

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

winshare 文軒

新華文軒出版傳媒股份有限公司

XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.*

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

(Stock Code: 811)

2023 FIRST QUARTERLY REPORT

The board (the “**Board**”) of directors (the “**Director(s)**”) of Xinhua Winshare Publishing and Media Co., Ltd.* (新華文軒出版傳媒股份有限公司) (the “**Company**”) is pleased to announce the unaudited results (the “**First Quarterly Report**”) of the Company and its subsidiaries (collectively the “**Group**”) for the first quarter ended 31 March 2023 (the “**Period**” or the “**Reporting Period**”). This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

I. IMPORTANT NOTICE

The Board, the supervisory committee, the Directors, the supervisors and senior management of the Company hereby warrant that the contents of the First Quarterly Report are true, accurate and complete, and there are no false representations, misleading statements or material omissions, and jointly and severally accept legal responsibility therein.

The head of the Company Mr. Luo Yong, the person-in-charge of accounting affairs Mr. Ma Xiaofeng, and the person-in-charge of the accounting department (chief accountant) Mr. Feng Gang, warrant the truthfulness, accuracy and completeness of the financial information in the First Quarterly Report.

The First Quarterly Report of the Company is unaudited. The audit committee of the Company has reviewed the results of the Group for the first quarter ended 31 March 2023.

II. MAJOR FINANCIAL DATA

(I) Major accounting data and financial indicators

Unit: Yuan Currency: RMB

Item	Reporting period	Increase/decrease compared to the corresponding period of the prior year (%)
Operating income	2,311,171,082.62	4.73
Net profit attributable to shareholders of the listed company	199,630,180.88	18.01
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	226,094,096.43	48.54
Net cash flow from operating activities	174,459,045.44	N/A
Basic earnings per share (RMB/share)	0.16	18.01
Diluted earnings per share (RMB/share)	N/A	N/A
Weighted average return on net assets (%)	1.59	Increased by 0.11 percentage point

	As at the end of the Reporting Period	As at the end of prior year (Audited)	Increase/decrease compared to the end of the prior year (%)
Total assets	21,508,871,912.21	20,651,387,559.36	4.15
Owner's equity attributable to shareholders of the listed company	12,692,660,485.71	12,489,979,423.63	1.62

(II) Items and amounts of non-recurring profit or loss

Unit: Yuan Currency: RMB

Item	Amount for the Reporting Period
Profit or loss on disposal of non-current assets	42,956.32
Government subsidies (except for government subsidies which are closely related to the ordinary business scope of the Company and entitled in standard amounts or quantities in conformity with the provisions of policies of the State) attributable to profit or loss for the period	4,742,512.27
Profit or loss arising from changes in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and investment income received from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments (except for those related to effective hedging businesses under the ordinary business scope of Company)	(26,467,853.51)
Other non-operating income and expenses apart from the above items	(5,251,777.36)
Other profit and loss items conforming to definition of non-recurring profit and loss	
Less: Effect of income tax	49,218.69
Effect of minority interests (after tax)	(519,465.42)
Total	(26,463,915.55)

Explanation on non-recurring profit or loss items defined as recurring profit or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Non-recurring Profit or Loss:

The principal business of Winshare Investment Co., Ltd., which is a wholly-owned subsidiary of the Company, is investment holding. Its investment income and profits or losses from fair value changes from disposing and holding of financial assets at fair value through profit or loss are not recognized as non-recurring profit or loss; during the Period, the investment income amounted to RMB1,486,548.79 (prior year: nil), and the gains from fair value changes amounted to RMB30,627,099.34 (corresponding period of prior year: loss from fair value changes of RMB54,811,546.77).

(III) Changes in the principal accounting information and financial indicators and reason thereof

Name of the item	Change proportion (%)	Main reasons
Net profit attributable to shareholders of listed company after deduction of non-recurring profit and loss	48.54	Mainly affected by the fluctuation of the fair value of the fund projects held by Winshare Investment Co., Ltd., the Company's wholly-owned subsidiary.
Net cash flow from operating activities	N/A	Mainly attributable to the increase in advance receipts for education services as compared to the corresponding period of the prior year.

III. SHAREHOLDER INFORMATION

Total number of shareholders of ordinary shares, number of preferred shareholders with voting rights restored and shareholdings of the top ten shareholders

Unit: share

Total number of shareholders of ordinary shares as at 31 March 2023 19,135

Name of shareholder	Shareholding of top ten shareholders					Pledged, marked or locked-up	
	Nature of shareholder	Number of shares held	Shareholding percentage (%)	Number of Restricted shares held	Status of shares	Number	
Sichuan Xinhua Publishing and Distribution Group Co., Ltd.* (四川新華出版發行集團有限公司)	State	683,589,525	55.40	-	Nil	-	
Hong Kong Securities Clearing Company Limited	Overseas legal person	278,503,713	22.57	-	Unknown	-	
Chengdu Hua Sheng (Group) Industry Co., Ltd.* (成都市華盛(集團)實業有限公司)	Domestic non-state-owned legal person	53,336,000	4.32	-	Nil	-	
Brown Brothers Harriman & Co. (Note 1)	Unknown	38,626,617	3.13	-	Unknown	-	
Sichuan Cultural Industry Investment Group Co., Ltd.* (四川文化產業投資集團有限責任公司)	State-owned legal person	36,968,945	3.00	-	Nil	-	
Seafarer Capital Partners LLC (Note 1)	Unknown	30,875,500	2.50	-	Unknown	-	
Sichuan Daily Newspaper Group* (四川日報報業集團)	State-owned legal person	9,264,513	0.75	-	Nil	-	
Liaoning Bohong Investment Co., Ltd.* (遼寧博鴻投資有限公司) (Note 2)	State-owned legal person	6,485,160	0.53	-	Nil	-	
Industrial and Commercial Bank of China Limited – Rong Tong Domestic Demand Driven Equity Fund* (中國工商銀行股份有限公司 – 融通內需驅動股票型證券投資基金)	Unknown	5,770,710	0.47	-	Nil	-	
Industrial and Commercial Bank of China Limited – Rong Tong Growth 30 Flexible Allocation Hybrid Equity Fund* (中國工商銀行股份有限公司 – 融通成長30靈活配置混合型證券投資基金)	Unknown	2,498,000	0.20	-	Nil	-	

Shareholding of top ten unrestricted shareholders

Name of shareholder	Number of unrestricted tradable shares held	Class and number of shares	
		Class of shares	Number
Sichuan Xinhua Publishing and Distribution Group Co., Ltd.* (四川新華出版發行集團有限公司)	683,589,525	RMB ordinary shares	592,809,525
		Overseas listed foreign shares	90,780,000
Hong Kong Securities Clearing Company Limited	278,503,713	RMB ordinary shares	10,613,903
		Overseas listed foreign shares	267,889,810
Chengdu Hua Sheng (Group) Industry Co., Ltd.* (成都市華盛(集團)實業有限公司)	53,336,000	RMB ordinary shares	53,336,000
Brown Brothers Harriman & Co. (Note 1)	38,626,617	Overseas listed foreign shares	38,626,617
Sichuan Cultural Industry Investment Group Co., Ltd.* (四川文化產業投資集團有限責任公司)	36,968,945	RMB ordinary shares	30,572,945
		Overseas listed foreign shares	6,396,000
Seafarer Capital Partners LLC (Note 1)	30,875,500	Overseas listed foreign shares	30,875,500
Sichuan Daily Newspaper Group* (四川日報報業集團)	9,264,513	RMB ordinary shares	9,264,513
Liaoning Bohong Investment Co., Ltd.* (遼寧博鴻投資有限公司) (Note 2)	6,485,160	RMB ordinary shares	6,485,160
Industrial and Commercial Bank of China Limited – Rong Tong Domestic Demand Driven Equity Fund* (中國工商銀行股份有限公司 – 融通內需驅動股票型證券投資基金)	5,770,710	RMB ordinary shares	5,770,710
Industrial and Commercial Bank of China Limited – Rong Tong Growth 30 Flexible Allocation Hybrid Equity Fund* (中國工商銀行股份有限公司 – 融通成長30靈活配置混合型證券投資基金)	2,498,000	RMB ordinary shares	2,498,000

Notes:

- The above data is from the “Disclosure of Interests” on the website of the Stock Exchange.
- Liaoning Publication Group Co., Ltd. holds 6,485,160 A shares of the Company through its wholly-owned subsidiary, Liaoning Bohong Investment Co., Ltd..

IV. QUARTERLY FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	31 March 2023	31 December 2022 (Audited)
Current assets:		
Cash and bank balances	8,022,102,726.90	7,801,800,506.62
Held-for-trading financial assets	2,618.20	–
Notes receivable	2,308,182.32	2,906,232.79
Accounts receivable	2,263,563,053.54	1,697,878,791.47
Financing receivables	3,438,636.14	8,499,815.79
Prepayments	85,152,012.12	78,587,315.95
Other receivables	133,076,025.30	129,770,862.20
Including: Dividends receivable	72,000.00	72,000.00
Inventories	2,808,863,118.20	2,572,840,225.77
Contract assets	5,418,046.07	9,567,253.11
Non-current assets due within one year	91,106,180.68	117,238,899.64
Other current assets	293,526,864.50	331,074,537.47
Total current assets	13,708,557,463.97	12,750,164,440.81
Non-current assets:		
Long-term receivables	64,228,158.61	100,428,300.51
Long-term equity investments	753,423,493.32	748,393,704.39
Other equity instrument investment	1,877,779,114.29	1,874,674,472.69
Other non-current financial assets	424,179,361.70	467,646,874.02
Investment properties	97,299,611.18	95,997,370.92
Fixed assets	2,424,421,486.59	2,453,982,246.63
Construction in progress	55,257,716.96	47,219,096.45
Right-of-use assets	352,109,838.77	378,694,230.48
Intangible assets	395,081,172.11	391,318,045.86
Development cost	1,673,260.51	1,428,449.38
Goodwill	622,652,907.24	622,652,907.24
Long-term prepaid expenses	44,533,867.46	44,357,505.30
Deferred income tax assets	23,891,140.32	23,891,140.32
Other non-current assets	663,783,319.18	650,538,774.36
Total non-current assets	7,800,314,448.24	7,901,223,118.55
Total assets	21,508,871,912.21	20,651,387,559.36

Item	31 March 2023	31 December 2022 (Audited)
Current liabilities:		
Short-term borrowings	18,000,000.00	18,000,000.00
Notes payable	31,311,607.07	29,776,305.93
Accounts payable	5,763,728,491.54	5,424,399,662.93
Receipts in advance	1,367,577.71	1,167,160.30
Contract liabilities	1,292,725,088.59	584,100,139.24
Employee benefits payable	266,765,909.94	704,546,289.83
Taxes payable	69,563,416.31	70,623,802.58
Other payables	442,660,515.73	404,374,959.26
Including: Interest payable	11,152.78	2,000.00
Non-current liabilities due within one year	89,636,903.27	91,632,641.94
Other current liabilities	221,943,208.32	213,833,204.22
Total current liabilities	8,197,702,718.48	7,542,454,166.23
Non-current liabilities:		
Lease liabilities	296,348,901.51	314,531,302.76
Long-term employee benefits payable	32,472,002.14	33,142,176.77
Deferred income	30,823,639.97	25,359,348.84
Deferred income tax liabilities	81,839,085.52	73,867,204.70
Total non-current liabilities	441,483,629.14	446,900,033.07
Total liabilities	8,639,186,347.62	7,989,354,199.30
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	1,233,841,000.00	1,233,841,000.00
Capital reserve	2,572,524,766.32	2,572,524,766.32
Other comprehensive income	1,448,469,095.38	1,445,418,214.18
Surplus reserve	1,154,424,514.15	1,154,424,514.15
Undistributed profits	6,283,401,109.86	6,083,770,928.98
Total owner's equity (or shareholders' equity) attributable to the parent company	12,692,660,485.71	12,489,979,423.63
Minority interest	177,025,078.88	172,053,936.43
Total owners' equity (or shareholders' equity)	12,869,685,564.59	12,662,033,360.06
Total liabilities and owners' equity (or shareholders' equity)	21,508,871,912.21	20,651,387,559.36

CONSOLIDATED INCOME STATEMENT

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	First quarter of 2023	First quarter of 2022
I. Total operating income	2,311,171,082.62	2,206,716,104.48
Including: Operating income	2,311,171,082.62	2,206,716,104.48
II. Total operating costs	2,066,210,793.59	1,947,546,890.64
Including: Operating costs	1,564,452,989.20	1,492,458,629.05
Taxes and levies	4,671,897.94	5,948,615.20
Selling expenses	214,367,049.62	209,455,298.83
Administrative expenses	319,219,897.05	282,074,361.19
Research and development expenditure	3,752,132.46	1,230,776.05
Finance expenses	(40,253,172.68)	(43,620,789.68)
Including: Interest expenses	4,707,357.47	5,455,165.66
Interest income	46,569,546.40	50,205,379.75
Add: Other income	9,034,418.39	4,152,576.45
Investment income (loss)	6,560,668.40	(17,164,970.25)
Including: Income from investment in associates and joint ventures	5,029,788.92	(17,200,626.48)
Gain (loss) from changes in fair values	4,114,915.14	(54,817,588.13)
Gain (loss) from credit impairment	(44,634,261.69)	(48,352,303.36)
Gain (loss) from asset impairment	(807,202.20)	(4,088,738.81)
Gain on disposal of assets	42,956.32	152,334.36
III. Operating profit	219,271,783.39	139,050,524.10
Add: Non-operating income	685,954.59	17,197,743.51
Less: Non-operating expenses	5,937,731.95	4,094,526.18
IV. Total profit	214,020,006.03	152,153,741.43
Less: Income tax expenses	9,418,682.70	(15,183,269.20)

Item	First quarter of 2023	First quarter of 2022
V. Net profit	204,601,323.33	167,337,010.63
(I) Categorized by the nature of continuing operation		
1. Net profit from continuing operations	204,601,323.33	167,337,010.63
(II) Categorized by ownership		
1. Net profit attributable to shareholders of the parent company	199,630,180.88	169,164,500.87
2. Profit or loss attributable to minority shareholders	4,971,142.45	(1,827,490.24)
VI. Other comprehensive income, net of tax	3,050,881.20	247,841,072.07
(I) Other comprehensive income attributable to owners of the parent company, net of tax	3,050,881.20	247,841,072.07
1. Other comprehensive income that cannot be reclassified to profit or loss	3,050,881.20	247,841,072.07
(1) Changes in fair value of investments in other equity instruments	3,050,881.20	247,841,072.07
VII. Total comprehensive income	207,652,204.53	415,178,082.70
(I) Total comprehensive income attributable to owners of the parent company	202,681,062.08	417,005,572.94
(II) Total comprehensive income attributable to minority shareholders	4,971,142.45	(1,827,490.24)
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.16	0.14
(II) Diluted earnings per share (RMB/share)	N/A	N/A

CONSOLIDATED CASH FLOW STATEMENT

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	First quarter of 2023	First quarter of 2022
I. Cash flows from operating activities:		
Cash receipts from sale of goods and rendering of services	2,653,928,972.88	2,395,535,666.23
Other cash receipts relating to operating activities	108,791,011.18	88,464,354.37
Sub-total of cash inflows from operating activities	2,762,719,984.06	2,484,000,020.60
Cash paid for goods purchased and services received	1,565,091,240.76	1,661,852,900.21
Cash paid to and on behalf of employees	750,281,515.55	617,029,706.35
Payments of taxes	33,035,503.15	52,182,704.90
Other cash payments relating to operating activities	239,852,679.16	207,612,683.23
Sub-total of cash outflows from operating activities	2,588,260,938.62	2,538,677,994.69
Net cash flow from operating activities	174,459,045.44	(54,677,974.09)
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	63,231,182.45	39,881,887.05
Cash receipts from investment income	1,488,383.07	2,506,324.52
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	385,089.08	25,650,713.74
Other cash payments relating to investing activities	50,000,000.00	–
Sub-total of cash inflows from investing activities	115,104,654.60	68,038,925.31
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	26,440,679.91	64,034,110.11
Cash paid to acquire investments	28,487,857.02	191,799,987.74
Other cash payments relating to investing activities	–	50,000,000.00
Sub-total of cash outflows from investing activities	54,928,536.93	305,834,097.85
Net cash flow from investment activities	60,176,117.67	(237,795,172.54)

Item	First quarter of 2023	First quarter of 2022
III. Cash flows from financing activities:		
Cash paid for distribution of dividends, or profit and for interest expenses	147,825.02	–
Cash paid relating to other financing activities	15,823,783.03	20,964,318.06
Sub-total of cash outflows from financing activities	15,971,608.05	20,964,318.06
Net cash flows from financing activities	(15,971,608.05)	(20,964,318.06)
IV. Net increase in cash and cash equivalents	218,663,555.06	(313,437,464.69)
Add: Opening balance of cash and cash equivalents	7,762,084,629.28	5,997,769,686.81
V. Closing balance of cash and cash equivalents	7,980,748,184.34	5,684,332,222.12

By Order of the Board
Xinhua Winshare Publishing and Media Co., Ltd.*
Luo Yong
Chairman

Sichuan, the PRC, 27 April 2023

As at the date of this announcement, the Board comprises (a) Mr. Luo Yong, Mr. Liu Longzhang and Mr. Li Qiang as executive Directors; (b) Mr. Dai Weidong, Mr. Ke Jiming and Mr. Zhang Peng as non-executive Directors; and (c) Mr. Lau Tsz Bun, Mr. Fang Bingxi and Mr. Li Xu as independent non-executive Directors.

* For identification purposes only