## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

**If you are in 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 accountants or other professional adviser.

**If you have sold or transferred** all your Shares in Xinhua Winshare Publishing and Media Co., Ltd.* (the "**Company**"), you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



WIN SHARE

新華文軒出版傳媒股份有限公司

XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.*

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

**(Stock Code: 811)**

# (1) REFRESHMENT OF THE MANDATE TO ISSUE A SHARES AND ADJUSTMENT TO THE PROPOSED A SHARE ISSUE PROPOSAL; (2) PROPOSED AMENDMENT TO FUTURE SHAREHOLDERS' DIVIDEND AND RETURN PLAN AND THE ARTICLES OF ASSOCIATION; (3) PROPOSED SHARE PRICE STABILIZATION PLAN OF THE A SHARES OF THE COMPANY; AND (4) UNDERTAKINGS OF INITIAL PUBLIC ISSUANCE AND LISTING OF A SHARES

A letter from the Board is set out on pages 4 to 22 of this circular.

The notices for convening the extraordinary general meeting (the "**EGM**"), the Domestic Shares class meeting and H Shares class meeting (the "**Class Meetings**") of the Company to be held at 9:00 a.m., 9:30 a.m.and 9:45 a.m. respectively on 7 March 2014 (Friday) at Sichuan Xinhua International Hotel, No.8 Guzhongshi Street, Chengdu, Sichuan, the People's Republic of China (the "**PRC**") are set out on pages 29 to 35, 36 to 41 and 42 to 47 of this circular respectively.

The proxy forms for use at the EGM and Class Meetings are enclosed. Whether or not you are able to attend the meetings in person, you are requested to complete and return the accompanying proxy forms in accordance with the instructions printed thereon. In case of H Shares, the proxy form shall be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; and in case of Domestic Shares, the proxy form shall be lodged at the head office of the Company in the PRC, not less than 24 hours before the time scheduled for holding the EGM and the Class Meetings (or any adjournments thereof). Completion and delivery of the proxy form will not preclude you from attending and voting in person at the EGM and the Class Meetings or any adjournment if you so desire.

* *For identification purposes only*

21 January 2014

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

| | |
|---|---|
| "A Share Issue" | the proposed issue of not more than 98,710,000 A Shares to qualified participants in the price consultation process and the individuals, legal entities and other investors within the PRC which have established A share accounts with China Securities Depository and Clearing Corporation Limited Shanghai Branch (except those prohibited by the PRC laws and regulations and other regulatory requirements to which the Company is subject); and other target persons as approved by the CSRC |
| "A Shares" | domestic ordinary share(s) of the Company of RMB1.00 each in the share capital of the Company proposed to be issued, which are proposed to be listed on the Shanghai Stock Exchange |
| "Articles of Association" | the articles of association of the Company (as amended from time to time) |
| "associate(s)" | has the same meaning as ascribed to this term under the Listing Rules |
| "Board" | the board of Directors of the Company |
| "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, or any adjournment thereof respectively |
| "Company" | Xinhua Winshare Publishing and Media Co., Ltd.* (新華文軒出版傳媒股份有限公司), 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 |
| "controlling shareholder(s)" | has the same meaning as ascribed to this term under the Listing Rules |

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|---|---|
| "CSRC" | China Securities Regulatory Commission (中國證券監督管理委員會) |
| "Directors" | the directors of the Company |
| "Dividend Distribution Scheme" | the future Shareholders' dividend and return plan after the completion of the proposed A Share Issue |
| "Domestic Share(s)" | ordinary shares 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 |
| "EGM" | the extraordinary general meeting of the Company to be held at 9:00 a.m. on 7 March 2014 (Friday) at Sichuan Xinhua International Hotel, No.8 Guzhongshi Street, Chengdu, Sichuan, the PRC for the Shareholders to consider and approve, among other things, the refreshment of mandate to issue A Shares and adjustment to the proposed A Share Issue proposal; the proposed amendment to future Shareholders' dividend and return plan and the Articles of Association; adoption of the Proposed Share Price Stabilization Plan of the A Shares of the Company; and approval of undertakings of the initial public issuance and listing of A Shares |
| "Group" | the Company and its subsidiaries |
| "H Shares" | overseas listed foreign share(s) with a nominal value of RMB1.00 each in the ordinary share capital of the Company, all of which are listed on the Main Board of the Stock Exchange |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "Latest Practicable Date" | 17 January 2014, being the latest practicable date prior to the printing of this circular for ascertaining information contained herein |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange |

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|---|---|
| "PRC" | the People's Republic of China (for the purpose of this circular, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan) |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "SFO" | Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) |
| "Share(s)" | share(s) of the Company |
| "Shareholder(s)" | shareholder(s) of the Company |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "%" | per cent. |

*For the purpose of this circular, the exchange rate of RMB1.00 = HK$1.27 has been used, where applicable, for purposes of illustration only and does not constitute a representation that any amounts have been, could have been or may be exchanged, at this or any other rates.*

* *For identification purposes only*

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)**

*Executive Directors:*
Mr. Gong Cimin (*Chairman*)
Mr. Luo Yong

*Non-executive Directors:*
Mr. Zhang Chengxing
Mr. Luo Jun
Mr. Zhang Peng
Mr. Zhao Junhuai

*Independent non-executive Directors:*
Mr. Han Liyan
Mr. Mo Shixing
Mr. Mak Wai Ho

*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 Dadao, Cheng Bei
Chengdu, Sichuan 610081
PRC

*Principal place of business in Hong Kong:*
3907-08, 39th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

21 January 2014

*To the Shareholders*

Dear Sir/Madam,

**(1) REFRESHMENT OF THE MANDATE TO ISSUE A SHARES AND ADJUSTMENT TO THE PROPOSED A SHARE ISSUE PROPOSAL;
(2) PROPOSED AMENDMENT TO FUTURE SHAREHOLDERS' DIVIDEND AND RETURN PLAN AND THE ARTICLES OF ASSOCIATION;
(3) PROPOSED SHARE PRICE STABILIZATION PLAN OF THE A SHARES OF THE COMPANY; AND
(4) UNDERTAKINGS OF INITIAL PUBLIC ISSUANCE AND LISTING OF A SHARES**

## INTRODUCTION

Reference is made to the announcement of the Company dated 16 January 2013 and the circular of the Company dated 5 February 2013 in relation to, among other things, the proposed A Share Issue; and the proposed amendments to the Articles of Association of the Company, the rules of procedures and the internal rules and adoption of the new internal rules of the Company.

* *For identification purposes only*

On 8 March 2013, the Company held the extraordinary general meeting, Domestic Shares and H Shares class meetings respectively, where the shareholders resolved, among other things, to approve the proposed A Share Issue and to grant authorization to the Board to deal with the issue of A Shares and related matters for 12 months from 8 March 2013.

As the Board expects that the Company may not be able to complete the issue of A Shares on or before the expiry date of the abovementioned authorization (i.e. 7 March 2014) and comply with the requirements of the new shares issue policies recently promulgated by the CSRC, the Board has resolved to seek the approval of Shareholders regarding the refreshment of the mandate to issue A Shares and adjustment to the proposed A Share Issue proposal; the proposed amendment to the future Shareholders' dividend and return plan and the Articles of Association; adoption of the Proposed Share Price Stabilization Plan of the A Shares of the Company; and approval of undertakings of the initial public issuance and listing of A Shares.

The purpose of this circular is to provide you with details of the refreshment of the mandate to issue A Shares and adjustment to the proposed A Share Issue proposal; the proposed amendment to the future Shareholders' dividend and return plan and the Articles of Association; adoption of the Proposed Share Price Stabilization Plan of the A Shares of the Company; and approval of undertakings of the initial public issuance and listing of A Shares.

## (1) REFRESHMENT OF THE MANDATE TO ISSUE A SHARES AND ADJUSTMENT TO THE PROPOSED A SHARE ISSUE PROPOSAL

***Refreshment of the Mandate to Issue A Shares***

On 8 March 2013, the Company held the extraordinary general meeting, Domestic Shares and H Shares class meetings respectively, where the Shareholders resolved, among other things, to approve the proposed A Share Issue. The extraordinary general meeting, Domestic Shares and H Shares class meetings convened on the abovementioned date also granted authorization to the Board to deal with the issue of A Shares and related matters for 12 months from 8 March 2013.

The Company has already submitted the application for the proposed A Share Issue to the CSRC. As at the Latest Practicable Date, the approval of the application still has not been granted. As it is expected that the Company may not be able to complete the A Share Issue on or before the expiry date of the abovementioned authorization (i.e. 7 March 2014), the Board has resolved to seek the approval of the Shareholders to refresh the mandate to issue A Shares and grant authorization to the Board to deal with the A Share Issue and relevant matters.

***Adjustment to the Proposed Issue of A Share Proposal***

The Board has proposed to amend the A Share Issue proposal. Details of the adjusted proposed A Share Issue proposal are as follows:

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|---|---|---|
| (i) | Class of shares: | A Shares |
| (ii) | Nominal value: | RMB1.00 each |
| (iii) | Number of A Shares proposed to be issued: | Not more than 98,710,000 A Shares.<br><br>Based on the results of price consultation, if the estimated amount (net of relevant issuing expenses) to be raised from the new shares issue is expected to exceed the total investment amount required for the investment projects (details of which are set out in the circular of the Company dated 5 February 2013), the number of new shares to be issued will be reduced by the Company. The final issue size will be determined by the Board of the Company after consultation with the lead underwriter and in accordance with the authorization of the general meeting, the approval of the CSRC, the difference between the amount of fund to be raised (net of relevant issuing expenses) and the total amount of investment required for the investment projects, as well as the market conditions, etc. |

| | | |
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| (iv) | Target persons for the issue: | Qualified participants in the price consultation process; the individuals, legal persons and other investors within the PRC which have established A Share accounts with China Securities Depository and Clearing Corporation Limited Shanghai Branch (except those prohibited by the PRC laws and administrative regulations and other regulatory requirements to which the Company is subject); and other target persons as approved by the CSRC. |
| (v) | Price determination method: | The issue price will be determined based on the results of price consultations with qualified participants in the price consultation process and the market conditions; or other price determination method as approved by the CSRC. |
| (vi) | Issuing method: | By a combination of conducting offline placing inquiry to the participants in the price consultation process and share issue by way of online subscription pricing method, or other ways of issue as approved by the CSRC. |
| (vii) | Proposed stock exchange for listing: | Shanghai Stock Exchange |
| (viii) | Arrangement for listing of A Shares: | Upon completion of the A Share Issue, all A Shares (including the existing domestic Shares and A Shares to be issued under the A Share Issue) will be applied for listing on the Shanghai Stock Exchange, and such A Shares will comply with the lock-up period requirements under the relevant laws and regulations. |

| | | |
|---|---|---|
| (ix) | Proposed date of listing of A Shares: | Subject to the approvals from the CSRC and Shanghai Stock Exchange, the date of listing shall be determined by the Board after consultation with the lead underwriter and other regulatory authorities. |
| (x) | Plan of distribution of accumulated undistributed profits before the A Share Issue: | The accumulated undistributed profits of the Company prior to the completion of the A Share Issue shall be entitled to all new and existing Shareholders in proportion to their respective shareholdings after the A Share Issue, new Shareholders of the A Shares (not including the existing holders of the Domestic Shares) shall not be entitled to the dividends distributed before the completion of the A Share Issue. |
| (xi) | Rights attaching to the A Shares: | The A Shares, unless otherwise provided by applicable laws, regulations, the Listing Rules and other regulatory documents, shall carry the same rights as the Company's existing Domestic Shares and H Shares. |

(xii) Transfer of state-owned Shares: According to the "Partial Transfer of State-owned Shares to the National Social Security Fund in the Domestic Securities Market Implementation Measures" (Cai Qi [2009] No. 94) (《境內證券市場轉持部分國有股充實全國社會保障基金實施辦法》(財企[2009]94號)), the state-owned Shareholders of the Company must fulfill the obligations of transferring state-owned Shares. According to the "Approval on the Issues in relation to the Transfer of the State-owned Shares of Xinhua Winshare Publishing and Media Co., Ltd. for the Social Security Fund" (Chuan Guo Zi Chan Quan [2013] No.45) (《關於新華文軒出版傳媒股份有限公司國有股轉持充實社保基金有關問題的批覆》(川國資產權[2013]45號)) issued by the State-owned Assets Supervision and Administration Commission of Sichuan Province, Sichuan Xinhua Publishing Group Co., Ltd., the Company's state-owned Shareholder, will fulfill the obligations of the transfer of state-owned Shares through payment of funds (the payment amount shall equal to number of Shares to be transferred multiplied by the issue price). Other state-owned Shareholders (Sichuan Publication Group Co., Ltd., Sichuan Daily Newspaper Group and Liaoning Publication Group Co., Ltd,) shall transfer part of their holdings of state-owned Shares to the extent of 10% (net of the obligation of transfer to be fulfilled by cash by Sichuan Xinhua Publishing Group Co., Ltd.) of the actual amount of shares issued under the A Share Issue of the Company to the National Council for Social Security Fund (NCSSF) (全國社會保障基金理事會).

**Use of proceeds**

After deducting the expenses incurred in the A Share Issue, the Company intends to apply the proceeds in the following projects with a total estimated investment amount of approximately RMB1,418,000,000:

(a) Logistics network construction project in Western China (西部物流網絡建設項目) with an estimated total investment amount of RMB598,000,000, out of which RMB400,000,000 is intended to be funded by the proceeds from the A Share Issue. Currently, the Company has already commenced the construction work in 2012 and has paid part of upfront cost for this project by its own fund;

(b) Retail shops upgrading and expansion project (零售門店升級拓展項目) with an estimated total investment amount of RMB200,000,000, out of which RMB180,000,000 is intended to be funded by the proceeds from the A Share Issue. Currently, the Company has set up 17 medium/small size retail shops with its own fund;

(c) Service platform of education cloud project (教學雲服務平台項目) with an estimated total investment amount of RMB420,000,000, out of which RMB400,000,000 is intended to be funded by the proceeds from the A Share Issue. Currently, the Company has completed the research and development works and the trial operation of the sub-system of the project by its own fund;

(d) Chinese cultural revival publication project (中華文化復興出版工程項目) with an estimated total investment amount of RMB50,000,000 which is intended to be funded entirely by the proceeds from the A Share Issue. The Company is currently undergoing the preparatory work of this project; and

(e) Enterprise resource planning system construction and upgrading project (ERP 建設升級項目) with an estimated total investment amount of RMB150,000,000 which is intended to be funded entirely by the proceeds from the A Share Issue. The Company is currently undergoing the preparatory work of this project.

The implementation of the above projects is not conditional upon completion of the proposed A Share Issue and receipt of the relevant proceeds.

Prior to receiving the proceeds from the proposed A Share Issue, the Company may pay the relevant investment amount by self-financing based on the actual payment schedule of the abovestated projects. Upon receipt of the proceeds from the proposed A Share Issue, the Company shall repay the said self-financing amount previously made with part of the proceeds.

In case the proceeds from the proposed A Share Issue (after deducting the expenses incurred in the A Share Issue) are insufficient for funding the abovestated projects, the Company shall arrange the use of the proceeds in accordance with the importance and urgency of the abovestated projects, and shall pay the outstanding balance by its own funds or through debt financing.

Subject to the actual situation of the investment projects before the completion of the A Share Issue and the obtaining of the approvals from the competent authorities, the directors of the Company may carry out necessary and appropriate adjustments to the said projects in accordance with the authorization to be granted at the EGM from time to time and the abovestated information may be changed accordingly.

**Authorization by the Shareholders**

The EGM will be held to consider and approve, among other things, the granting of the authorization to the Board to take all necessary actions and/or sign any documents in connection with the A Share Issue and all related matters in accordance with the relevant requirements of the CSRC, Stock Exchange and Shanghai Stock Exchange be renewed. The authorization proposed to be granted to the Board shall include but not limited to the followings:

(i) To adjust and determine the matters relating to the listing of the A Shares in accordance with the relevant rules and the conditions of the securities market within the ambit granted by the Shareholders at the EGM, which include but not limited to the number of A Shares to be issued, target persons for the issue, issuing method, issuing price and the timing of commencing and terminating the issue;

(ii) Subject to the actual situation of the investment projects before the listing of the A Shares and the approvals from the competent authorities, to carry out necessary and appropriate adjustments to the projects which intended to be invested by the proceeds from the A Share Issue and approved by the Shareholders at the EGM, which include but not limited to the projects proposed to be invested, the investment amount, implementation plans and implementation methods;

(iii) To implement all procedures relating to the listing of the A Shares, which include the application of the A Share Issue to CSRC and other competent authorities, the signing of the relevant documents which include but not limited to the prospectus of the A Shares and other relevant documents;

(iv) To engage the listing intermediates and other professional parties, determine their respective engagement fees and enter into the agreements relating to the A Share Issue on behalf of the Company which include the underwriting agreement and sponsor agreement;

(v) To amend the Article of Association, the Rules of Procedures, the Internal Rules and the New Internal Rules (as defined in the circular of the Company dated 5 February 2013) subject to the completion of the A Share Issue, the results of the A Share Issue and the requirements of the relevant competent government authorities and to deal with the relevant procedures for registration of changes and filing of the Articles of Association, the registered capital and other issues with relevant authorities;

(vi) To apply and deal with the procedures for registration of changes with the registration authority and deal with the procedures for registration, settlement and lock-up procedures with the share registration authority or clearing authority of the Company subject to the results of the A Share Issue;

(vii) Other matters relating to the A Share Issue; and

(viii) To delegate the above authorizations to authorised Director(s).

The abovesaid renewal of authorization, if approved and granted by the Shareholders at the EGM, shall be effective for a period of 12 months from the date of approval by the EGM.

**Effects of the A Share Issue on the Company's Shareholding Structure**

Set out below is a summary of the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the A Share Issue (assuming no other H Shares, Domestic Shares or A Shares are to be issued by the Company from the Latest Practicable Date up to and including the date of issue of the A Shares and calculated based on the upper limit of number A Shares proposed to be issued):

| | As at the Latest Practicable Date | | | Immediately after completion of the A Share Issue | | |
|---|---|---|---|---|---|---|
| Shareholder | Types of Shares | Number of Shares | Percentage of the total issued share capital of the Company | Types of Shares | Number of Shares | Percentage of the total issued share capital of the Company |
| Sichuan Xinhua Publishing Group Co., Ltd.* | State-owned Shares | 592,809,525 | 52.22% | A Shares | 592,809,525 | 48.05% |
| Sichuan Publication Group Co., Ltd.* | State-owned Shares | 31,051,927 | 2.74% | A Shares | 30,572,893 | 2.48% |
| Sichuan Daily Newspaper Group* | State-owned Shares | 9,409,675 | 0.83% | A Shares | 9,264,513 | 0.75% |
| Liaoning Publication Group Co., Ltd* | State-owned Shares | 6,586,773 | 0.58% | A Shares | 6,485,160 | 0.53% |
| Chengdu Hua Sheng (Group) Industry Co., Ltd. | Social Legal Person Shares | 53,336,000 | 4.70% | A Shares | 53,336,000 | 4.32% |
| National Council for the Social Security Fund | | | | A Shares | 725,809 | 0.06% |
| Public | H Shares | 441,937,100 | 38.93% | H Shares | 441,937,100 | 35.82% |
| | | | | A Shares | 98,710,000 | 8.0% |
| Total | | 1,135,131,000 | 100% | | 1,233,841,000 | 100% |

There has been no change to the reasons for and benefits of the A Share Issue, details of which are set out in the circular of the Company dated 5 February 2013.

The Company has not conducted any fund raising activities in the past twelve months prior to the Latest Practicable Date.

## (2) PROPOSED AMENDMENT TO FUTURE SHAREHOLDERS' DIVIDEND AND RETURN PLAN AND THE ARTICLES OF ASSOCIATION

***Proposed Amendment to the Future Shareholders' Dividend and Return Plan***

In accordance with the requirements of the "Notice of the Matters in relation to Further Implementation of Distribution of Cash Dividends by Listed Companies" (Zheng Jian Fa [2012] No.37) (《關於進一步落實上市公司現金分紅

有關事項的通知》(證監發[2012]37號)), the Company shall formulate the Dividend Distribution Scheme after completion of the proposed A Share Issue. At the extraordinary general meeting convened on 8 March 2013, the Shareholders have resolved and passed the Dividend Distribution Scheme, which shall become effective after completion of the A Share Issue.

On 30 November 2013, the CSRC promulgated the "Listed Companies Regulatory Guidance No.3 – Cash Dividends of Listed Companies"(《上市公司監管指引第3號 – 上市公司現金分紅》). In order to comply with the requirements of the regulatory guidance, the Company proposes to amend the Dividend Distribution Scheme. Details of the revised Dividend Distribution Scheme are set out in appendix I to this circular. The effectiveness of the revised Dividend Distribution Scheme is subject to the approval from the Shareholders at the EGM and the completion of the A Share Issue.

***Proposed Amendment to the Articles of Association***

Pursuant to the "Guidelines on Articles of Association of Listed Companies" (《上市公司章程指引》) dated 16 March 2006 issued by the CSRC and others applicable laws and regulations and regulatory requirements in the PRC, the Company shall amend the Articles of Association pursuant to the requirements of the applicable PRC laws and regulations. At the extraordinary general meeting convened on 8 March 2013, the Shareholders have resolved and passed the relevant amendments, which shall become effective after completion of the A Share Issue ("**Articles of Association (A Share)**").

On 30 November 2013, the CSRC promulgated the Listed Companies Regulatory Guidance No.3 – Cash Dividends of Listed Companies(《上市公司監管指引第3號 – 上市公司現金分紅》). In order to comply with the requirements of the regulatory guidance, the Company proposes to make further amendments to Article 206 of the Articles of Association (A Share).

The effectiveness of the following proposed amendments is subject to approval by Shareholders at the EGM and the completion of the A Share Issue.

The original text of Article 206 of the Articles of Association (A Share):

"The Company's profit distribution policies are set out below:

I. Principle of profit distribution

The Company implements consistent and stable methods of profit distribution. In making a profit distribution by the Company, account is to be taken to the reasonable yet stable investment return of investors and the long-term yet sustainable development of the Company.

II. Decision-making mechanism and procedures

The profit distribution policies and specific dividend distribution scheme are to be formulated and considered by the Board and then approved at the Shareholders' meeting.

During the course of formulating the profit distribution policies and dividends distribution proposal, the Board should consider the opinions of the independent Directors, the Supervisory Committee and the shareholders (especially minority shareholders) by communicating with such shareholders through various channels (including but not limited to telephone, fax, email, face-to-face communication and inviting the minority shareholders to participate in the meetings, etc.).

III. Specific policies on profit distribution

1. Manners of profit distribution

The Company distributes its dividend in cash, shares or combination of both methods.

2. Intervals between profit distribution

The Company shall distribute distributable profits annually in principle. It may also distribute interim dividend in cash.

3. Specific conditions and proportion of cash dividend

Except for specific circumstances, the Company may, when its profit for the year and its total undistributed profit are positive, distribute dividend prior in cash and, in compliance with laws, regulations and regulatory provisions, the profit to be distributed in cash per annum will not be less than 30% of the distributable profit realized for that year.

Such special circumstances refer to the situation where the Company has major investment plan or significant cash expenditure, excluding projects of raising proceeds, while major investment plan or significant cash expenditure refer to matters to be reviewed and approved by the general meeting in accordance with relevant regulations and the Articles of Association.

4. Specific conditions for distributing dividends in shares by the Company

Where the Company's business is in a sound condition, and the Board considers that the stock price of the Company does not reflect its share capital size and distributing dividend in shares will be favorable to all Shareholders of the Company as a whole, if the above conditions of cash dividend are fully met, the Company may propose dividend distribution in shares. The independent Directors shall express independent opinions on the stock dividend distribution proposal raised by the Board.

5. If the Board of the Company does not propose a cash profit distribution, it shall disclose the reasons thereof in its periodical reports which are to contain the independent opinions of the independent Directors.

6. Changes in profit distribution policies

If the Company really needs to adjust its profit distribution policies in response to the external operating environment or its operations, investment planning and long-term development requirement, the adjusted profit distribution policies may not contravene relevant provisions of the CSRC and stock exchange. The Board shall conduct specific discussion over adjustment to the Company's profit distribution policies, provide detailed reasoning for such adjustment, and form a written report to be considered by the Board and advised by the independent Directors and then submit to the shareholders' general meeting for approval by way of a special resolution."

It is proposed to delete the entire original text of Article 206 of the Articles of Association and replace it with the following text:

"The Company's profit distribution policies are set out below:

I. Principle of profit distribution

The Company implements consistent and stable methods of profit distribution. In making a profit distribution by the Company, account is to be taken to the reasonable yet stable investment return of investors and the long-term yet sustainable development of the Company.

II. Decision-making mechanism and procedures

The profit distribution policies and specific dividend distribution scheme are to be formulated and considered by the Board and then approved at the Shareholders' meeting.

During the course of formulating the profit distribution policies and specific dividends distribution proposal, the Board should consider the opinions of the independent Directors, the Supervisory Committee and the shareholders (especially minority shareholders) by communicating with such shareholders through various channels (including but not limited to telephone, fax, email, face-to-face communication and inviting the minority shareholders to participate in the meetings, etc.).

III. Manners of profit distribution

The Company distributes its dividend in cash, shares, combination of both methods or other methods allowed by laws and regulations, with a preference to adopt the cash distribution method.

IV. Intervals between profit distribution

The Company shall distribute distributable profits annually in principle. It may also distribute interim dividend in cash.

V. Specific conditions and proportion of cash dividends of the Company

1. Except for special circumstances, the Company may, when its profit for the year and its accumulated undistributed profit are positive, distribute dividend prior in cash and, in compliance with laws, regulations and regulatory provisions, the profit to be distributed in cash per annum will not be less than 30% of the distributable profit realized for that year.

2. When the Company distributes dividend in the absence of special circumstances, cash dividends shall account for at least 80% of the dividend distribution.

3. When the Company distributes dividend under special circumstances, cash dividends shall account for at least 40% of the dividend distribution.

   The abovementioned special circumstances refer to the situation where the Company has major investment or significant cash expenditure, excluding fund raising projects, while major investment plan or significant cash expenditure refer to matters to be reviewed and approved by the general meeting in accordance with relevant regulations and the Articles of Association.

VI. Formulation of cash dividend proposal

When the Company is formulating the cash dividend proposal, the Board shall earnestly research and determine the timing, conditions, minimum proportion, adjustment conditions and other decision making procedures in relation to the Company's cash dividends. The independent Directors shall express independent opinions. Independent Directors may collect opinions from minority shareholders, propose dividend proposals and directly submit it to the Board for approval.

Before a cash dividend proposal is considered at a general meeting, the Company shall communicate with shareholders (especially minority shareholders) through various channels (including but not limited to telephone, fax, email, face-to-face communication), listen to the opinion and requests of minority shareholders and give timely responses to issues which minority shareholders are concerned about.

If the Company is unable to confirm the profit distribution proposal for the year under the abovementioned cash dividend policy or minimum cash dividend policy under special circumstances, the specific reasons and independent Director's opinion should be disclosed in the annual report for the year. The Company's profit distribution scheme for the year shall be passed by way of special resolution at the shareholders' general meeting, and provide online voting methods.

The Supervisory Committee shall monitor whether the Company has carried out the relevant decision making procedures and information disclosure while implementing the cash dividend policy and shareholders' return policy.

VII. Specific conditions for distributing dividends in shares by the Company

Where the Company's business is in a sound condition, and the Board considers that the Company has better potential for growth in the future, net asset per share is too high, stock price of the Company does not reflect its share capital size and distributing dividend in shares will be favorable to all Shareholders of the Company as a whole, if the above conditions of cash dividend are fully met, the Company may propose dividend distribution in shares.

VIII. Changes in profit distribution policies

If the Company needs to adjust its profit distribution policies in response to the external operating environment or its production and operation conditions, investment planning and long-term development requirement, the adjusted profit distribution policies may not contravene relevant provisions of the CSRC and stock exchange. The Board shall conduct specific discussion over adjustment to the Company's profit distribution policies, provide detailed reasoning for such adjustment, and form a written report to be considered by the Board and advised by the independent Directors through expressing independent opinions and then submit to the shareholders' general meeting for approval by way of a special resolution. Internet voting method shall also be provided, and the Supervisory Committee shall consider changes in profit distribution policies and form a resolution according to the rules of procedures for the Supervisory Committee"

The English version of Article 206 of the Articles of Association (A Share) is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

**(3) PROPOSED SHARE PRICE STABILIZATION PLAN OF THE A SHARES OF THE COMPANY**

On 30 November 2013, the CSRC promulgated the "Opinion Regarding Further Promotion of Structural Reforms on Issue of New Shares" (《關於進一步推進新股發行體制改革的意見》) which required further strengthening of fiduciary duties of responsible entities such as A share issuers. A share issuers, directors and senior managements shall propose share price stabilization proposals when share prices of a company is lower than net asset per share within three years of the listing of A shares. In order to promote the Company's A Share Issue and comply with the abovementioned regulatory requirements, the Company has formulated the Proposed Share Price Stabilization Plan of the A Shares. Details of the Proposed Share Price Stabilization Plan of the A Shares are set out in appendix II to this circular. The effectiveness of the Proposed Share Price Stabilization Plan of the A Shares is subject to the approval from the Shareholders at the EGM and the completion of the A Share Issue.

**(4) UNDERTAKINGS OF INITIAL PUBLIC ISSUANCE AND LISTING OF A SHARES**

The "Opinion Regarding Further Promotion of Structural Reforms on Issue of New Shares" also requires A Share issuers to undertake certain matters (the "**Undertakings**") in the A Share listing documents. To comply with the relevant regulatory requirements, the Board has resolved to seek the approval of Shareholders at the EGM to make the following Undertakings in the Company's A Share prospectus:

(i) If the Company's A Share prospectus contains false representations, misleading statements or material omissions which have a material and substantial effect on determining whether Xinhua Winshare (i.e. the Company) fulfills the legal requirements of issuing conditions, the Company shall repurchase all the initially issued A Shares according to law. Within 10 trading days starting from the date where judicial verdict documents brought into effect by securities regulatory authorities or judicial authorities determine Xinhua Winshare's A Share prospectus contains legal and regulatory violations as mentioned within this clause, the Company shall make an announcement regarding the A Share repurchase plan, including information such as amount of shares to be repurchased, the price range (no less than the original issue price of A Shares, where the lower limit of the repurchase price will be adjusted accordingly for any dividend distribution, bonus issue of shares, capitalization of capital reserve, share placing and other ex-rights and ex-dividend events conducted by the Company between the listing date of the initial issue of A shares and the date of announcement of the repurchase plan) and time of completion. The A Share repurchase plan shall be approved by the Company's EGM and Class Meetings and be completed in accordance with the then applicable laws and regulations and requirements of regulatory documents.

(ii) If there are false representations, misleading statements or material omissions within the Xinhua Winshare's A Share prospectus which causes A Share investors to suffer a loss in the trading of A Shares, the Company will compensate the losses of A Share investors according to law.

(iii) If the Company is unable to fulfill the abovementioned undertakings, the Company shall bear relevant liabilities in accordance with relevant laws and regulations and the requirements of regulatory authorities. At the same time, if the Company non-fulfillment of the abovementioned Undertakings causes A Share investors to suffer a loss in the trading of A Shares and the relevant loss amounts have been confirmed by verdict documents issued by judicial authorities, the Company will freeze its own capital to the extent of the relevant compensation amount on a voluntary basis to provide guarantee for the compensation required to be made by the Company according to laws, regulations and regulatory requirements.

## GENERAL

The Company will convene the EGM for the purpose of, among other things, seeking Shareholders' approval on the refreshment of the mandate to issue A Shares and adjustment to the proposed A Share Issue proposal; the proposed amendment to the future Shareholders' dividend and return plan and the Articles of Association; adoption of the Proposed Share Price Stabilization Plan of the A Shares of the Company; and approval of undertakings of the initial public issuance and listing of A Shares. If approval by the Shareholders is obtained at the EGM, the resolution to refresh the mandate to issue A Shares will be effective for a period of 12 months commencing from the date on which such approval is obtained. Nonetheless, it should be noted that apart from the approval by the Shareholders, the proposed A Share Issue is still subject to the approvals by the CSRC and/or other relevant regulatory authorities.

**There is no assurance that the proposed A Share Issue will proceed to completion. Shareholders and potential investors are advised to exercise caution in dealings in the H Shares. The Company will disclose further details about the proposed A Share Issue in the PRC in due course, and disclose the relevant information simultaneously in Hong Kong according to the Listing Rules.**

## EGM AND THE CLASS MEETINGS

The EGM will be held at 9:00 a.m. on 7 March 2014 (Friday) at Sichuan Xinhua International Hotel, No.8 Guzhongshi Street, Chengdu, Sichuan, the PRC, for, among other things, the Shareholders to consider and, if thought fit, approve the refreshment of the mandate to issue A Shares and adjustment to the proposed A Share Issue proposal; the proposed amendment to the future shareholders' dividend and return plan and the Articles of Association; adoption of the Proposed Share Price Stabilization Plan of the A Shares of the Company; and approval of undertakings of the initial public issuance and listing of A Shares. Immediately after the conclusion of the EGM, the Domestic Shares Class Meeting and the H Shares Class Meeting will be held at the same venue at 9:30 a.m. and 9:45 a.m. respectively for the holders of the Domestic Shares and H Shares to consider and, if thought fit, approve the refreshment of the mandate to issue A Shares and adjustment to the proposed A Share Issue proposal; adoption of the Proposed Share Price Stabilization Plan of the A Shares of the Company; and approval of undertakings of the initial public issuance and listing of A Shares.

At the EGM and the Class Meetings, the votes will be taken by poll.

No Shareholder is required to abstain from voting in connection with the matters to be resolved at the EGM and the Class Meetings.

The notice of EGM and the notices of the Class Meetings are set out on pages 29 to 35, 36 to 41 and 42 to 47 respectively of this circular.

The proxy forms for use at the EGM and Class Meetings are enclosed. Whether or not you are able to attend the meetings in person, you are requested to complete and return the accompanying proxy forms in accordance with the instructions printed thereon. In case of H Shares, the proxy form shall be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; and in case of Domestic Shares, the proxy form shall be lodged at the head office of the Company in the PRC, not less than 24 hours before the time scheduled for holding the EGM and the Class Meetings (or any adjournments thereof). Completion and delivery of the proxy form will not preclude you from attending and voting in person at the EGM and the Class Meetings or any adjournment if you so desire.

Yours faithfully,
For and on behalf of
**Xinhua Winshare Publishing and Media Co., Ltd.***
**Gong Cimin**
*Chairman*

* *For identification purposes only*

The English version of this appendix is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

**FUTURE SHAREHOLDERS' DIVIDEND AND RETURN PLAN OF XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.***

Xinhua Winshare Publishing and Media Co., Ltd.* (herein after referred to as the "Company") places a high degree of importance on shareholders' reasonable investment returns, alongside its own development. In accordance with the Notice of the matters in relation to further implementation of distribution of cash dividends by listed companies (Zheng Jian Fa [2012]No.37) (《關於進一步落實上市公司現金分紅有關事項的通知》(證監發[2012]37號)) and in the spirit of the Listed Companies Regulatory Guidance No.3 – Cash Dividends of Listed Companies (《上市公司監管指引第3號 – 上市公司現金分紅》), after comprehensive consideration of the Company's strategic development target, operating plan, profitability, shareholder returns, social capital and the external funding environment, the Board of the Company has formulated the Future Shareholders' Dividend and Return Plan (herein after referred to as the "Plan"). The specifics are as follows:

**Article 1 Factors considered in formulating the Plan**

The Company strives to realize stable, long-term and sustainable development. After comprehensive consideration of important factors such as the Company's strategic development target, operating plan, profitability, shareholder wishes and requests, the external funding environment, a continuing, stable and scientific return plan and system for investors was established. Systematic arrangements were made for profit distribution to ensure the continuity and stability of the profit distribution policy.

**Article 2 Formulating principles of the Plan**

The formulation of the Plan should be on the basis of complying with the Articles of Association and the relevant profit distribution laws and regulations, fully considering and listening to shareholders (especially minority shareholders), the opinion of independent Directors and supervisors, addressing both the needs of reasonable investment returns for shareholders and sustainable development of the Company, the basic principle of proactive and scientific development of profit distribution, maintaining the continuity and stability of the Company's profit distribution policy.

**Article 3 Future Shareholders' Dividend and Return Plan**

***(I) Specific conditions and proportion of cash dividends of the Company***

1. When the Company's distributable profit realized for the year is positive, it shall propose a cash dividend proposal. Unless under specific circumstances, the profit to be distributed in cash per annum will not be less than 30% of the distributable profit realized for that year.

* *For identification purposes only*

2. When the Company distributes dividend in the absence of specific circumstances, cash dividends shall account for at least 80% of the dividend distribution.

3. When the Company distributes dividend under specific circumstances, cash dividends shall account for at least 40% of the dividend distribution. Such special circumstances refer to the situation where the Company has major investment plan or significant cash expenditure, excluding projects of raising proceeds, while major investment plan or significant cash expenditure refer to matters to be reviewed and approved by the general meeting in accordance with relevant regulations and the Articles of Association.

***(II) Specific conditions for distributing dividends in shares by the Company***

Where the Company's business is in a sound condition, and the Board considers that the Company's stock price does not reflect its share capital size and distributing dividend in shares will be favorable to all Shareholders of the Company as a whole, if the above conditions of cash dividend are fully met, the Company may propose dividend distribution in shares. The independent Directors shall express independent opinions on the stock dividend distribution proposal to the Board.

***(III) Formulation of specific profit distribution scheme***

The specific dividend distribution schemes are to be formulated and considered by the Board and then approved at the Shareholders' meeting. During the course of formulating the profit distribution policies and dividends distribution proposal, the Board should consider the opinions of the independent Directors, the Supervisory Committee and the shareholders (especially minority shareholders) by communicating with such shareholders through various channels (including but not limited to telephone, fax, email, face-to-face communication and inviting the minority shareholders to participate in the meetings, etc.).

Independent Directors shall express independent opinions on specific profit distribution schemes. Independent Directors may collect the opinion of minority shareholders, propose dividend proposals and submit them directly to the Board for consideration.

If the Company is unable to confirm the profit distribution proposal for the year under the abovementioned cash dividend policy or minimum cash dividend policy under specific circumstances, the Board shall provide explanation on the specific reasons for not declaring cash dividends, the precise use of retained income of the Company and expected investment income. The specific reasons and independent Director's opinion should be disclosed in the annual report for the year. The Company's profit distribution scheme for the year shall be passed by way of special resolution at the shareholders' general meeting, and online voting methods should also be provided.

***(IV) Shareholders' Dividend and Return Plan for the next three years***

The next three years are an important period for the Company to implement its objectives of striding development. Save in exceptional circumstances, the Company shall distribute cash dividends of not less than 30% of the distributable profit for the year to the Shareholders annually. Provided that there is sufficient cash for dividend distribution, the Company may otherwise propose stock dividend distribution.

**Article 4 Adjustment mechanism of the Shareholders' Return Plan**

The Company reviews the Future Shareholders' Dividend and Return Plan at least every three years and makes appropriate and necessary adjustments to the Company's dividend distribution policy for the next three years and confirms the shareholders' return plan for that time. The Company adjusts the Plan according to the production operations situation, investment planning and long-term development needs. The Plan may not violate the relevant requirements of CSRC and stock exchange of the Company's listed stocks after adjustment.

The Board shall conduct specific discussion over adjustment to the Company's profit distribution policies, provide detailed reasoning for such adjustment, and form a written report to be considered by the independent Directors and then submitted to the shareholders' general meeting for approval by way of a special resolution.

**Article 5 Effectiveness of the Shareholders' Return Plan**

The effectiveness of the Shareholders' Return Plan is subject to passing of the special resolution at the Company's general meeting and the date when the Company's public issued A Shares are listed and traded on the Shanghai Stock Exchange.

The English version of this appendix is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Details of the Proposed Share Price Stabilization Plan of the A Shares of the Company are as follows:

**PROPOSED SHARE PRICE STABILIZATION PLAN OF THE A SHARES OF XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.***

In order to enhance the fiduciary duties of the controlling shareholders, directors and senior management of Xinhua Winshare Publishing and Media Co., Ltd.* (the "Company") and protect the interests of minority shareholders, the Company has formulated the following Proposed Share Price Stabilization Plan of the A Shares (the "Plan"). The Plan has been considered and passed at the Company's general meeting and Class Meetings, and will automatically come into effect and remain effective for three years (36 months) after completion of the initial public issuance and listing of A Shares by the Company.

**I. Specific conditions for triggering the launch of the Proposed Share Price Stabilization Plan of the A Shares**

If the closing price of the Company's A Shares is lower than the latest audited net assets per share (if the Company has underwent ex-rights and ex-dividend events such as payment of dividends, bonus issue of shares, capitalization of capital reserve, share placing, the abovementioned "latest audited net assets per share will be adjusted accordingly, similarly hereinafter) for 20 consecutive trading days (excluding trading days where the Company's stocks are delisted for the entire day, similarly hereinafter) within three years (36 months) of the listing of the Company's A Shares, and the Company's situation at that time complies with the regulatory authorities requirements on equity changing behavior such as repurchasing and increase in shareholding, the share price stabilization measures of the Plan will be triggered.

**II. Specific measures of the Proposed Share Price Stabilization Plan of the A Shares**

1. Within 10 trading days of the fulfillment of the specific conditions of the Proposed A-Share Share Price Stabilization measures under this Plan, controlling shareholder(s) of the Company shall provide written notice to the Company on whether he/she/it/they intend to increase shareholding in the Company's A Shares, which would then be announced by the Company. If there is such a specific plan, the range of the proposed increase in shareholding, price range, time of completion and required approval procedures shall be disclosed, and the capital used for increase in shareholding for that plan should be no less than RMB10,000,000 in cash.

* *For identification purposes only*

2. If controlling shareholders fail to announce the aforementioned specific plan to increase shareholding within the said timeframe or clearly express there is no plan to increase shareholding or the said plan is not approved by the competent authorities, the Board of the Company shall announce whether there is a specific A-Share Share Repurchase Plan within 10 trading days from the date of confirming the aforementioned events. If such a plan exists, the range of number of A Shares proposed to be repurchased, price range, time of completion and the required approval procedures shall be disclosed, and the capital used by the Company for the repurchase of Shares should be no less than RMB10,000,000 in cash.

3. If the Board of the Company clearly states there is no repurchase plan, or fails to announce the aforementioned A-Share Share Repurchase Plan within the said timeframe, or any factors causing the aforementioned A-Share Share Repurchase Plan not to pass the general meeting or Class Meetings, or the aforementioned A-Share Share Repurchase Plan is not approved by relevant competent authorities, the Company's Directors (excluding independent Directors, similarly hereinafter) and senior management should increase shareholding in the Company's A Shares unconditionally within 10 trading days after confirming the aforementioned events, and the accumulated amount used to increase shareholding should be no less that 15% of their respective remuneration for the previous year.

During the effective period of the Plan, newly appointed Directors and senior management of the Company shall carry out the obligations of Directors and senior management required by the Plan and carry out other undertakings and obligations made by Directors and senior management according to the same standards for the initial public issue of A Shares. For Directors and senior management of the Company proposed to be appointed, they should provide written consent agreeing to carry out the aforementioned undertakings and obligations prior to receiving nomination.

4. Within 120 trading days after carrying out one of the three aforementioned increase in shareholding or repurchase measures, the controlling shareholders, the Company, Directors and senior management are automatically relieved of their increase in shareholding and repurchase obligations. Starting from the 121st trading day after carrying out one of the three aforementioned increase in shareholding or repurchase measures, if the closing price of the Company's A Shares are lower than the latest audited net asset per share for 20 consecutive trading days, the increase in shareholding or repurchase obligations of controlling shareholders, the Company, Directors and senior management will automatically come into effect in the order of 1, 2, 3 as aforementioned.

5. Controlling shareholders, the Company, Directors and senior management should comply with the listing rules of the places where the shares of the Company are listed and other applicable regulatory requirements, satisfy the shareholding distribution requirements as set by the listing rules of the places where the shares of

the Company are listed and carry out relevant information disclosure obligations. If the listing rules of the places where the shares of the Company are listed and other regulatory requirements cause the controlling shareholders, the Company, Directors and senior management to be unable to carry out their increase in shareholding or repurchase obligations within a certain period, the relevant increase in shareholding or repurchase obligation periods are postponed. During the postponing period, other measures should be actively taken to stabilize share prices.

**III. Relevant punitive measures**

1. For controlling shareholders, if a specific plan for increase in shareholding has been announced but cannot be carried out due to subjective reasons or the increase in shareholding obligation has been triggered for two consecutive times and the controlling shareholder is unable to propose a specific plan for increase in shareholding, the Company shall retain a cash dividend payable to the controlling shareholder in an amount equal to the controlling shareholder carrying out his increase in shareholding obligation and directly apply it to the Share Repurchase Plan. The controlling shareholder shall lose claiming rights for that proportion of cash dividend.

2. Directors and senior management of the Company should actively carry out their increase in shareholding obligations. If during their term of service they are unable to carry out their increase in shareholding obligations according to the relevant requirements of the Plan due to subjective reasons, the Company shall use an amount in their salary equal to an amount had they carried out their increase in shareholding obligations and carry out the increase in shareholding obligations on their behalf.

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)**

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the "**EGM**") of Xinhua Winshare Publishing and Media Co., Ltd.* (the "**Company**") will be held at 9:00 a.m. on Friday, 7 March 2014 at Sichuan Xinhua International Hotel, No.8 Guzhongshi Street, Chengdu, Sichuan, the PRC for the purpose of considering and, if thought fit, passing the following resolutions:

*Unless otherwise indicated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 5 February 2013 and the circular of the Company dated 21 January 2014 (the "**Circular**").*

## AS SPECIAL RESOLUTIONS

**"THAT**

1. Subject to the obtaining of approvals of the CSRC and other relevant regulatory authorities, the issue of A Shares by the Company and each of the following terms and conditions of the A Share Issue be approved:

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|---|---|---|
| (i) | Class of shares: | A Shares |
| (ii) | Nominal value: | RMB1.00 each |

* *For identification purposes only*

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|---|---|---|
| (iii) | Number of A Shares proposed to be issued: | Not more than 98,710,000 A Shares.<br><br>Based on the results of price consultation, if the estimated amount (net of relevant issuing expenses) to be raised from the new shares issue is expected to exceed the total investment amount required for the investment projects, the number of new shares to be issued will be reduced by the Company. The final issue size will be determined by the Board of the Company after consultation with the lead underwriter and in accordance with the authorization of the general meeting, the approval of the CSRC, the difference between the amount of fund to be raised (net of issuing expenses) and the total amount of investment required for the investment projects, as well as the market conditions. |
| (iv) | Target persons for the issue: | Qualified participants in the price consultation process; the individuals, legal persons and other investors within the PRC which have established A Share accounts with China Securities Depository and Clearing Corporation Limited Shanghai Branch (except those prohibited by the PRC laws and administrative regulations and other regulatory requirements to which the Company is subject); and other target persons as approved by the CSRC. |
| (v) | Price determination method: | The issue price will be determined based on the results of price consultations with qualified participants in the price consultation process and the market conditions; or other price determination method as approved by the CSRC. |

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|---|---|---|
| (vi) | Issuing method: | By a combination of conducting offline placing inquiry to the participants in the price consultation process and share issue by way of online subscription pricing method; or other ways of issue as approved by the CSRC. |
| (vii) | Proposed stock exchange for listing: | Shanghai Stock Exchange |
| (viii) | Arrangement for listing of A Shares: | Upon completion of the A Share Issue, all A Shares (including the existing domestic Shares and A Shares to be issued under the A Share Issue) will be applied for listing on the Shanghai Stock Exchange, and such A Shares will comply with the lock-up period requirements under the relevant laws and regulations. |
| (ix) | Proposed date of listing of A Shares: | Subject to the approvals from the CSRC and Shanghai Stock Exchange, the date of listing shall be determined by the Board after consultation with the lead underwriter and other regulatory authorities. |
| (x) | Plan of distribution of accumulated undistributed profits before the A Share Issue: | The accumulated undistributed profits of the Company prior to the completion of the A Share Issue shall be entitled to all new and existing shareholders in proportion to their respective shareholdings after the A Share Issue, new Shareholders of the A Shares (not including the existing holders of the Domestic Shares) shall not be entitled to the dividends distributed before the completion of the A Share Issue. |
| (xi) | Rights attaching to the A Shares: | The A Shares, unless otherwise provided by applicable laws, regulations, the Listing Rules and other regulatory documents, shall carry the same rights as the Company's existing Domestic Shares and H Shares. |

| | | |
|---|---|---|
| (xii) | Transfer of state-owned Shares: | According to the "Partial Transfer of State-owned Shares to the National Social Security Fund in the Domestic Securities Market Implementation Measures" (Cai Qi [2009] No. 94) (《境內證券市場轉持部分國有股充實全國社會保障基金實施辦法》(財企[2009]94號)), the state-owned Shareholders of the Company must fulfill the obligations of transferring state-owned Shares. According to the "Approval on the Issues in relation to the Transfer of the State-owned Shares of Xinhua Winshare Publishing and Media Co., Ltd. for the Social Security Fund" (Chuan Guo Zi Chan Quan [2013] No.45) (《關於新華文軒出版傳媒股份有限公司國有股轉持充實社保基金有關問題的批覆》(川國資產權[2013]45號)) issued by the State-owned Assets Supervision and Administration Commission of Sichuan Province, Sichuan Xinhua Publishing Group Co., Ltd., the Company's state-owned Shareholder, will fulfill the obligations of the transfer of state-owned Shares through payment of funds (the payment amount shall equal to number of Shares to be transferred multiplied by the issue price). Other state-owned Shareholders (Sichuan Publication Group Co., Ltd., Sichuan Daily Newspaper Group and Liaoning Publication Group Co., Ltd,) shall transfer part of their holdings of state-owned Shares to the extent of 10% (net of the obligation of transfer to be fulfilled by cash by Sichuan Xinhua Publishing Group Co., Ltd.) of the actual amount of shares issued under the A Share Issue of the Company to the National Council for Social Security Fund (NCSSF) (全國社會保障基金理事會). |
| (xiii) | Validity period of this resolution: | This special resolution shall be effective for a period of 12 months from the date of approval by the EGM and the Class Meetings. |

2. Subject to the passing of the above stated special resolution (1) at the EGM and the Class Meetings, the Board authorization to process the A Share Issue and the related matters be renewed in accordance with the relevant requirements of the CSRC, Hong Kong Stock Exchange and Shanghai Stock Exchange. The authorization proposed to be granted to the Board shall include but not limited to the followings:

(i) To adjust and determine the matters relating to the listing of the A Shares in accordance with the relevant rules and the actual conditions of the securities market within the ambit granted by the Shareholders at the EGM, which include but not limited to the number of A Shares to be issued, target person for the issue, issuing method, issue price and the timing of commencing and terminating the issue;

(ii) Subject to the actual situation of the investment projects before the listing of the A Shares and the approvals from the competent authorities, to carry out necessary and appropriate adjustments to the projects which intended to be invested by the proceeds from the A Share Issue and approved by the Shareholders at the EGM, which include but not limited to the projects proposed to be invested, the investment amount, implementation plans and implementation methods;

(iii) To implement all procedures relating to the listing of the A Shares, which include the application of the A Share Issue to CSRC and other competent authorities, the signing of the relevant documents which include but not limited to the prospectus of the A Shares and other relevant documents;

(iv) To engage the listing intermediates and other professional parties, determine their engagement fees and entered into the agreements relating to the A Share Issue on behalf of the Company which include the underwriting agreement and sponsor agreement;

(v) To amend the Articles of Association, the Rules of Procedure, the Internal Rules and the New Internal Rules subject to the completion of the A Shares Issue, the results of the A Share Issue and the requirements of the relevant competent government authorities and to deal with relevant procedures for registration of changes and filing of the Articles of Association, the registered capital and other issues with relevant authorities;

(vi) To apply and deal with the procedures for registration of changes with the registration authority and deal with the procedures for registration, settlement and lock-up with the share registration and clearing authority of the Company subject to the results of the A Share Issue;

(vii) Other matters relating to the A Share Issue; and

(viii) To delegate the above authorizations to authorized Director(s).

The authorization granted under this special resolution shall be effective for a period of 12 months from the date of approval by the EGM.

3. Subject to the passing of the above stated special resolution (1) at the EGM and the Class Meetings and conditional upon the completion of the A Share Issue, to approve and confirm the proposed amendment to the Articles of Association (details of which have been set out in the circular), and to authorize the Board to modify the wordings of such amendments as appropriate (such amendments will not be required to be approved by the Shareholders) and execute all such documents and/or do all such acts as it may deem necessary or expedient and in the interest of the Company in order to effect the proposed amendments, comply with the changes in the PRC laws and regulations, and satisfy the requirements (if any) of the relevant PRC regulatory authorities, and to deal with other related issues arising from the amendment to the Articles of Association.

4. Subject to the passing of the above stated special resolution (1) at the EGM and the Class Meetings and conditional upon the completion of the A Share Issue, to approve and confirm the proposed amendments to the Dividends Distribution Plan (details of which have been set out in the circular), and to authorize the Board to modify the wordings of such amendments as appropriate (such amendments will not be required to be approved by the Shareholders) and execute all such documents and/or do all such acts as it may deem necessary or expedient and in the interest of the Company in order to effect the proposed amendments, comply with the changes in the PRC laws and regulations, satisfy the requirements (if any) of the relevant PRC regulatory authorities, and to deal with other related issues arising from the amendments to the Dividends Distribution Plan.

5. Subject to the passing of the above stated special resolution (1) at the EGM and the Class Meetings and conditional upon the completion of the A Share Issue, to approve and confirm the adoption of the Proposed Share Price Stabilization Plan of the A Shares of the Company (details of which have been set out in the circular), and to authorize the Board to modify the wordings of the Proposed Share Price Stabilization Plan of the A Shares as appropriate (such amendments will not be required to be approved by the Shareholders) and execute all such documents and/or do all such acts as it may deem necessary or expedient and in the interest of the Company in order to effect the adoption, comply with the changes in the PRC laws and regulations, satisfy the requirements (if any) of relevant PRC regulatory authorities and to deal with other related issues arising from the adoption of the Proposed Share Price Stabilization Plan of the A Shares.

6. Subject to the passing of the above stated special resolution (1) at the EGM and the Class Meetings and conditional upon the completion of the A Share Issue, to approve and confirm the undertakings to be made by the Company in the A Shares listing document (details of which have been set out in the circular), and to authorize the Board to modify the wordings of such undertakings (such amendments will not be

required to be approved by the Shareholders) and to execute all such documents and/or do all such acts as it may deem necessary or expedient and in the interest of the Company in order to effect the undertakings, comply with the changes in the PRC laws and regulations, satisfy the requirements (if any) of the relevant PRC regulatory authorities and to deal with other related issues arising from the undertakings."

For and on behalf of
**XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.***
**Gong Cimin**
*Chairman*

Sichuan, the PRC, 21 January 2014

*Notes:*

1. The register of members of the Company will be closed from 5 February 2014 to 7 March 2014 (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 4 February 2014.

2. Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and 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, for holders of H shares of the Company, to 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 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 they 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 or by post 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 domestic shares of the Company) on or before 15 February 2014.

6. The EGM is expected to take approximately 30 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 Dadao, Cheng Bei, Chengdu, Sichuan, the PRC (Postal code: 610081).

*As at the date of this notice, the Board of the Company comprises (a) Mr. Gong Cimin and Mr. Luo Yong as executive Directors; (b) Mr. Zhang Chengxing, Mr. Luo Jun, Mr. Zhang Peng and Mr. Zhao Junhuai as non-executive Directors; and (c) Mr. Han Liyan, Mr. Mo Shixing and Mr. Mak Wai Ho as independent non-executive Directors.*

* *For identification purposes only*

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)**

## NOTICE OF DOMESTIC SHARES CLASS MEETING

**NOTICE IS HEREBY GIVEN** that a class meeting (the "**Domestic Shares Class Meeting**") for holders of domestic shares ("**Domestic Shares**") of Xinhua Winshare Publishing and Media Co., Ltd. (the "**Company**") will be held at 9:30 a.m. (or immediately after the EGM) on Friday, 7 March 2014 at Sichuan Xinhua International Hotel, No. 8 Guzhongshi Street, Chengdu, Sichuan, the PRC for the purpose of considering and, if thought fit, passing the following resolutions:

*Unless otherwise indicated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 5 February 2013 and the circular of the Company dated 21 January 2014 (the "**Circular**").*

## AS SPECIAL RESOLUTION

**"THAT**

1. Subject to the obtaining of the approvals of the CSRC and other relevant regulatory authorities, the issue of A Shares by the Company and each of the following terms and conditions of the A Share Issue be approved:

| | | |
|---|---|---|
| (i) | Class of shares: | A Shares |
| (ii) | Nominal value: | RMB1.00 each |

* *For identification purposes only*

| | | |
|---|---|---|
| (iii) | Number of A Shares proposed to be issued: | Not more than 98,710,000 A Shares<br><br>Based on the results of price consultation, if the estimated amount (net of relevant issuing expenses) to be raised from the new shares issue is expected to exceed the total investment amount required for the investment projects, the number of new shares to be issued will be reduced by the Company. The final issue size will be determined by the Board of the Company after consultation with the lead underwriter and in accordance with the authorization of the general meeting, the approval of the CSRC, the difference between the amount of fund to be raised (net of issuing expenses) and the total amount of investment required for the investment projects, as well as the market conditions. |
| (iv) | Target person for the issue: | Qualified participants in the price consultation process; individuals, legal persons and other investors within the PRC which have established A share accounts with China Securities Depository and Clearing Corporation Limited Shanghai Branch (except those prohibited by the PRC laws and administrative regulations and other regulatory requirements to which the Company is subject); and other target persons as approved by the CSRC. |
| (v) | Price determination method: | The issue price will be determined based on the results of price consultation with qualified participants in the price consultation process and the market conditions; or other price determination method as approved by the CSRC. |

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| (vi) | Issuing method: | By a combination of conducting offline placing inquiry to the participants in the price consultation process and share issue by way of online subscription pricing method, or other ways of issue method as approved by the CSRC. |
| (vii) | Proposed stock exchange for listing | Shanghai Stock Exchange |
| (viii) | Arrangement for listing of A Shares | Upon completion of the A Share Issue, all A Shares (including the existing domestic Shares and A Shares to be issued under the A Share Issue) will be applied for listing on the Shanghai Stock Exchange, and such A Shares will comply with the lock-up period requirements under the relevant laws and regulations. |
| (ix) | Proposed date of listing of A Shares: | Subject to the approvals from the CSRC and Shanghai Stock Exchange, the date of listing shall be determined by the Board after consultation with the lead underwriter and other regulatory authorities. |
| (x) | Plan of distribution of accumulated undistributed profits before the A Share Issue: | The accumulated undistributed profits of the Company prior to the completion of the A Share Issue shall be entitled to all new and existing Shareholders in proportion to their respective shareholdings after the A Share Issue, new Shareholders of the A Shares (not including the existing holders of the Domestic Shares) shall not be entitled to the dividends distributed before the completion of the A Share Issue. |
| (xi) | Rights attaching to the A Shares: | The A shares, unless otherwise provided by applicable laws, regulations, the Listing Rules and other regulatory documents, shall carry the same rights as the Company's existing Domestic Shares and H Shares. |

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| (xii) | Transfer of state-owned Shares: | According to the "Partial Transfer of State-owned Shares to the National Social Security Fund in the Domestic Securities Market Implementation Measures" (Cai Qi [2009] No. 94) (《境內證券市場轉持部分國有股充實全國社會保障基金實施辦法》(財企[2009]94號)), the state-owned Shareholders of the Company must fulfill the obligations of transferring state-owned Shares. According to the "Approval on the Issues in relation to the Transfer of the State-owned Shares of Xinhua Winshare Publishing and Media Co., Ltd. for the Social Security Fund" (Chuan Guo Zi Chan Quan [2013] No.45) (《關於新華文軒出版傳媒股份有限公司國有股轉持充實社保基金有關問題的批覆》(川國資產權[2013]45號)) issued by the State-owned Assets Supervision and Administration Commission of Sichuan Province, Sichuan Xinhua Publishing Group Co., Ltd., the Company's state-owned Shareholder, will fulfill the obligations of the transfer of state-owned Shares through payment of funds (the payment amount shall equal to number of Shares to be transferred multiplied by the issue price). Other state-owned Shareholders (Sichuan Publication Group Co., Ltd., Sichuan Daily Newspaper Group and Liaoning Publication Group Co., Ltd,) shall transfer part of their holdings of state-owned Shares to the extent of 10% (net of the obligation of transfer to be fulfilled by cash by Sichuan Xinhua Publishing Group Co., Ltd.) of the actual amount of shares issued under the A Share Issue of the Company to the National Council for Social Security Fund (NCSSF) (全國社會保障基金理事會). |
| (xiii) | Validity period of this resolution: | This special resolution shall be effective for a period of 12 months from the date of approval by the EGM and the Class Meetings. |

2. Subject to the passing of the above stated special resolution (1) at the EGM and the Class Meetings and conditional upon the completion of the A Share Issue, to approve and confirm the adoption of the Proposed Share Price Stabilization Plan of the A Shares of the Company (details of which have been set out in the circular), and to authorize the Board to modify the wordings of the Proposed Share Price Stabilization Plan of the A Shares as appropriate (such amendments will not be required to be approved by the Shareholders) and execute all such documents and/or do all such acts as it may deem necessary or expedient and in the interest of the Company in order to effect the adoption, comply with the changes in the PRC laws and regulations, satisfy the requirements (if any) of relevant PRC regulatory authorities and to deal with other related issues arising from the adoption of the Proposed Share Price Stabilization Plan of the A Shares.

3. Subject to the passing of the above stated special resolution (1) at the EGM and the Class Meetings and conditional upon the completion of the A Share Issue, to approve and confirm the undertaking to be made by the Company in the A Shares listing document (details of which have been set out in the circular), and to authorize the Board to modify the wordings of such undertaking (such amendments will not be required to be approved by the Shareholders) and to execute all such documents and/or do all such acts as it may deem necessary or expedient and in the interest of the Company in order to effect the undertaking, comply with the changes in the PRC laws and regulations, satisfy the requirements (if any) of the relevant PRC regulatory authorities and to deal with other related issues arising from the undertaking."

For and on behalf of
**XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.***
**Gong Cimin**
*Chairman*

Sichuan, the PRC, 21 January 2014

*Notes:*

1. The register of members of the Company will be closed from 5 February 2014 to 7 March 2014 (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 Domestic Shares Class Meeting, all transfer documents accompanied by the relevant share certificates must be delivered to the head office in the PRC of the Company no later than 4:30 p.m. on 4 February 2014.

2. Shareholders who are entitled to attend and vote at the Domestic Shares Class Meeting may appoint one or more proxies to attend and 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 Domestic Shares 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 Domestic Shares Class Meeting or any adjourned meetings should they so wish.

* *For identification purposes only*

4. Shareholders or their proxies shall produce their identity documents when attending the Domestic Shares Class Meeting.

5. Shareholders who intend to attend the Domestic Shares Class Meeting should complete the reply slip and return it by hand or by post to the head office in the PRC of the Company on or before 15 February 2014.

6. The Domestic Shares Class Meeting is expected to take approximately 15 minutes. Shareholders attending the Domestic Shares 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 Dadao, Cheng Bei, Chengdu, Sichuan, the PRC (Postal code: 610081).

*As at the date of this notice, the Board of the Company comprises (a) Mr. Gong Cimin and Mr. Luo Yong as executive Directors; (b) Mr. Zhang Chengxing, Mr. Luo Jun, Mr. Zhang Peng and Mr. Zhao Junhuai as non-executive Directors; and (c) Mr. Han Liyan, Mr. Mo Shixing and Mr. Mak Wai Ho as independent non-executive Directors.*

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**NOTICE OF H SHARES CLASS MEETING**

**NOTICE IS HEREBY GIVEN** that a class meeting ("**H Shares Class Meeting**") for holders of H Shares ("H Shares") of Xinhua Winshare Publishing and Media Co., Ltd.* (the "**Company**") will be held at 9:45 a.m. (or immediately after the Domestic Shares Class Meeting) on Friday, 7 March 2014 at Sichuan Xinhua International Hotel, No. 8 Guzhongshi Street, Chengdu, Sichuan, the PRC for the purpose of considering and, if thought fit, passing the following resolutions:

*Unless otherwise indicated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 5 February 2013 and the circular of the Company dated 21 January 2014.*

**AS SPECIAL RESOLUTION**

**"THAT**

1. Subject to the obtaining of the approval of the CSRC and other relevant regulatory authorities, the issue of A Shares by the Company and each of the following terms and conditions of the A Share Issue be approved:

| | | |
|---|---|---|
| (i) | Class of shares: | A Shares |
| (ii) | Nominal value: | RMB1.00 each |

* *For identification purposes only*

| | | |
|---|---|---|
| (iii) | Number of A Shares proposed to be issued: | Not more than 98,710,000 A Shares<br><br>Based on the results of price consultation, if the estimated amount (net of relevant issuing expenses) to be raised from the new shares issue is expected to exceed the total investment amount required for the investment projects, the number of new shares to be issued will be reduced by the Company. The final issue size will be determined by the Board of the Company after consultation with the lead underwriter and in accordance with the authorization of the general meeting, the approval of the CSRC, the difference between the amount of fund to be raised (net of issuing expenses) and the total amount of investment required for the investment projects, as well as the market conditions. |
| (iv) | Target persons for the issue: | Qualified participants in the price consultation process; individuals, legal persons and other investors within the PRC which have established A share accounts with China Securities Depository and Clearing Corporation Limited Shanghai Branch (except those prohibited by the PRC laws and administrative regulations and other regulatory requirements to which the Company is subject); and other target persons as approved by the CSRC. |
| (v) | Price determination method: | The issue price will be determined based on the results of price consultation with qualified participants in the price consultation process and the market conditions; or other price determination method as approved by the CSRC. |

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| (vi) | Issuing method: | | By a combination of conducting offline placing inquiry to the participants in the price consultation process and share issue by way of online subscription pricing method, or other ways of issue method as approved by the CSRC. |
| (vii) | Proposed stock Exchange for listing: | | Shanghai Stock Exchange |
| (viii) | Arrangement for listing of A Shares: | | Upon completion of the A Share Issue, all A Shares (including the existing domestic Shares and A Shares to be issued under the A Share Issue) will be applied for listing on the Shanghai Stock Exchange, and such A Shares will comply with the lock-up period requirements under the relevant laws and regulations. |
| (ix) | Proposed date of listing of A Shares: | | Subject to the approvals from the CSRC and Shanghai Stock Exchange, the date of listing shall be determined by the Board after consultation with the lead underwriter and other regulatory authorities. |
| (x) | Plan of distribution of accumulated undistributed profits before the A Share Issue: | | The accumulated undistributed profits of the Company prior to the completion of the A Share Issue shall be entitled to all new and existing Shareholders in proportion to their respective shareholdings after the A Share Issue, new Shareholders of the A Shares (not including the existing holders of the Domestic Shares) shall not be entitled to the dividends distributed before the completion of the A Share Issue. |
| (xi) | Rights attaching to A Shares: | | The A shares, unless otherwise provided by applicable laws, regulations, the Listing Rules and other regulatory documents, shall carry the same rights as the Company's existing Domestic Shares and H Shares. |

| | | |
|---|---|---|
| (xii) | Transfer of state-owned Shares: | According to the "Partial Transfer of State-owned Shares to the National Social Security Fund in the Domestic Securities Market Implementation Measures" (Cai Qi [2009] No. 94) (《境內證券市場轉持部分國有股充實全國社會保障基金實施辦法》(財企[2009]94號)), the state-owned Shareholders of the Company must fulfill the obligations of transferring state-owned Shares. According to the "Approval on the Issues in relation to the Transfer of the State-owned Shares of Xinhua Winshare Publishing and Media Co., Ltd. for the Social Security Fund" (Chuan Guo Zi Chan Quan [2013] No.45) (《關於新華文軒出版傳媒股份有限公司國有股轉持充實社保基金有關問題的批覆》(川國資產權[2013]45號)) issued by the State-owned Assets Supervision and Administration Commission of Sichuan Province, Sichuan Xinhua Publishing Group Co., Ltd., the Company's state-owned Shareholder, will fulfill the obligations of the transfer of state-owned Shares through payment of funds (the payment amount shall equal to number of Shares to be transferred multiplied by the issue price). Other state-owned Shareholders (Sichuan Publication Group Co., Ltd., Sichuan Daily Newspaper Group and Liaoning Publication Group Co., Ltd,) shall transfer part of their holdings of state-owned Shares to the extent of 10% (net of the obligation of transfer to be fulfilled by cash by Sichuan Xinhua Publishing Group Co., Ltd.) of the actual amount of shares issued under the A Share Issue of the Company to the National Council for Social Security Fund (NCSSF) (全國社會保障基金理事會). |
| (xiii) | Validity period of this resolution: | This special resolution shall be effective for a period of 12 months from the date of approval by the EGM and the Class Meetings. |

2. Subject to the passing of the above stated special resolution (1) at the EGM and the Class Meetings and conditional upon the completion of the A Share Issue, to approve and confirm the adoption of the Proposed Share Price Stabilization Plan of the A Shares of the Company (details of which have been set out in the circular), and to authorize the Board to modify the wordings of the Proposed Share Price Stabilization Plan of the A Shares as appropriate (such amendments will not be required to be approved by the Shareholders) and execute all such documents and/or do all such acts as it may deem necessary or expedient and in the interest of the Company in order to effect the adoption, comply with the changes in the PRC laws and regulations, satisfy the requirements (if any) of relevant PRC regulatory authorities and to deal with other related issues arising from the adoption of the Proposed Share Price Stabilization Plan of the A Shares.

3. Subject to the passing of the above stated special resolution (1) at the EGM and the Class Meetings and conditional upon the completion of the A Share Issue, to approve and confirm the undertakings to be made by the Company in the A Shares listing document (details of which have been set out in the circular), and to authorize the Board to modify the wordings of such undertaking (such amendments will not be required to be approved by the Shareholders) and to execute all such documents and/or do all such acts as it may deem necessary or expedient and in the interest of the Company in order to effect the undertakings, comply with the changes in the PRC laws and regulations, satisfy the requirements (if any) of the relevant PRC regulatory authorities and to deal with other related issues arising from the undertakings."

For and on behalf of
**XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.***
**Gong Cimin**
*Chairman*

Sichuan, the PRC, 21 January 2014

*Notes:*

1. The register of members of the Company will be closed from 5 February 2014 to 7 March 2014 (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 H Shares 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 4 February 2014.

2. Shareholders who are entitled to attend and vote at the H Shares Class Meeting may appoint one or more proxies to attend and 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 by post to 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 not less than 24 hours before the time for holding the

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H Shares Class Meeting or not less than 24 hours before the time appointed for taking the poll. If the proxy is signed by a person under a power of attorney or other authority, such 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 H Shares Class Meeting or any adjourned meetings should they so wish.

4. Shareholders or their proxies shall produce identity documents when attending the H Shares Class Meeting.

5. Shareholders who intend to attend the H Shares Class Meeting should complete the reply slip and return it by hand or by post to the H share registrar of the Company on or before 15 February 2014.

6. The H Shares Class Meeting is expected to take approximately 15 minutes. Shareholders attending the H Shares Class Meeting shall be responsible for their own travel and accommodation expenses.

*As at the date of this notice, the Board of the Company comprises (a) Mr. Gong Cimin and Mr. Luo Yong as executive Directors; (b) Mr. Zhang Chengxing, Mr. Luo Jun, Mr. Zhang Peng and Mr. Zhao Junhuai as non-executive Directors; and (c) Mr. Han Liyan, Mr. Mo Shixing and Mr. Mak Wai Ho as independent non-executive Directors.*