation expenses.
7. The head office in the PRC of the Company is as follows:

No. 6 Wenxuan Road
Shang Mao Avenue, Cheng Bei
Chengdu, Sichuan 610081
PRC

As at the date of this notice, the board of directors of the Company comprises (a) Mr. Gong Cimin and Mr. Zhang Bangkai as executive directors; (b) Ms. Wang Jianping, Mr. Zhang Chengxing, Mr. Li Jiawei, Mr. Luo Jun, Mr. Yu Changjiu, Mr. Wu Qiang, Mr. Mo Shixing and Mr. Zhao Junhuai as non-executive directors; and (c) Mr. Han Xiaoming, Mr. Cheng Sanguo and Mr. Chan Yuk Tong as independent non-executive directors.

** For identification purposes only*