

Xinhua Winshare Publishing and Media Co., Ltd.

Working Rules for the Remuneration and Appraisal Committee of the Board

(Third amendment approved at the fourth meeting of the third session of the

Board of Directors of the Company on 23 March 2012)

CHAPTER 1 GENERAL PROVISIONS

Article 1 To further rationalize and standardize the decision-making procedures of Xinhua Winshare Publishing and Media Co., Ltd. (the “Company”) and establish a sound remuneration and appraisal management system of the Company, the Company established the Remuneration and Appraisal Committee (the “Committee”) under the board of directors and formulated these rules in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Guidelines for the Governance of Listed Companies of China Securities Regulatory Commission, the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the Articles of Association of the Company (the “Articles of Association”) and other relevant provisions.

Capitalised terms used herein shall have the same meanings as those defined in the Listing Rules unless the context requires otherwise and shall be construed in accordance with the Listing Rules.

Article 2 The Remuneration and Appraisal Committee is a special organ established by the board of directors which shall report to and hold responsibility for the board of directors.

Article 3 The Remuneration and Appraisal Committee shall have one secretary which is to be served by the secretary to the Board, who shall be responsible for daily contact, organization of meetings and all preparatory works to facilitate the decision-making of the Committee.

CHAPTER 2 MEMBERSHIP

Article 4 The Remuneration and Appraisal Committee shall be appointed by the board (the “Board”) of directors (the “Directors”) of the Company from the Directors and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors (the “INEDs”). The constitution of the Committee shall comply with the requirements of the Listing Rules from time to time.

Article 5 The convener (the “Convener”) of the Committee shall be appointed by the Board and a member of the Committee and an INED.

Article 6 The term of office of the Committee shall be identical to that of the Board and

shall be eligible for re-election for successive terms. During the period, any member of the Committee who no longer holds office as a Director shall automatically cease to be a member of the Committee and the vacancy shall be filled by the Board as soon as possible in accordance with the provisions of Article 1 to Article 2 of these rules.

Article 7 In the event that resignation of any Committee member will result in the number of the Committee members to be less than three or the quorum (whichever is lesser), the resignation of such member shall become effective after the vacancy arising due to his resignation is filled by another member, unless the Committee member resigns for the reason that his serving on the Committee is non-compliance with these rules, Listing Rules, Articles of Association or other applicable laws and regulations. Nevertheless, under all circumstance, the Board shall elect the new Committee member as soon as possible.

CHAPTER 3 ATTENDANCE AT MEETINGS

Article 8 Under all circumstances, the chairman must be informed of all meetings of the Committee. The chairman may attend all meetings of the Committee, provided that he shall abstain from voting for any matters put forward at the meeting in relation to his own interests (including but not limited to his remuneration packages or benefits).

Article 9 The quorum for a meeting of the Committee shall be at least two members, both of whom must be INEDs.

Article 10 Executive Directors may be invited by the Committee to attend the Committee meetings, if appropriate. The executive Directors shall abstain from voting for any matters put forward at the meeting in relation to their own interests (including but not limited to their remuneration packages or benefits).

Article 11 Where necessary, the Committee may invite personnel of the human resources department and other professionals to attend the meetings of the Committee to give advice to its members, including but not limited to external professional advisers, the expenses of which shall be borne by the Company.

Article 12 The secretary to the Board shall be the secretary of the Committee (the “Committee Secretary”) who shall attend all meetings of the Committee.

Article 13 Members of the Committee may participate in a meeting of the Committee by means of telephone conference or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this Article shall constitute presence in person at such meeting.

CHAPTER 4 FREQUENCY OF MEETINGS

Article 14 Meetings shall be held not less than once each year. The Convener or any members of the Committee may request to convenue a meeting if they consider necessary and

upon receipt of such request, the Committee Secretary shall make relevant arrangement as per the Convener's instructions to convene the meeting.

CHAPTER 5 COMMITTEE'S RESOLUTIONS

Article 15 A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee. Such resolution may be signed in counterparts, consisting of several documents in the same form each signed by one or more of the members of Committee, all of which shall be deemed as the only and same written resolution. Such resolution may be signed and circulated by fax or other electronic communications. For the avoidance of doubt, this Article is without prejudice to any requirement under the laws, regulations, Listing Rules and Articles of Association for a Board or Committee meeting to be held.

CHAPTER 6 AUTHORITIES AND PURPOSES

Article 16 The Committee has been authorized by the Board to review, assess and make recommendations on any matters relating to its terms of reference.

Article 17 The Committee shall use internal and publicly available information to satisfy itself as to the competitiveness of the Company's basic salary with that of the prevailing market, and shall compare with other companies with similar size, nature and scope of business to ensure the competitiveness of the overall remuneration package/benefits of the Company.

Article 18 The Committee is established for the purpose of enabling the Company to determine the remuneration of the Chairman, Directors, senior management and key management personnel (collectively the "Management") of the Company in a more open and objective manner.

Article 19 The Committee is an independent and fair committee, which shall review and make recommendations on the remuneration packages and benefits of the Chairman, Directors and Management. The Committee shall not hold any financial interest in relation to the proposed remuneration packages and/or benefits. The Committee must from time to time consider and take full account of the performance of the chairman, Directors and Management, the interest of the shareholders of the Company as a whole, the financial position of the Company and market conditions. No Director shall be entitled to determine his own remuneration package.

Article 20 The Committee shall ensure the chairman, Directors and Management, on the basis of the contributions made by them to the Company, are provided with fair remuneration and appropriate incentives to enable them to maintain outstanding performance, among which, the majority of the remuneration of the executive Directors shall link to the performance of the Company and the individual.

Article 21 The Committee has been authorized by the Board to obtain external legal or

other independent professional advices with all reasonable fees to be borne by the Company. The Committee shall also ensure the external professionals with the relevant experience to attend meetings when it considers necessary.

Article 22 The Committee shall consult with the chairman and/or general manager of the Company for their approval of the proposed remunerations of Directors and Management. Where necessary, the Committee may also obtain professional advices and the expenses shall be borne by the Company.

Article 23 The Committee shall be provided with sufficient resources to fulfill its duties.

CHAPTER 7 DUTIES

Article 24 The duties of the Committee include the followings:

(1) to assess, review and make recommendations to the Board on the remuneration packages of Directors and Management and their overall interests on an annual basis or when necessary;

(2) to make recommendations to the Board on all consultation agreements and service contracts entered into by the Company with any Directors or Management, or any companies associated with them, including any changes, revisions or modifications;

(3) to consider the disclosure of any particulars in the annual reports and accounts of the Company in respect of the remuneration/benefits of the chairman, Directors and Management in addition to those required by laws and regulations (including but not limited to the Listing Rules), and examine the way of presenting the information;

(4) to formulate the remuneration policy as authorized by the Board with respect to the overall remuneration policy and structure of the Directors and Management as well as the establishment of a formal and transparent system and make recommendations to the Board. The Committee shall also make recommendations to the Board on an on-going basis in respect of the total remuneration and/or benefits of the Directors;

(5) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries (collectively the “Group”);

(6) to review and approve the proposed remuneration of the Management in response to the corporate policy of the Board and the Company's goals from time to time;

(7) the Committee may, by adopting one of the following two options, determine or recommend the remuneration package of individual executive Director and Management:

1. to fix the remuneration of individual executive Directors and Management as delegated by the Board;

2. to make recommendations to the Board on the remuneration packages of individual executive Directors and Management.

These shall include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

(8) to make recommendations to the Board on the remunerations of non-executive Directors;

(9) to review and approve the compensation arrangements to executive Directors and Management in connection with any loss or termination of their office or appointment of such executive Directors and Management, and ensure such arrangements are consistent with the contractual terms or to be fair and reasonable and not excessive otherwise;

(10) to review and approve the compensation arrangements to executive Directors and Management in connection with any dismissal or removal for misconduct of such executive Directors and Management, and ensure such arrangements are consistent with the contractual terms or to be fair and reasonable otherwise;

(11) to ensure that no Directors, Management or any of their respective associates shall be involved in deciding their own remuneration;

(12) to ensure that adequate retirement arrangements for the chairman, Directors and Management are in place and maintained continuously to reflect the performance of the chairman, Directors and Management;

(13) the Committee shall provide advice to the shareholders of the Company in a timely manner, including but not limited to the voting of directors' service contracts subject to shareholders' approval in accordance with the requirements of Rule 13.68 of the Listing Rules;

(14) to ensure that the Company is able to provide and maintain an overall competitive and attractive remuneration and benefits, which enables the Company to recruit and retain high-caliber management and Board members and the proper operation of the Company without incurring excessive payment of remuneration;

(15) to exercise other powers and functions of the Committee as authorized by the Board and/or in accordance with the laws and regulations applicable to the Company (including but not limited to the Listing Rules);

(16) to comply with any requirement, regulation and policy that may from time to time be amended by the Board and any provisions, regulations and policies of the Articles of Association, Listing Rules or applicable laws and regulations;

(17) to ensure the Convener or (in the absence of the Convener) another Committee member on his behalf or (in the absence of such other member) an authorized Committee

representative to attend the annual general meeting of the Company to answer relevant questions.

CHAPTER 8 REPORTING PROCEDURES

Article 25 The Committee shall report to the Board. At the next Board meeting following the Committee meeting, the Convener shall report the findings and recommendations of the Committee to the Board.

Article 26 Full minutes of Committee meetings shall be kept by the Committee Secretary. Draft and final versions of minutes of Committee meetings shall be sent to all members of the Committee for their comments and records respectively, in both cases within a reasonable time after the meeting.

Article 27 Copies of the minutes of meetings of the Committee shall be provided by the Committee Secretary to the Board.

CHAPTER 9 AVAILABILITY OF AND UPDATE ON THE TERMS OF REFERENCE

Article 28 These rules shall be updated and revised as and when necessary in light of specific circumstances and the requirements of the laws and regulations (including but not limited to the Listing Rules) of the places and countries where the Company's shares and securities are listed. These rules shall be made available by publishing them on the websites of the Stock Exchange and the Company pursuant to the relevant requirements of the Listing Rules with a view to disclosing the terms of reference of the Company's Remuneration and Appraisal Committee and explaining its role and the powers delegated to it by the Board.

CHAPTER 10 SUPPLEMENTARY PROVISIONS

Article 29 These rules shall be implemented from the date on which the Board resolution is adopted, and shall be interpreted and revised by the Committee.

Article 30 For matters which are not covered by these rules, they shall be executed in accordance with the relevant laws and regulations, the Listing Rules, other applicable laws, rules, regulations and codes in Hong Kong and the Articles of Association. For avoidance of doubt, in the event that these rules are more lenient than the relevant laws and regulations, the Listing Rules, other applicable laws, rules, regulations and codes in Hong Kong and the Articles of Association, the latter shall prevail. In the event that these rules are not in congruence with the relevant laws and regulations, the Listing Rules, other applicable laws, rules, regulations and codes in Hong Kong to be promulgated and the Articles of Association amended in accordance with legal procedures, the latter shall prevail and these rules shall be revised accordingly and reported to the Board for consideration and approval.

Article 31 The English version of these rules is only the translation of its Chinese version. For any inconsistency between the English and Chinese versions, the Chinese version shall prevail.