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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

The board (the "**Board**") of directors (the "**Directors**") of Xinhua Winshare Publishing and Media Co., Ltd.* (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2014 (the "**Year**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2014

	NOTES	**2014** *RMB'000*	2013 *RMB'000*
Revenue	*4, 5*	**5,270,061**	5,135,074
Cost of sales and services		**(3,246,785)**	(3,106,174)
Gross profit		**2,023,276**	2,028,900
Other income and gains	*6*	**245,454**	251,091
Distribution and selling expenses		**(998,305)**	(984,392)
Administrative expenses		**(579,775)**	(587,177)
Other expenses		**(75,925)**	(118,577)
Share of (loss)/profit of associates		**(10,397)**	1,464
Share of profit of joint ventures		**3,533**	4,263
Finance income/(cost), net	*7*	**6,610**	(591)
Profit before tax		**614,471**	594,981
Income tax expense	*8*	**(1,192)**	(446)
Profit for the year	*10*	**613,279**	594,535
Profit for the year attributable to:			
Owners of the Company		**634,566**	623,414
Non-controlling interests		**(21,287)**	(28,879)
		613,279	594,535
EARNINGS PER SHARE			
Basic (RMB)	*12*	**0.56**	0.55

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2014

	NOTES	**2014** **RMB'000**	2013 *RMB'000*
Profit for the year		**613,279**	594,535
Item that will not be reclassified to profit or loss:			
Effect of income tax exemption from year 2014 to year 2018		**(6,476)**	–
Item that may be reclassified subsequently to profit or loss:			
Fair value gain on available-for-sale investments	*18*	**258,731**	130,249
Other comprehensive income for the year	*9*	**252,255**	130,249
Total comprehensive income for the year		**865,534**	724,784
Total comprehensive income attributable to:			
Owners of the Company		**886,821**	753,663
Non-controlling interests		**(21,287)**	(28,879)
		865,534	724,784

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	NOTES	31/12/2014 RMB'000	31/12/2013 RMB'000
Non-current Assets			
Property, plant and equipment	13	**1,447,282**	1,288,295
Prepaid lease payments for land use rights	14	**263,438**	122,307
Investment properties		**40,834**	18,684
Goodwill	15	**504,301**	504,301
Other intangible assets		**71,631**	64,496
Interests in associates	16	**227,618**	40,851
Interests in joint ventures	17	**418,797**	434,068
Available-for-sale investments	18	**1,578,112**	1,283,779
Deferred tax assets		**34,089**	37,917
Long-term prepayments	19	**199,570**	164,336
Long-term trade receivable		**28,574**	–
Entrusted loan	20	**120,000**	120,000
		4,934,246	4,079,034
Current Assets			
Trade and bills receivables	21	**596,741**	668,433
Prepayments, deposits and other receivables	22	**468,288**	380,851
Inventories		**1,308,768**	1,399,151
Available-for-sale investment	18	**100,000**	–
Short-term investments		**94,892**	27,140
Pledged bank deposits and restricted cash		**48,253**	82,459
Cash and short-term deposits		**1,358,503**	1,485,040
		3,975,445	4,043,074
Asset classified as held for sale	23	**–**	126,673
		3,975,445	4,169,747
Current Liabilities			
Interest-bearing bank borrowings	26	**50,000**	65,000
Trade and bills payables	24	**2,109,602**	2,119,147
Deposits received, other payables and accruals		**885,325**	756,868
Tax liabilities		**1,201**	3,080
		3,046,128	2,944,095
Net Current Assets		**929,317**	1,225,652
Total Assets less Current Liabilities		**5,863,563**	5,304,686

	NOTES	31/12/2014 RMB'000	31/12/2013 RMB'000
Capital and Reserves			
Issued capital	*25*	**1,135,131**	1,135,131
Reserves		**4,338,097**	3,795,395
Proposed dividends	*11*	**340,539**	340,539
Equity attributable to owners of the Company		**5,813,767**	5,271,065
Non-controlling interests		**7,104**	33,621
Total Equity		**5,820,871**	5,304,686
Non-current Liabilities			
Deferred tax liabilities		**42,692**	–
		42,692	–
Total Equity and Non-current Liabilities		**5,863,563**	5,304,686

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was established in the People's Republic of China (the "**PRC**") on 11 June 2005 as a joint stock limited company as part of the reorganization of Sichuan Xinhua Publishing Group Co., Ltd. ("**Sichuan Xinhua Publishing Group**"). Details of the formation of the joint stock limited company are set out in the Company's prospectus dated 16 May 2007 (the "**Prospectus**").

On 30 May 2007, the Company's H shares ("**H Shares**") were listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and 406,340,000 H Shares, consisting of 369,400,000 new shares and 36,940,000 shares converted from the Company's domestic shares (the "**Domestic Shares**") were issued to the public. On 7 June 2007, an additional 32,361,000 new H Shares and 3,236,100 H Shares converted from the Domestic Shares were issued to the public as a result of the partial exercise of the over-allotment option as detailed in the Prospectus.

The registered office of the Company is located at 12/F, No. 86 Section One, People's South Road, Qingyang District, Chengdu, Sichuan, the PRC.

The Group is principally engaged in publishing and trading of publications and related products in the PRC.

In the opinion of the Directors, the parent company of the Company is Sichuan Xinhua Publishing Group, a state-owned enterprise established in the PRC. Sichuan Xinhua Publishing Group is a wholly-owned subsidiary of Sichuan Development (Holding) Co., Ltd.* (四川發展(控股)有限責任公司) ("**Sichuan Development**"). Sichuan Development is wholly owned by the State-owned Assets Supervision and Administration Commission of the Sichuan Provincial Government (the "**SASAC of Sichuan**"), and therefore the Company is beneficially controlled by the SASAC of Sichuan.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and by Companies Ordinance of Hong Kong.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of International Accounting Standards ("**IAS**") 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

(ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the asset or liability.

These financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company and its PRC subsidiaries and all values are rounded to the nearest thousand except when otherwise indicated.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted the following amendments and interpretation to standards issued by the IAS Board for the first time.

Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting
IFRIC-Int 21	Levies

The application of the amendments and interpretation to standards in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and revised standards and amendments issued but not yet effective

The Group has not early applied the following new and revised standards and amendments that have been issued but are not yet effective:

IFRS 9	Financial Instruments[1]
IFRS 14	Regulatory Deferral Accounts[2]
IFRS 15	Revenue from Contracts with Customers[3]
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations[5]
Amendments to IAS 1	Disclosure Initiative[5]
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[5]
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions[4]
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants[5]
Amendments to IAS 27	Equity Method in Separate Financial Statements[5]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception[5]
Amendments to IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle[6]
Amendments to IFRSs	Annual Improvements to IFRSs 2011-2013 Cycle[4]
Amendments to IFRSs	Annual Improvements to IFRSs 2012-2014 Cycle[5]

1 Effective for annual periods beginning on or after 1 January 2018.
2 Effective for first annual IFRS financial statements beginning on or after 1 January 2016. IFRS 14 is not applicable to the Group as the Group is not a first-time adopter of IFRS.
3 Effective for annual periods beginning on or after 1 January 2017.
4 Effective for annual periods beginning on or after 1 July 2014.
5 Effective for annual periods beginning on or after 1 January 2016.
6 Effective for annual periods beginning on or after 1 July 2014, with limited exceptions.

Except as described below, the Directors do not anticipate that the application of the abovementioned new and revised standards, amendments and interpretations issued but not yet effective will have a material effect on the Group's consolidated financial statements.

IFRS 9 Financial Instruments

IFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for hedge accounting. Another revised version of IFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" ("**FVTOCI**") measurement category for certain simple debt instruments.

- All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The Directors anticipate that the adoption of IFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets. For example, the Group's unlisted available-for-sale ("**AFS**") equity investments are currently measured at costs less any identified impairment losses at the end of reporting period. After adoption of IFRS 9, these investments will be measured at fair value. The Group may make an irrecoverable election to present subsequent changes in the fair value of these investments in other comprehensive income, with only dividend income generally recognised in profit or loss. Regarding the Group's unlisted AFS equity investments, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed. The Group did not have any financial liabilities designated at fair value through profit or loss at 31 December 2014.

IFRS 15 Revenue from Contracts with Customers

In July 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The Directors anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

4. REVENUE

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold and services provided and production and distribution of film & television programs after deduction of relevant taxes and allowances for sale returns and trade discount, and after eliminations of all significant intra-group transactions. An analysis of the Group's revenue for the year is as follows:

	2014	2013
	RMB'000	*RMB'000*
Sales of goods	**5,175,272**	5,009,387
Tuition revenue	**–**	123,965
Production and distribution of film & television programs	**94,789**	1,722
	5,270,061	5,135,074

5. SEGMENT INFORMATION

The Group is organised into business units based on business lines. Information reported to the management (including Directors and senior executives), being the chief operating decision makers, for the purposes of resources allocation and assessment of segment performance focuses on types of business lines.

The Group's reportable and operating segments under IFRS 8 are as follows:

Publication: Publishing of publications including books, periodicals, audio-visual products and digital products; provision of printing services and supply of printing materials

Distribution: Distribution of textbooks and supplementary materials to schools and students, and the provision of primary and secondary school digitalized education services; retailing, distribution and online sales of publications

Others: Other business such as production and distribution of film & television programs and sales of artwork which do not separately meet the definition of a reportable segment

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable operating segments:

For the year ended 31 December 2014

	Publication *RMB'000*	**Distribution** *RMB'000*	**Others** *RMB'000*	**Total** *RMB'000*
REVENUE AND OTHER INCOME				
External sales and services	**490,264**	**4,678,509**	**101,288**	**5,270,061**
Inter-segment sales	**1,033,591**	**–**	**50**	**1,033,641**
Other income	**82,809**	**118,260**	**8,030**	**209,099**
Segment revenue	**1,606,664**	**4,796,769**	**109,368**	**6,512,801**
Eliminations				**(1,033,641)**
Group revenue and other income				**5,479,160**
Segment profit (loss)	**258,882**	**364,707**	**(39,188)**	**584,401**
Elimination of inter-segment results				**46,955**
Unallocated expenses				**(92,765)**
Unallocated income and gains				**7,244**
Unallocated interest income, net				**4,124**
Gains on short-term investments				**9,176**
Dividends from AFS investments				**55,336**
Profit before tax				**614,471**

For the year ended 31 December 2013

	Publication *RMB'000*	Distribution *RMB'000*	Others *RMB'000*	Total *RMB'000*
REVENUE AND OTHER INCOME				
External sales and services	607,116	4,365,441	162,517	5,135,074
Inter-segment sales	1,271,389	–	22	1,271,411
Other income	77,333	96,734	8,174	182,241
Segment revenue	1,955,838	4,462,175	170,713	6,588,726
Eliminations				(1,271,411)
Group revenue and other income				5,317,315
Segment profit (loss)	394,337	252,036	(22,630)	623,743
Elimination of inter-segment results				(42,426)
Unallocated expenses				(73,563)
Unallocated income and gains				19,742
Unallocated interest income, net				9,335
Gains on short-term investments				7,156
Dividends from AFS investments				50,994
Profit before tax				594,981

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment revenue and other income reported above represents revenue generated from external customers, allocated other income and allocated interest income and inter-segment sales, which were eliminated on consolidation. Segment profit represents the profit earned by each segment without unallocated interest income and miscellaneous income of the corporate function, dividend income from AFS investments, gains on short-term investments and gains on disposal of subsidiaries. Head office and corporate expenses are also excluded from such measurement. This is the measure reported to the chief operating decision makers for the purposes of resources allocation and performance assessment.

Inter-segment sales are charged at prices mutually agreed between entities within different segments.

Geographical information

No geographical information is presented as more than 99% of the Group's revenue is derived from customers based in the PRC, and more than 99% of its assets are located in the PRC.

Information about major customers

For the year ended 31 December 2014, the Group's revenue from one (2013: one) customer amounted to RMB677,946,000 (2013: RMB1,038,978,000), which is derived from the distribution segment. Except this one customer, the Group has not had any single external customer, the sales to whom amounted to 10% or more of the Group's revenues for the years ended 31 December 2013 and 2014.

6. OTHER INCOME AND GAINS

	2014	2013
	RMB'000	*RMB'000*
Government grants *(note)*	**58,900**	40,319
Gross rental income	**16,600**	12,461
Commission income	**52,635**	47,141
Gains on short-term investments	**9,176**	7,156
Dividends from AFS investments		
listed investment	**12,536**	10,594
unlisted investments	**42,800**	40,400
	55,336	50,994
Gain on disposal of subsidiaries	**–**	10,779
Gain on liquidation of a subsidiary	**95**	–
Gain on disposal of an associate	**–**	3,380
Gain on partial disposal of an joint venture *(note 17)*	**349**	–
Gain on deemed disposal of a subsidiary	**–**	5,583
Others	**52,363**	73,278
	245,454	251,091

Notes:

Details of the government grants are set out below:

	2014	2013
	RMB'000	*RMB'000*
Government grants for compilation of publications (a)	**16,075**	6,878
Value-added tax ("**VAT**") refund (b)	**35,337**	26,407
Others	**7,488**	7,034
	58,900	40,319

(a) Various government grants have been received for compilation of publications in certain subjects. The government grants are recorded as other income when the related publications have been produced. Government grants received for which related compilation has not yet been undertaken are included in deferred income under deposits received, other payables and accruals in the consolidated statement of financial position.

(b) Pursuant to the effective VAT regulations in China, certain subsidiaries of the Company engaged in publishing business enjoyed VAT refund for sales of certain publications. Income from VAT refund is recognised in the period when it becomes receivable.

There are no unfulfilled conditions or contingencies relating to the government grants.

7. FINANCE (INCOME)/COST, NET

	2014	2013
	RMB'000	*RMB'000*
Bank interest income	**(12,122)**	(16,385)
Interest expense on bank borrowings wholly repayable within five years	**5,512**	6,840
Interest accretion of long-term financial liabilities	**–**	10,136
	5,512	16,976
	(6,610)	591

8. INCOME TAX EXPENSE

	2014	2013
	RMB'000	*RMB'000*
Current tax:		
PRC Enterprise Income Tax	**3,874**	5,259
Deferred tax	**(2,682)**	(4,813)
	1,192	446

The Group is subject to income tax on a separate legal entity basis on profit arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. The Group is not liable for income tax in Hong Kong as it did not have any assessable income arising in Hong Kong during the year. Under the prevailing PRC enterprise income tax law, except for certain preferential treatment available to the Company and certain subsidiaries, the Group is subject to enterprise income tax at a rate of 25% on their respective taxable income.

In March 2009, the Ministry of Finance and the State Administration of Taxation jointly issued the Circular Cai Shui [2009] No. 34 (the "**Circular 1**"), pursuant to which an entity qualified as a cultural enterprise or transformed from a cultural public institution to a culture enterprise is exempted from enterprise income tax from 1 January 2009 to 31 December 2013.

In November 2014, the Ministry of Finance and the State Administration of Taxation jointly issued the Circular Cai Shui [2014] No. 84 (the "**Circular 2**"), pursuant to which an entity qualified as a cultural enterprise or transformed from a cultural public institution to a culture enterprise is exempted from enterprise income tax from 1 January 2014 to 31 December 2018.

Pursuant to the Circular 1 and Circular 2, the Company and fifteen subsidiaries qualified as cultural enterprises were granted income tax exemptions for the year ended 31 December 2013 and 2014.

9. OTHER COMPREHENSIVE INCOME FOR THE YEAR

	2014	2013
	RMB'000	*RMB'000*
Item that will not be reclassified to profit or loss:		
Effect of income tax exemption from year 2014 to year 2018 *(note)*	**(6,476)**	–
Item that may be reclassified subsequently to profit or loss:		
Fair value gain on AFS investment	**258,765**	130,249
Income tax	**(34)**	–
Other comprehensive income, net of income tax	**252,255**	130,249

Note: It represents the reversal of deferred tax assets arising from the revaluation of the Company's certain long-term assets upon the establishment of the Company due to the income tax exemption granted to the Company for year 2014 to year 2018.

10. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting):

	2014	2013
	RMB'000	*RMB'000*
Depreciation for property, plant and equipment	**101,846**	125,115
Amortisation of prepaid lease payment for land use rights	**7,257**	7,759
Depreciation for investment properties	**2,356**	1,704
Amortisation of other intangible assets	**11,020**	9,774
Total depreciation and amortisation	**122,479**	144,352
Auditors' remuneration	**4,160**	3,850
Minimum lease payments under operating leases on properties	**96,689**	107,307
Loss/(gain) on disposal of items of property, plant and equipment and investment properties	**267**	(3,715)
Loss on deemed disposal of a subsidiary	**819**	–
(Reversal)/impairment loss of trade and other receivables	**(5,404)**	20,035
Write-down of inventories to net realisable value	**40,205**	40,601
Impairment loss on AFS investment	**1,311**	–
Impairment loss on asset classified as held for sale	**–**	12,156
Staff costs:		
Directors' and supervisors' emoluments	**2,495**	3,253
Other staff costs		
Wages, salaries and other employee benefits	**589,611**	578,002
Post-employment pension scheme contributions	**107,958**	102,640
	697,569	680,642
	700,064	683,895
Cost of inventories sold	**3,246,785**	3,030,319
Foreign exchange loss/(gain)	**1,229**	(1,307)

11. DIVIDENDS

	2014	2013
	RMB'000	*RMB'000*
Dividends recognised as distribution during the year:		
2013 dividends – RMB0.30 per share (2013: 2012 dividends – RMB0.30 per share)	**340,539**	340,539

The dividends of RMB340,539,000 (tax inclusive), equivalent to RMB0.30 per share (tax inclusive) in respect of the year ended 31 December 2014 (dividends of RMB340,539,000 (tax inclusive), equivalent to RMB0.30 per share (tax inclusive) in respect of the year ended 31 December 2013) has been proposed by the Directors. The proposed distribution of the dividends for the Year is subject to approval by the shareholders of the Company (the "**Shareholders**") at the annual general meeting.

12. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the profit for the year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year.

	2014	2013
	RMB'000	*RMB'000*
Earnings:		
Profit for the year attributable to owners of the Company	**634,566**	623,414

	Number of shares	
	2014	2013
Shares:		
Weighted average number of ordinary shares in issue during the year	**1,135,131,000**	1,135,131,000

The Group had no potential ordinary shares in issue during the years presented.

13. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2014, the Group purchased property, plant and equipment at a total cost of RMB203,264,000 (2013: RMB374,986,000).

During the year ended 31 December 2014, property, plant and equipment with a fair value of RMB133,896,000 (2013: nil) were acquired through a business combination.

During the year ended 31 December 2014, property, plant and equipment with a net book value of RMB4,694,000 (2013: RMB7,130,000) were disposed.

During the year ended 31 December 2014, property, plant and equipment with a net book value of RMB0 were disposed of as part of disposal subsidiaries (2013: RMB8,118,000).

During the year ended 31 December 2014, property, plant and equipment with a net book value of RMB162,000 were disposed of as part of a deemed disposal of a subsidiary (2013: RMB766,307,000).

During the year ended 31 December 2014, depreciation of property, plant and equipment amounted to RMB101,846,000 (2013: RMB125,115,000).

As at 31 December 2014, the Group's buildings with a carrying amount of RMB34,101,000 (31 December 2013: RMB36,950,000) were pledged to secure the Group's interest-bearing bank borrowings. Further details are set out in note 26.

14. PREPAID LEASE PAYMENTS FOR LAND USE RIGHTS

	Year ended 31/12/2014 ***RMB'000***	Year ended 31/12/2013 *RMB'000*
Carrying amount at 1 January	**127,742**	229,026
Addition	**22,872**	17,085
Transfers from property, plant and equipment	**76,989**	–
Acquired in a business combination	**52,077**	–
Deemed disposal of a subsidiary	**–**	(110,610)
Charge to profit or loss during the year	**(7,257)**	(7,759)
Carrying amount at 31 December	**272,423**	127,742
Less: Current portion, included in prepayments, deposits and other receivables	**(8,985)**	(5,435)
Non-current portion	**263,438**	122,307

The leasehold lands are held under medium-term leases and are situated in Mainland China.

As at 31 December 2014, the Group's land use rights amounting to RMB28,469,000 (31 December 2013: RMB29,147,000) were pledged as security for the Group's interest-bearing bank loans. Further details are set out in note 26.

15. GOODWILL

	2014	2013
	RMB'000	*RMB'000*
COST		
At 1 January	**504,301**	506,368
Deemed disposal of a subsidiary	**–**	(2,067)
At 31 December	**504,301**	504,301
IMPAIRMENT		
At 1 January	**–**	–
At 31 December	**–**	–
CARRYING VALUES		
At 31 December	**504,301**	504,301

For the purpose of impairment testing, goodwill of RMB500,994,000 as at 31 December 2014 has been allocated to one cash generating unit, comprising three significant companies of the fifteen publishers acquired in one transaction in 2010 in the publication segment. The carrying amount of goodwill as at 31 December 2014 was as follow:

	31/12/2014
	RMB'000
Goodwill	
– Publication (Three companies engaged in publication business – the Publication cash generating unit ("**CGU**"))	**500,994**

The recoverable amount of the Publication CGU has been determined based on a value in use calculation. The calculation uses cash flow projections based on financial budgets approved by the management covering a five-year period, and a discount rate of 15% (2013: 15%). The Publication CGU's cash flows beyond the five-year period are extrapolated using a nil to 2% (2013: nil to 2%) growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the Publication CGU's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the Publication CGU to exceed the aggregate recoverable amount of the Publication CGU.

16. INTERESTS IN ASSOCIATES

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Cost of unlisted investment in associates	**237,692**	54,697
Share of post-acquisition results, net of dividend received	**(28,163)**	(15,406)
Goodwill	**18,089**	1,560
	227,618	40,851

In April 2014, Sichuan Winshare Online E-commerce Co., Ltd.* (四川文軒在線電子商務有限公司) ("**Winshare Online**"), a subsidiary of the Company, entered into an agreement with three shareholders of Chongqing Yunhan Internet Media Co., Ltd.* (重慶雲漢網絡傳媒有限責任公司)("**Chongqing Yunhan**") invested RMB51,333,000 to acquire 50% equity interests in Chongqing Yunhan. The difference of RMB16,529,000, being the excess of consideration paid and the fair value of the net assets owned was accounted for as goodwill included in interests in associate in the consolidated financial statements.

Chongqing Yunhan incurred losses of RMB7,239,000 from the date of acquisition to 31 December 2014. Management assessed the recoverable amount of Chongqing Yunhan as at 31 December 2014.

The recoverable amount of Chongqing Yunhan has been determined based on a value in use calculation. The calculation uses cash flow projections from the CGUs associated to Chongqing Yunhan based on financial budgets approved by the management of Chongqing Yunhan covering a ten-year period, and a discount rate of 15%. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the past performance of Chongqing Yunhan and management's expectations for the market development.

17. INTERESTS IN JOINT VENTURES

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Cost of unlisted investments in joint ventures	**375,621**	394,231
Share of post-acquisition results	**12,441**	9,102
Goodwill	**30,735**	30,735
	418,797	434,068

As at 31 December 2014 and 2013, the Group had interests in the following joint ventures:

Name of entity	Form of entity	Place of incorporation/ registration	Principal place of operation	Paid-up capital	Proportion of nominal value of issued capital held by the Group		Principal activity
				RMB'000	**2014**	2013	
					%	%	
Hainan Publishing House Co., Ltd.	Incorporated	PRC	PRC	76,000	**50**	50	Publishing and wholesaling of publications and related Publications
Sichuan Winshare Zhuotai Investment Co., Ltd. ("**Sichuan Wenzhuo**")	Incorporated	PRC	PRC	158,000	**48**	51	School education business

In December 2013, the articles of association of Sichuan Wenzhuo was revised with immediate effect. Pursuant to the revised articles of association of Sichuan Wenzhuo, all shareholders' resolutions can only be passed with at least two thirds votes and the Company holds 51% votes. Therefore, the Company lost control over Sichuan Wenzhuo and accounted for Sichuan Wenzhuo as a joint venture as at 31 December 2013.

In May 2014, the Company proposed to dispose of its 3% equity interest in Sichuan Wenzhuo at a consideration of RMB19,153,000 to Sichuan Publication Group., Ltd ("**SPG**"). The proposed disposal was subsequently approved by the SASAC of Sichuan and other statutory authorities in June 2014. Upon the completion of the transaction, the Company and Sichuan Zhuotai Industry Co., ("**Zhuotai Industry**") Ltd. hold 48% and 49% equity interests in Sichuan Wenzhuo respectively. Pursuant to the articles of association of Sichuan Wenzhuo, all shareholders' resolutions can only be passed with at least two thirds votes. Therefore, Sichuan Wenzhuo is still under joint control of the Company and Zhuotai Industry and is accounted as a joint venture of the Company. The disposal resulted in a gain of RMB349,000, being the excess of consideration received and the carrying value of the equity interests disposed.

18. AVAILABLE-FOR-SALE INVESTMENTS

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Listed equity investment, at fair value (i)	**1,036,775**	777,226
Unlisted investments:		
Private equity fund, at fair value (ii)	**40,000**	–
Trust product, at fair value (iii)	**100,000**	–
Unlisted equity investments, at cost less impairment losses (iv)	**501,337**	506,553
Total	**1,678,112**	1,283,779
Analysed for reporting purposes as:		
Current assets	**100,000**	–
Non-current assets	**1,578,112**	1,283,779

Notes:

(i) The Group's listed equity investment represents: (1) investment in Anhui Xinhua Media Co., Ltd.* (安徽新華傳媒股份有限公司) ("**Wan Xin Media**"), which accounts for 6.85% of the shareholding interest of Wan Xin Media. Wan Xin Media's shares were listed on the Shanghai Stock Exchange on 18 January 2010; (2) investment in Jiangsu Youli Investment Holding Co., Ltd. ("**Youli Holding**"), a company listed on the Shenzhen Stock Exchange, which accounts for 0.02% of the shareholding interest of Youli Holding.

As at 31 December 2014, the equity investment in Wan Xin Media and Youli Holding were stated at fair value, which were also their quoted market value of RMB1,035,854,000 (31 December 2013: RMB777,226,000) and RMB921,000 (31 December 2013: nil) respectively. During the Year, the fair value gain in respect of the Group's AFS investment in Wan Xin Media and Youli Holding recognised in other comprehensive income amounted to RMB258,628,000 (2013: RMB130,249,000) and RMB137,000 (2013: nil) respectively.

(ii) The Group's investment in private equity fund represents investment in CITIC Buyout Investment Fund (Shenzhen) (Limited Partnership)("**CITIC Fund**") with a carrying amount of RMB40,000,000 (31 December 2013: nil). In January 2014, the Group made investment in CITIC Fund, represent 1% interests in CITIC Fund. The Group acts as a limited partner of CITIC Fund. The investment is measured at fair value. The fair value is determined based on discounted cash flow analysis.

(iii) The Group's investment in trust product represents trust product which underlying asset is working capital loan to Ping An International Financial Leasing Co., Ltd. with a carrying amount of RMB100,000,000 (31 December 2013: nil). The investment is measured at fair value. The investment has an expected annual return at rate of 7% and will be matured within one year. The fair value is determined based on discounted cash flow analysis.

(iv) As at 31 December 2014, the unlisted equity investments with a carrying amount of RMB501,337,000 (31 December 2013: RMB506,553,000) were stated at cost less impairment because the range of reasonable fair value estimates is so significant that the Directors are of the opinion that their fair values can not be measured reliably. An impairment loss of RMB1,311,000 has been recognised in the consolidated statement of profit or loss for the year ended 31 December 2014 (2013: nil).

As at 31 December 2014, the Group did not intend to dispose of these investments in the near future.

19. LONG-TERM PREPAYMENTS

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Long-term prepayments (i)	**123,413**	106,378
Input VAT recoverables (ii)	**76,157**	57,958
	199,570	164,336

Notes:

(i) The balance mainly represented the prepayments made for construction projects and purchasing land use rights and properties.

(ii) The balance mainly represented input VAT that is expected to offset output VAT beyond one year from the end of the year.

20. ENTRUSTED LOAN

The balance represented an entrusted loan made by the Company to Sichuan Wenzhuo, a joint venture, through the China Construction Bank. The entrusted loan is secured by Zhuotai Industry's shareholding interests in Sichuan Wenzhuo, which bears interest at an annual rate of 6.15% and will mature in August 2016. The carrying amount of the entrusted loan approximated to its fair value as at 31 December 2014.

21. TRADE AND BILLS RECEIVABLES

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Bills receivables	**972**	33,249
Trade receivables	**712,953**	767,498
Less: Allowance for doubtful debts	**(108,556)**	(123,937)
Less: Allowance for sales returns	**(8,628)**	(8,377)
	596,741	668,433

The Group allows a credit period of no more than 270 days to its trade customers. The following is an aged analysis of trade and bills receivables, net of allowance for doubtful debts and sales returns, presented based on the date of delivery of goods which approximated the respective dates on which revenue was recognised.

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Within 3 months	**468,923**	496,754
3 to 6 months	**56,436**	99,982
6 months to 1 year	**48,374**	45,936
1 to 2 years	**12,376**	15,354
Over 2 years	**10,632**	10,407
	596,741	668,433

For new customers requesting credit from the Group, management evaluates the customers' credit quality and defines credit limits and credit terms for each new customer. The Group also seeks to maintain strict control over its outstanding receivables. 79% (31 December 2013: 78%) of the Group's trade receivables were neither past due nor impaired as at 31 December 2014, which is attributable to the implementation of above-mentioned policies.

Included in the Group's trade receivable balance are debtors which are past due as at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

Ageing of trade receivables which are past due but not impaired

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Overdue by:		
1 – 90 days	**19,086**	21,839
Above 90 days	**23,008**	25,761
Total	**42,094**	47,600

Receivables that were past due but not impaired relate to a number of customers that have a good track record with the Group. Based on past experience, the Directors are of the opinion that no provision for impairment is necessary at this stage because there has not been a significant change in the credit quality of the individual debtors and the balances are considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

Movement in the allowance for doubtful debts

	2014	2013
	RMB'000	*RMB'000*
1 January	**123,937**	107,866
Charged for the year	**23,121**	21,270
Amount written off	**(4,530)**	(1,470)
Amount reversed	**(33,972)**	(3,729)
31 December	**108,556**	123,937

21a. TRANSFERS OF FINANCIAL ASSETS

The Group has transferred bills receivables amounted to RMB7,643,000 (31 December 2013: RMB5,654,000) to its suppliers to settle its payables through endorsing the bills to its suppliers at 31 December 2014. In addition the Group has discounted bills receivables amounted to RMB10,000,000 (31 December 2013: RMB3,147,000) to banks at 31 December 2014. The Group has derecognised these bills receivables and the payables to suppliers in their entirety, as in the opinion of the Directors, the Group has transferred substantially all the risks and rewards of ownership of these bills to the suppliers and banks. The Group has limited exposure in respect of the settlement obligation of these bills receivable under relevant PRC rules and regulations should the issuing bank failed to settle the bills on maturity date. The Group considered the issuing banks of the bills are of good credit quality and the risk of non-settlement by the issuing banks on maturity is insignificant.

The maximum exposure to loss, which is same as the amount payable by the Group to the suppliers and banks in respect of the endorsed and discounted bills, should the issuing bank fail to settle the endorsed and discounted bills on maturity date amounted to RMB7,643,000 (31 December 2013: RMB5,654,000) and RMB10,000,000 (31 December 2013: RMB3,147,000) respectively at 31 December 2014.

All the bills receivables endorsed to suppliers of the Group have a maturity date of less than six months from the end of the reporting period.

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Deposits	**23,394**	34,055
Prepayments to suppliers	**70,363**	114,635
VAT refund receivables	**143,985**	92,210
VAT recoverables	**34,758**	39,895
Due from SPG	**20**	538
Prepaid expenses	**–**	9,305
Loan receivables	**–**	3,500
Entrusted loan (i)	**44,200**	44,200
Prepaid lease payments for land use rights *(note 14)*	**8,985**	5,435
Compensation receivable for relocation of properties (ii)	**118,389**	–
Other receivables (iii)	**24,194**	37,078
	468,288	380,851

Notes:

(i) The balance represents entrusted loans made by the Company to Chengdu Xinhui Industrial Co.,Ltd ("**Chengdu Xinhui**"), an associate of the Company, through the Bank of Chengdu Co.,Ltd. ("**Bank of Chengdu**") The entrusted loans unsecured, bears interests at annual rates from 5.6% to 6.0% and are repayable within one year. The carrying amount of the entrusted loans approximated to its fair value as at 31 December 2014.

(ii) Pursuant to the relevant compensation agreement, Sichuan Xinhua Printing Co., Ltd ("**Xinhua Printing**") will receive cash of RMB198,359,000 and properties with a fair value of RMB36,230,000 for the compensation of the removal. As at 31 December 2014, Xinhua Printing has received cash compensation of RMB79,970,000. The Company is expected to receive the rest of cash compensation of RMB118,389,000 in 2015 and properties compensation in 2018.

(iii) Other receivables

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Other receivables	**35,489**	42,929
Less: Provision for impairment	**(11,295)**	(5,851)
	24,194	37,078

23. ASSET CLASSIFIED AS HELD FOR SALE

In September 2013, the Company proposed to dispose of its 34% equity interest in Chengdu Xinhui, an associate of the Company, at an offer price of RMB126,673,000. The proposed disposal was subsequently approved by the SASAC of Sichuan and other statutory authorities, and public bidding process was commenced in September 2013. Accordingly, the interest in Chengdu Xinhui was classified as asset held for sale as at 31 December 2013. Up to 31 December 2014, the offer had not been accepted by any buyer and therefore the interest in Chengdu Xinhui was reclassified to interest in an associate.

24. TRADE AND BILLS PAYABLES

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Bills payable	**76,420**	184,394
Trade payables	**2,033,182**	1,934,753
	2,109,602	2,119,147

An aged analysis of the trade and bills payable as at the end of the reporting period, based on the invoice date, is as follows:

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Within 3 months	**724,984**	1,072,247
3 to 6 months	**470,640**	472,442
6 months to 1 year	**457,397**	257,951
1 to 2 years	**312,164**	133,897
Over 2 years	**144,417**	182,610
	2,109,602	2,119,147

The trade payables are interest-free and are normally settled within one year.

As at 31 December 2014, the Group's bills payable of RMB76,420,000 (31 December 2013: RMB184,394,000) were secured by the Group's pledged bank deposits amounting to RMB24,234,000 (31 December 2013: RMB61,800,000) and guarantees provided by the Company up to an amount of RMB125,000,000 (31 December 2013: RMB169,000,000).

25. ISSUED CAPITAL

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Issued and fully paid:		
693,194,000 Domestic Shares of RMB1.00 each	**693,194**	693,194
441,937,000 H Shares of RMB1.00 each	**441,937**	441,937
	1,135,131	1,135,131

26. INTEREST-BEARING BANK BORROWINGS

	Note	31/12/2014 RMB'000	31/12/2013 RMB'000
Bank loans – secured	*(a)*	**35,000**	40,000
Bank loans – unsecured	*(b)*	**15,000**	25,000
Total interest-bearing bank borrowings		**50,000**	65,000
Analysed into:			
Interest-bearing bank borrowings repayable:			
Within one year		**50,000**	65,000
Total interest-bearing bank borrowings		**50,000**	65,000
Less: Portion classified as current liabilities		**(50,000)**	(65,000)
Non-current portion		**–**	–

Notes:

(a) At 31 December 2014, the bank loans were secured by lands use rights and buildings of the Group amounting to RMB28,469,000 (31 December 2013: RMB29,147,000) and RMB34,101,000 (31 December 2013: RMB36,950,000), respectively.

(b) At 31 December 2013 and 2014, the bank loans were also secured by guarantees provided by the Company.

The exposure of the Group's floating borrowings and the contractual maturity dates are as follows:

	31/12/2014 RMB'000	31/12/2013 RMB'000
Floating borrowings		
Within one year	**50,000**	65,000

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Effective interest rate:		
Floating borrowings	**6.16% to 7.20%**	6.60% to 7.80%

As at the end of the reporting period, the Group has the following undrawn borrowing facilities:

	31/12/2014	31/12/2013
	RMB'000	*RMB'000*
Floating rate		
– expiring within one year	**46,000**	84,000
– expiring beyond one year	**9,000**	–

27. RETIREMENT BENEFITS PLANS

The Group's employees in the PRC are covered by various defined contribution pension schemes regulated by the relevant municipal and provincial governments in the PRC pursuant to which the municipal and provincial governments undertake to assume the post-employment pension obligations payable to all existing and retired employees.

The aggregate contributions of the Group to post-employment pension schemes for the year ended 31 December 2014 were approximately RMB107,958,000 (2013: RMB102,640,000).

28. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 December 2014, the Group had the following significant events:

Proposed dividend

A meeting of the Board of the Company was held on 10 March 2015, in which a dividend of approximately RMB340,539,000 (tax inclusive) in total, equivalent to RMB0.30 per share (tax inclusive), was proposed in respect of the Year.

RESULTS AND DIVIDEND

In 2014, the Group achieved a sales revenue of RMB5,270 million and profit for the Year of RMB613 million, representing an increase of 2.63% and 3.15% respectively as compared with year 2013. The profit attributable to the owners of the Company was RMB635 million. The basic earnings per share of the Group was RMB0.56.

The Board has proposed to distribute a dividend of RMB0.30 per share (tax inclusive) for the year ended 31 December 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

In recent years, in order to promote the prosperity and development of the cultural industry, deepen the cultural system reform, strengthen the construction of the cultural market, the state has released a series of policies and support measures, including accelerating the transformation and upgrade of the news and publication industry; continuously introduction of preferential tax policies for cultural enterprises; increasing financial support for physical bookstores; building and improving public service system of modern news and publication industry; encouraging and supporting the social capital to orderly participate in publishing activities; facilitating the merger, acquisition and restructuring of news and publication enterprises; vigorously promoting the news and publication enterprises to expand their businesses into overseas markets, etc. These policies and measures have laid a good foundation for the sustained and rapid development of publishing and media industry, which effectively promote the transformation and industrial integration of traditional publishing industry.

Benefiting from continuously favourable cultural development policies in the PRC and the steady growth consumption demand in people's culture, the publishing and media industry has experienced a rapid and steady development, with the sales rebound of the paper publication market, faster development of the digital publication market as a result of transformation and upgrading, rapidly growth of online sales and further improvement of the logistics infrastructure. Industry leaders, which possess rich content resources and capital operation experiences, especially the key cultural enterprises owned or controlled by the state, have managed to gain an edge over other market players in benefiting from the transformation and upgrade of the traditional publication industry, the construction of a modern public cultural service system by the state and the development of the cultural industry.

OPERATING RESULTS AND FINANCIAL REVIEW

Revenue

During the Year, the Group recorded sales revenue of RMB5,270 million, up by 2.63% as compared with RMB5,135 million in the same period last year, which was mainly attributable to the sales growth in Online sales business, Education service business, Commercial supermarket business and other businesses under the Group's Distribution segment, as well as the revenue increase arising from the preferential VAT exemption policy.

Gross Profit Margin

The consolidated gross profit margin of the Group for the Year was 38.4%, representing a slight decrease as compared with 39.5% in the same period last year, primarily attributable to the changes in sales structure.

Segment Analysis

Revenues in each operating segment of the Group for the Year and the same period last year are as follows:

	2014 *RMB'000*	2013 *RMB'000*	Change %	Percentage of segment sales to revenue before inter-segment sales elimination 2014 %	2013 %	Percentage of segment external sales to consolidated revenue 2014 %	2013 %
Publication segment							
External sales	**490,264**	607,116	(19.2)	**7.8**	9.5	**9.3**	11.8
Inter-segment sales	**1,033,591**	1,271,389	(18.7)	**16.4**	19.8		
Total	**1,523,855**	1,878,505	(18.9)	**24.2**	29.3		
Of which: Printing and materials supply	**305,962**	454,785	(32.7)	**4.9**	7.1		
Distribution segment							
External sales	**4,678,509**	4,365,441	7.2	**74.2**	68.2	**88.8**	85.0
Inter-segment sales	**–**	–		**–**	–		
Total	**4,678,509**	4,365,441	7.2	**74.2**	68.2		
Of which: Education service (formerly known as Subscription)	**3,311,390**	3,033,979	9.1	**52.5**	47.4		
Retailing	**668,271**	908,724	(26.5)	**10.6**	14.2		
Commercial supermarket	**145,493**	138,145	5.3	**2.3**	2.2		
Online sales	**502,995**	235,875	113.2	**8.0**	3.7		
Other segment							
External sales	**101,288**	162,517	(37.7)	**1.6**	2.5	**1.9**	3.2
Inter-segment sales	**50**	22	127.3	**0.0**	0.0		
Total	**101,338**	162,539	(37.7)	**1.6**	2.5		
Revenue before inter-segment sales elimination	**6,303,702**	6,406,485	(1.6)	**100.0**	100.0		
Inter-segment sales elimination	**(1,033,641)**	(1,271,411)	(18.7)				
Consolidated revenue	**5,270,061**	5,135,074	2.6			**100.0**	100.0

The gross profit and the gross profit margin of each business segment of the Group for the Year and the same period last year are as follows:

	2014		2013	
	Gross profit *RMB'000*	**Gross profit margin** %	Gross profit *RMB'000*	Gross profit margin %
Publication (including inter-segment revenue)	**449,012**	**29.5**	571,405	30.4
Of which: Printing and materials supply	**28,924**	**9.5**	40,479	8.9
Distribution (including inter-segment revenue)	**1,522,830**	**32.5**	1,433,712	32.8
Of which: Education service (formerly known as Subscription)	**1,169,003**	**35.3**	1,037,176	34.2
Retailing	**241,475**	**36.1**	331,855	36.5
Commercial supermarket	**52,345**	**36.0**	36,391	26.3
Online sales	**55,603**	**11.1**	24,191	10.3
Other (including inter-segment revenue)	**4,585**	**4.5**	66,405	40.9
Inter-segment revenue elimination	**46,849**	**N/A**	(42,622)	N/A
Total	**2,023,276**	**38.4**	2,028,900	39.5

Publication segment

The Group's Publication segment covers businesses including publishing of books, periodicals, audio-visual products and digital products, etc.; provision of printing services; and supply of materials. In 2014, the Group initiated the formulation and implementation of the publication strategic plan and made great efforts to promote the management mechanism innovation for public books, so as to continuously improve the market competitiveness of its own public publications according to the market demand.

During the Year, the Publication segment recorded a revenue of RMB1,524 million (including inter-segment sales), of which the revenue from external sales amounted to RMB490 million, representing a decrease of 19.2% as compared with RMB607 million in the same period last year, which was mainly attributable to the decline in paper sales to external customers during the Year. If such effect was excluded, the book sales to external customers under the Publication segment increased over last year.

During the Year, the gross profit margin of the Publication segment was 29.5%, representing a decrease of 0.9 percentage points as compared with 30.4% in the same period last year, primarily attributable to the variation in publication's sales structure during the Year.

Distribution segment

The Group's Distribution segment covers the centralised purchasing, delivery and distribution of textbooks and supplementary materials to schools and students, and the provision of primary and secondary school digitalized education services, retailing, distribution business and online sales of publications business, etc.

During the Year, the Distribution segment recorded a revenue of RMB4,679 million, representing an increase of 7.2% as compared with RMB4,365 million in the same period last year, mainly attributable to the sales growth in Online sales business, Education service business, Commercial supermarket business and other businesses, as well as the revenue increase arising from the preferential tax exemption policy.

During the Year, the gross profit margin of the Distribution segment was 32.5%, which was substantially the same as compared with 32.8% in the same period last year.

Education service (formerly known as Subscription)

The Education service business includes the distribution of textbooks and supplementary materials to schools and students, and the provision of primary and secondary school digitalized education services for primary and secondary schools.

Faced with the difficult market environment of a decline in the number of students in Sichuan Province and the shrinking procurement scale of dictionaries and related reference books by the government as compared with last year, the Company has managed to maintain a sustainable growth in Education service business through a series of effective measures such as actively innovating products and service modes, adjusting product strategy of its own supplementary materials, promoting the marketing of digital education products through various channels, as well as exploring educational equipment market.

During the Year, the Education service business recorded a sales revenue of RMB3,311 million, representing an increase of 9.1% as compared with RMB3,034 million in the same period last year, which was mainly attributable to the sales increase in supplementary materials and digital education products, as well as the revenue arising from the preferential VAT exemption policy. Excluding the effects from the incomparable factors of the government's one-off purchase aid to students for using dictionaries and related reference books in the same period last year, and the preferential VAT exemption policy, etc., the sales revenue would increase by 8.9% year-on-year.

During the Year, the gross profit margin of the Education service business was 35.3%, representing an increase of 1.1 percentage points as compared with 34.2% in the same period last year, which was mainly attributable to a higher portion of revenue from the supplementary materials sales.

Retailing

The Retailing business includes the retail store business, the group-buying business, and the libraries distribution business for primary and secondary schools (the "**libraries distribution business**").

During the Year, to cope with the impacts of online bookstores and digital publications on traditional publications retailing business, the Group continued to implement the measures of improving the functions of stores, promoting the transformation and upgrade of small and medium-size stores, enriching joint venture product mix and conducting value-added channel operations with "experience of reading" and "service of reading" as the core of its Retailing business, which aims to gradually transforming into a commercial enterprise and building a cultural service brand with great influence in the industry.

During the Year, the Retailing business recorded a sales revenue of RMB668 million, representing a decrease of 26.5% as compared with RMB909 million in the same period last year, which was mainly due to the provision of books distribution service for newly-built libraries of weak schools under rural compulsory education in Sichuan has been essentially completed in 2013, only sporadic replenishment needed in 2014. The sales revenue from retail store business and group-buying business represented an increase of 3.9% over last year, higher than the average growth rate of 3.26% for nationwide physical bookstores in 2014.

During the Year, the gross profit margin of the Retailing business was 36.1%, which was substantially the same as compared with 36.5% in the same period last year.

Commercial supermarket

The Group steadily pushed ahead the expansion of the Commercial supermarket business, continuously optimizing the outlet layouts in various regions, actively trying the innovative operation, developing the suitable products through cooperation with publishing bodies and optimizing the client service to improve the sales result. During the Year, the Commercial supermarket business recorded a sales revenue of RMB145 million, up by 5.3% as compared with RMB138 million in the same period last year.

During the Year, the Commercial supermarket business recorded a gross profit margin of 36.0%, up by 9.7 percentage points as compared with 26.3% in the same period last year, which was mainly due to the adjustment of merchandise pricing strategy and the effect of the tax preferential policy.

Online sales

As the national consumption in e-commerce market grew rapidly, the Group continued to strengthen the construction of internet business infrastructure and innovative marketing strategies, and also enhanced the value-added service and expanded the sales channels by improving the merchandise organization and logistic delivery abilities of the E-commerce companies to extend the rapid development trend of online sales business. During the Year, the Company recorded a sales revenue of RMB503 million, up by 113.2% as compared with RMB236 million in the same period last year.

The Online sales business recorded a gross profit margin of 11.1%, slightly up as compared with 10.3% in the same period last year.

Other segment

Other segment of the Group covers production and distribution of for film & television programs and sales of artwork, etc. which do not separately meet the definition of a reportable segment.

During the Year, the Other segment recorded a sales revenue of RMB101 million (including inter-segment sales), down by 37.7% as compared with RMB163 million in the same period last year, the main reason of which was that Sichuan Wenzhuo was no longer incorporated into the consolidated statement of the Group as a subsidiary. Excluding the effect of Sichuan Wenzhuo, the segment recorded an increase in sales revenue of RMB89 million as compared with same period last year, which was mainly attributable to the increase of revenue for film & television.

EXPENSES AND COSTS

Selling and distribution expenses and administrative expenses

During the Year, the total of the selling and distribution expenses and administrative expenses of the Group was RMB1,578 million, substantially same as RMB1,572 million in the corresponding period last year.

Other expenses

Other expenses of the Group for the Year amounted to RMB76 million, which decreased by RMB43 million as compared with RMB119 million in the same period last year, mainly because during the Year, the Group enhanced the recovery efforts for the loans and collected partial amounts with longer aging to cause the less provision made.

NET FINANCE INCOME

The net finance income of the Group for the Year amounted to RMB6,610,000, up by RMB7,201,000 as compared with that in the same period last year, the main reason of which was that Sichuan Wenzhuo was no longer incorporated into the consolidated statement of the Group as a subsidiary, and the net finance income in the same period last year included the recognized borrowing finance expense discounted by market interest.

PROFIT

The Group's profit for the Year amounted to RMB613 million, representing an increase of 3.15% from RMB595 million in the corresponding period last year, mainly due to the increase in operation result of the Education service business in the Distribution segment, VAT-free preferential policy and the growth in operation result brought by certain subsidiaries' strengthening internal management and expanding the market share. The profit attributable to owners of the Company for the Year was RMB635 million, up by 1.79% compared with RMB623 million in the same period last year.

EARNINGS PER SHARE

Earnings per share is calculated by dividing profits attributable to owners of the Company for the Year by the weighted average number of ordinary shares in issue for the Year. The Group's earnings per share for the Year was RMB0.56, up by 1.79% from RMB0.55 in the corresponding period last year. Please refer to note 12 to the consolidated financial statements for the calculation of earnings per share.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2014, the Group had cash and short-term deposits of approximately RMB1,359 million, and the interest bearing bank borrowings of RMB50 million of the Company's subsidiaries. The Company did not have any interest-bearing bank and other borrowings as at the end of the Year.

As at 31 December 2014, the gearing ratio (calculated by dividing total liabilities by total assets) of the Group was 34.7%, a slight decrease as compared with 35.7% as at 31 December 2013. The Group's overall financial structure relatively stable.

FOREIGN EXCHANGE RISK

Almost all of the Group's assets, liabilities, revenues, costs and expenses were denominated in RMB. As a result, the management believes that foreign exchange exposure of the Group is minimal and confirms no foreign exchange hedging arrangement has been made.

WORKING CAPITAL MANAGEMENT

	31 December 2014	31 December 2013
Current ratio	**1.3**	1.4
Inventory turnover days	**152.2 days**	140.0 days
Trade and bills receivables turnover days	**43.8 days**	47.3 days
Trade and bills payables turnover days	**237.7 days**	222.5 days

As at 31 December 2014, the current ratio of the Group was 1.3, which was substantially the same as 1.4 as at 31 December 2013.

During the Year, inventory turnover days, trade and bills receivables turnover days and trade and bills payables turnover days were 152.2 days, 43.8 days and 237.7 days respectively, which were respectively similar to those in the same period last year.

OVERVIEW OF MATERIAL INVESTMENTS, ACQUISITIONS AND DISPOSALS

During the Year, the Group focused on its growth strategies, improved existing industrial layout, and strengthened its efforts in cultural related businesses, with a view to establishing the Group as a first-class cultural media group in the PRC.

To meet our growing demand for printing and processing publication and to enhance the chain effect of resources integration on the Group's publication, the Company acquired the 100% equity interest in Xinhua Printing at totalling consideration of RMB168,599,000. Xinhua Printing was incorporated into the Group's consolidated statements since September 2014. Please refer to the announcement of the Company dated April 10, 2014 for details of acquisition.

During the Year, the Company invested RMB100 million to set up a wholly-owned subsidiary, Winshare Investment Co., Ltd.* (文軒投資有限公司). It serves as a capital operation platform, based on which the Company aims to effectively utilize financial resources from the public, gain high-quality investment projects and professional talent for the coordinated development between industrial operation and capital operation. In order to support the Company's strategies for the great cultural industry and share the benefits of China's economic and industrial development, the Company pledges to invest RMB100 million in CITIC Fund, represent 1% interest in CITIC Fund and has invested RMB40 million according to the relevant agreement.

During the Year, the Company's subsidiary, Winshare Online, invested RMB51.33 million to acquire 50% equity interest in Chongqing Yunhan. Through this investment, Winshare Online has managed to quickly get involved in the building of e-commerce full supply chain collaborative service platform (i.e. the "Online Trading Centre of the Publications in China* (中國出版發行在線交易中心). At present, substantially all publishing houses in the PRC have accessed to the platform.

During the Year, the Company received dividend income for 2013 of RMB26 million, RMB16.8 million and RMB12.46 million respectively from its investees, namely Chengdu Institute of Sichuan International Studies University, Bank of Chengdu and Wan Xin Media.

During the Year, the Company transferred its 3% equity interest in Sichuan Wenzhuo at a consideration of RMB19.15 million to SPG, the equity transfer was approved by the Shareholders at the Company's extraordinary general meeting held on 26 August 2014. Upon the completion of the tranfer, the Company and Zhuotai Industry hold 48% and 49% equity interests in Sichuan Wenzhou respectively. Pursuant to articles of association of Sichuan Wenzhou, Sichuan Wenzhou is still under joint control of the Company and Zhuotai Industry. For details, please refer to the Company's announcements dated 10 July 2014 and 26 August 2014 and circular dated 31 July 2014.

In addition, the Company intends to transfer its 34% equity interest in Chengdu Xinhui, the equity interest is still in the listing-for-sale process in accordance with the requirements of relevant PRC laws and regulations.

Save as disclosed above, the Company did not have any other material investments, acquisitions and disposals during the Year.

FUTURE PROSPECTS

As the state is pushing forward cultural system reform and the cultural industry is embracing good development opportunities, according to the strategic plan for the new round of development, the Group will promote the establishment of a growth pattern of balanced development between industrial operation and capital operation and strive to achieve continuous growth in market share and revenue, with a view to establishing the Group as a first-class cultural media group with international influence in the PRC.

Meanwhile, the Company will steadily push ahead the issuance and listing of A shares according to the Group's development strategies in an effort to achieve the Group's leapfrog development by getting listed in both mainland China and Hong Kong, that is, the A+H dual-market listing status, so as to fully capitalize on gaining access to the international and domestic capital markets. Currently, the related works of issuance of A shares of the Company are well underway.

Based on the foregoing, in the future, the Company will focus on implementation of the following strategies:

1. facilitate innovation in the operation and management mechanism of book publishing, reform the structure and model for the content generation business, fully leverage on the comparative advantages of the "integrated industry chain", strengthen the integrated synergies between the internal publications and channels, and improve the market competitiveness of traditional publishing;

2. propel the upgrade and expansion project of retail stores, promote the transformation of business model from product operation to customer operation, build a cultural service brand with great influence in the industry, and improve operation capacity and profitability of retailing channels; meanwhile, continue to steadily push ahead the expansion of commercial supermarket business, and tackle changes in the publication consumption market;

3. strengthen the service platform of education cloud project and promote the innovation, R&D and marketing of digitalised education products to increase the services capability of the service platform of education cloud project and maintain a leading position in the digitalised education field;

4. expand internet sales channels and enhance digital reading service capability to improve the online shopping experience for its consumers and maintain a rapid growth momentum of sales; meanwhile, accelerate the building of the third-party service platform for integrating the resources throughout the publishing and distribution industry chain (i.e. the "Online Trading Centre of the Publications in China* (中國出版發行在線交易中心)", as a supply chain collaborative service platform) to steadily realise innovation and transformation of the Group's business model in the electronic commerce field;

5. Continue to facilitate construction of the Group's logistics network and ERP information system, further improve and enhance the Group's logistics service capacity and information technology support and management capacity; and

6. fully leverage on the capital operation platform, on one hand, promote the transformation and upgrade of traditional cultural businesses and explore emerging cultural industry projects through equity and other capital operations; on the other hand, improve the Group's capital operation ability and profitability through the engagement in market-oriented capital operation projects.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving sound corporate governance, continuously perfecting and optimising the internal control system of the Company. During the Year, the Company continued to engage intermediaries to assist the Company's optimizing of internal control system and completed the preparation of the internal control manual, which laid the foundation for the process-based and standardized operation and management of the Company, so as to ensure the comprehensive and effective internal control of the Company's important business departments, major business matters and key elements.

The Company has adopted and complied with all applicable code provisions of the Corporate Governance Code and the Corporate Governance Report set out in Appendix 14 to the Listing Rules during the Year.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

For the purpose of governing securities transactions by the Directors and the supervisors (the "**Supervisors**") of the Company, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as a code of conduct for securities transactions by the Directors and Supervisors. Having made specific enquiries to each of the Directors and Supervisors, all the Directors and Supervisors confirmed that they have complied with all the terms set out in the Model Code during the Year.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") in compliance with the relevant requirements under the Listing Rules with written terms of reference.

The Audit Committee has reviewed the audited consolidated financial statements of the Group as set out in this announcement and has communicated and discussed the financial reporting and internal control with the management and the auditors of the Company. The Audit Committee considered that the consolidated financial statements have been prepared in accordance with applicable accounting standards and requirements and appropriate disclosures were made.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2014, the Group had a total of 8,259 (31 December 2013: 8,539) employees.

The Company endeavours to safeguard the legal interests of the employees and to explore growth potentials for its employees. The Company reviews the employee remuneration policy regularly and continues to improve and optimise its remuneration management system. The Company has established a unified target salary system that is based on the value of position. By adhering to the principle of "unified regulation, hierarchical control and process supervision", the Company is able to perfect its salary management system to achieve a scientific and standardised income allocation. Through optimising the system of performance appraisal and remuneration and fringe benefits, the income level and fringe benefits that the employees are entitled to are enhanced so that the employees can share the achievements of the enterprise in the course of its growth and development.

The standard remuneration package of the Company includes basic salary, performance-based bonus and benefits. Fringe benefits including pension insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance and housing welfare funds calculated are available to the employees pursuant to the relevant policies of the state. In order to enhance long-term incentives of the Company's remuneration and benefit system, the Company has implemented the corporate annuity scheme to provide further retirement protection to the employees.

For the year ended 31 December 2014, the Group made post-retirement plan contributions and corporate annuity scheme aggregate contributions of RMB107.96 million (2013: RMB102.64 million) for its employees. Details of such schemes are set out in note 27 to the consolidated financial statements in this announcement.

The Company has introduced a position's qualifications based programme, created a platform for internal staffs to display and communicate through training, exploited the potential of human resources of the Company and enhanced the cultivation for reserve talents. The Company continues to enhance the quality of business and working abilities of its staff at all levels through e-learning, experimental training, knowledge base development, leading enterprise learning and knowledge contest so as to safeguard the achievement of strategic operating objectives for the year and the sustainable development of the Company.

DIVIDEND

The Board has proposed the distribution of dividend of RMB0.30 (tax inclusive) per share for the year ended 31 December 2014 (2013: RMB0.30 (tax inclusive) per share), totalling approximately RMB341 million (tax inclusive) ("**Dividend for 2014**"). Dividends payable to holders of the Domestic Shares will be made and paid in RMB, whereas dividends payable to holders of H Shares will be declared in RMB and payable in Hong Kong dollars, the exchange rate of which would be calculated based on the average exchange rate published by the People's Bank of China during the week preceding the annual general meeting intended to be held on 13 May 2015 (the "**2014 AGM**").

In accordance with the "Corporate Income Tax Law of the People's Republic of China" and its implementation regulations effective, where a PRC domestic enterprise distributes dividends to non-resident enterprise shareholders, it is required to withhold 10% corporate income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of the dividend as corporate income tax, distribute the dividend to non-resident enterprise shareholders, i.e., any Shareholders who hold the Company's shares in the name of non-individual Shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or holders of H shares registered in the name of other groups and organizations.

Pursuant to the letter titled the "Tax arrangements on dividends paid to Hong Kong residents by mainland companies" issued by the Stock Exchange to the issuers on 4 July 2011 and the "State Administration of Taxation Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045" (Guo Shui Han [2011] No. 348), it is confirmed that the overseas resident individual shareholders holding the stocks issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax arrangements between the countries where they reside and China or the tax arrangements between China mainland and Hong Kong (Macau). Therefore, the Company will withhold 10% of the dividend as individual income tax, unless it is otherwise specified by the relevant tax regulations and tax agreements, in which case the Company will withhold individual income tax of such dividends in accordance with the tax rates and according to the relevant procedures as specified by the relevant regulations.

The proposed Dividend for 2014 is subject to the approval by Shareholders at the forthcoming 2014 AGM.

Holders of H Shares and Domestic Shares whose names appear on the register of members of the Company on 13 May 2015 will be entitled to attend and vote at the 2014 AGM. Holders of H Shares and Domestic Shares whose names appear on the register of members of the Company on 26 May 2015 (the "**Dividend Entitlement Date**") will be entitled to Dividend for 2014, if approved by Shareholders.

Should the holders of H Shares have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact in the PRC, Hong Kong and/or other countries (regions) on the possession and disposal of the H Shares.

Each Shareholder should read the information in this paragraph carefully. If anyone would like to change the identity of Shareholder, please enquire about the relevant procedures with the nominees or trustees. The Company is neither obligated nor responsible for ascertaining the identities of the Shareholders. In addition, the Company will strictly comply with the relevant laws or regulations on withholding corporate income tax and individual income tax and strictly follow the Company's H shares register as at the Dividend Entitlement Date and will not entertain any requests or claims or accept any liabilities in relation to any delay or inaccuracy in ascertaining the identity of the Shareholders or any disputes over the arrangement of withholding of corporate income tax and individual income tax.

2014 AGM

The 2014 AGM will be held at Sichuan Xinhua International Hotel, No. 8 Guzhongshi Street, Chengdu, Sichuan, the PRC (中國四川省成都市古中市街8號四川新華國際酒店) on 13 May 2015. Details of the 2014 AGM will be set out in the notice of 2014 AGM to be despatched by the Company in due course. Such notice will also be published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.winshare.com.cn).

CLOSURES OF REGISTER OF MEMBERS

In order to ascertain the Shareholders who are entitled to attend the 2014 AGM and to receive the Dividend for 2014 (if approved by the Shareholders), the register of holders of H Shares will be closed during the following periods:

To ascertain Shareholders who are entitled to attend and vote at the 2014 AGM:

Deadline for lodging transfer documents	4:30 p.m. on Friday, 10 April 2015
Closure of register of members of the Company	From Monday, 13 April 2015 to Wednesday, 13 May 2015 (both days inclusive)
Record date	Wednesday, 13 May 2015
Date of convening of the 2014 AGM	Wednesday, 13 May 2015

To ascertain Shareholders who are entitled to the Dividend for 2014:

Deadline for lodging transfer documents	4:30 p.m. on Tuesday, 19 May 2015
Closure of register of members of the Company	From Wednesday, 20 May 2015 to Tuesday, 26 May 2015 (both days inclusive)
Dividend Entitlement Date	Tuesday, 26 May 2015

In order to attend and vote at the 2014 AGM and to qualify for the Company's proposed Dividend for 2014, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Shares Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for the holders of H Shares, or the head office of the Company at No. 6 Wenxuan Road, Shang Mao Avenue, Cheng Bei, Chengdu, Sichuan, the PRC (Postal code: 610081), for the holders of Domestic Shares, for registration before the deadline for lodging the transfer documents.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement of the Company for the Year will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.winshare.com.cn), and the annual report of the Company for 2014 (including the audited financial statements) will be despatched to the Shareholders on or before 30 April 2015 and will be published on the Stock Exchange's website and the Company's website.

By order of the Board
Xinhua Winshare Publishing and Media Co., Ltd.*
Gong Cimin
Chairman

Sichuan, the PRC
10 March 2015

As at the date of this announcement, the Board comprises (a) Mr. Gong Cimin, Mr. Luo Yong and Mr. Yang Miao as executive Directors; (b) Mr. Luo Jun, Mr. Zhang Peng and Mr. Zhao Junhuai as non-executive Directors; and (c) Mr. Han Liyan, Mr. Mak Wai Ho and Ms. Xiao Li Ping as independent non-executive Directors.

* *For identification purposes only*