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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)

2021 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 of the Company and its subsidiaries (collectively the “**Group**”) for the first quarter ended 31 March 2021 (the “**Period**”). This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities (the “**Listing Rules**”) 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

- 1.1 The Board, the supervisory committee, the Directors, supervisors and senior management 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 severally and jointly accept the legal responsibility.
- 1.2 Save as Mr. Chen Yunhua (being a Director) who appointed Mr. Zhang Peng (being a non-executive Director) as his proxy to vote on his behalf due to other business commitments, all other Directors attended the Board meeting held on 29 April 2021 to review and approve the first quarterly report for the first quarter ended 31 March 2021.
- 1.3 Mr. He Zhiyong, the head of the Company, Mr. Zhu Zaixiang, the person-in-charge of accounting affairs, and Ms. Wu Sufang, the head of accounting department, warrant the truthfulness, accuracy and completeness of the financial statements in the first quarterly report for the first quarter ended 31 March 2021.
- 1.4 The first quarterly report for the first quarter ended 31 March 2021 of the Company is unaudited. The audit committee of the Company has reviewed the first quarterly results of the Group for the first quarter ended 31 March 2021.

II. CORPORATE INFORMATION

2.1 Major financial information

Unit: Yuan Currency: RMB

	As at the end of the Period	As at the end of the prior year (Audited)	Increase/decrease at the end of the Period as compared to the end of the prior year
Total assets	17,104,997,974.56	16,968,836,010.58	0.80
Net assets attributable to shareholders of the listed company	10,356,868,732.75	10,136,844,480.57	2.17
	From the beginning of the year to the end of the Period	From the beginning of the prior year to the end of the reporting period of the prior year (Audited)	Increase/decrease compared to the corresponding period of the prior year (%)
Net cash flow from operating activities	(33,296,604.26)	21,376,495.19	(255.76)
	From the beginning of the year to the end of the Period	From the beginning of the prior year to the end of the reporting period of the prior year (Audited)	Increase/decrease compared to the corresponding period of the prior year (%)
Operating income	1,953,278,246.59	1,488,264,946.40	31.25
Net profit attributable to shareholders of the listed company	156,421,466.70	156,241,572.60	0.12
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	155,033,679.06	154,208,971.49	0.53
Weighted average return on net assets (%)	1.49	1.70	(0.21)
Basic earnings per share (RMB/share)	0.13	0.13	0.00
Diluted earnings per share (RMB/share)	N/A	N/A	N/A

In accordance with the Notice on Persistently Promoting Cultural Value-added Tax Preferential Policies (Cai Shui [2018] No. 53) issued by MoF and State Administration of Taxation, the Group enjoys the following value-added tax preferential policies: (1) for the period from 1 January 2018 to 31 December 2020, the Group is entitled to 100% refund upon levy and 50% refund upon levy of value-added tax for its publications; (2) for period from 1 January 2018 through 31 December 2020, the Group is exempt from value-added tax on the wholesale and retail of books.

In accordance with the Announcement on Persistently Promoting Cultural Value-added Tax Preferential Policies (Cai Shui [2021] No. 10) issued by MoF and State Administration of Taxation, the Group enjoys the following value-added tax preferential policies: (1) for the period from 1 January 2021 to 31 December 2023, the Group is entitled to 100% refund upon levy and 50% refund upon levy of value-added tax for its publications; (2) for period from 1 January 2021 through 31 December 2023, the Group is exempt from value-added tax on the wholesale and retail of books.

Items and amounts of non-recurring profit or loss

Unit: Yuan Currency: RMB

Item	Amount for the Period
Profit or loss on disposal of non-current assets	1,937,373.00
Government subsidies (except for government subsidies which are closely related to the ordinary business of the Company and entitled in standard amounts or quantities in conformity with the uniform standards of the State) included in the profit or loss for the period	1,480,707.10
Profit or loss arising from changes in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities and investment gains 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 ordinary business scope of the Company)	95,815.83
Other non-operating income and expenses apart from the above items	(2,013,844.15)
Effect of minority interests (after tax)	3,922.92
Effect of income tax	(116,187.06)
Total	1,387,787.64

2.2 Total number of shareholders, the shareholding of top ten shareholders and top ten tradable shareholders (or unrestricted shareholders) as at the end of the Period

Total number of shareholders (shareholder) 23,656

Unit: share

Name of shareholders (in full)	Shareholding of top ten shareholders		Pledged or frozen	Nature of shareholders
	Shareholding as at the end of the Period	Percentage (%)		
Sichuan Xinhua Publishing and Distribution Group Co., Ltd. (四川新華出版發行集團有限公司)	630,509,525	51.10	Nil	State
Hong Kong Securities Clearing Company Limited	364,994,335	29.58	Unknown	Overseas legal person
Chengdu Hua Sheng (Group) Industry Co., Ltd. (成都市華盛(集團)實業有限公司)	53,336,000	4.32	Nil	Domestic non-state-owned legal person
Sichuan Cultural Industry Investment Group Co., Ltd. (四川文化產業投資集團有限責任公司)	36,896,945	2.99	Nil	State-owned legal person
Seafarer Capital Partner, LLC	30,875,500	2.50	Unknown	Unknown
Sichuan Daily Newspaper Group (四川日報報業集團)	9,264,513	0.75	Nil	State-owned legal person
Liaoning Publication Group Co., Ltd. (遼寧出版集團有限公司) (Note 1)	6,485,160	0.53	Nil	State-owned legal person
LEUNG YOK FUN	3,000,000	0.24	Unknown	Unknown
Vanguard Investment Australia Ltd. – Vanguard Emerging Market Stock Index Fund (Exchange)	1,796,153	0.15	Nil	Unknown
Taikang Asset Management – Bank of China – Taikang Asset Management Co., Ltd. Quantitative Enhanced Asset Management Product (泰康資管－中國銀行－泰康資產管理有限責任公司量化增強資產管理產品)	832,600	0.07	Nil	Unknown

Shareholding of top ten unrestricted shareholders

Name of shareholders	Number of unrestricted tradable shares held	Class and number of shares	
		Class	Number
Sichuan Xinhua Publishing and Distribution Group Co., Ltd. (四川新華出版發行集團有限公司)	630,509,525	RMB ordinary shares	592,809,525
		Overseas listed foreign shares	37,700,000
Hong Kong Securities Clearing Company Limited	364,994,335	RMB ordinary shares	5,973,908
		Overseas listed foreign shares	359,020,427
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
Sichuan Cultural Industry Investment Group Co., Ltd. (四川文化產業投資集團有限責任公司)	36,896,945	RMB ordinary shares	30,572,945
		Overseas listed foreign shares	6,324,000
Seafarer Capital Partner, LLC	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 Publication Group Co., Ltd. (遼寧出版集團有限公司) (Note 1)	6,485,160	RMB ordinary shares	6,485,160
LEUNG YOK FUN	3,000,000	Overseas listed foreign shares	3,000,000
Vanguard Investment Australia Ltd. – Vanguard Emerging Market Stock Index Fund (Exchange)	1,796,153	RMB ordinary shares	1,796,153
Taikang Asset Management – Bank of China – Taikang Asset Management Co., Ltd. Quantitative Enhanced Asset Management Product (泰康資管 – 中國銀行 – 泰康資產管理有限責任公司 量化增強資產管理產品)	832,600	RMB ordinary shares	832,600

Notes: 1. Liaoning Publication Group Co., Ltd. holds 6,485,160 A shares of the Company through its wholly-owned subsidiary, Liaoning Bohong Investment Co., Ltd.

III. MATERIAL MATTERS

Details and reasons for significant changes of principal accounting statement items and financial indicators of the Company

ANALYSIS ON SIGNIFICANT CHANGES IN BALANCE SHEET ITEMS

Unit: Yuan Currency: RMB

Item	31 March 2021	31 December 2020 (Audited)	Increase/ decrease (%)	Analysis on significant changes
Held-for-trading financial assets	300,010,112.88	6,510,463.20	4,508.12	Mainly due to the purchase of bank wealth management products during the Period.
Notes receivable	6,472,838.36	4,344,936.39	48.97	Mainly due to the increase in the balance of receivables settled by commercial acceptance bills for the logistics business at the end of the Period as compared with that at the end of the prior year.
Financing receivables	4,027,308.60	6,201,191.14	(35.06)	Mainly due to the decrease in the balance of receivables settled by bank acceptance bills for the logistics, general book publication and other businesses at the end of the Period as compared with that at the end of the prior year.
Long-term receivables	217,336,841.33	313,418,082.51	(30.66)	Mainly due to the payment for education informatized and equipment business by instalment and the transfer to “accounts receivable” and “non-current assets due within one year” with the approaching agreed payment period, resulting in the decrease in the closing balance as compared with that at end of the prior year.
Development cost	27,038,667.58	18,870,289.43	43.29	Mainly due to the increase in research and development commitments in the education informatized business during the Period.
Deferred income tax assets	14,671,720.36	21,183,296.95	(30.74)	Mainly due to the decrease in deductible losses, which resulted in the decrease in deferred income tax assets.
Notes payable	60,499,573.80	45,838,225.28	31.98	Mainly due to the increase in the balance of payables settled by bills for the supply of printing supplies business as compared with that at the end of the prior year.

Item	31 March 2021	31 December 2020 (Audited)	Increase/ decrease (%)	Analysis on significant changes
Contract liabilities	587,557,469.66	442,825,006.30	32.68	Mainly due to the increase in receipts in advance from the education service business during the Period as compared with that at the end of last year.
Employee benefits payable	190,420,396.04	472,779,571.05	(59.72)	Mainly due to the payment of 2020 year-end bonus during the Period.
Other payables	335,813,626.88	655,979,050.64	(48.81)	Mainly due to the payment of investment in Hainan Phoenix Xinhua Publishing and Distribution Co., Ltd. amounting to RMB317 million during the Period.
Deferred income tax liabilities	14,170,438.80	25,775,918.61	(45.02)	Mainly due to the changes in the fair value of items held by funds such as Winshare Hengxin (Shenzhen) Equity Investment Fund Partnership (Limited Partnership) invested by Winshare Investment Co., Ltd., a subsidiary of the Company, which resulted in the decrease in deferred income tax liabilities.

ANALYSIS ON SIGNIFICANT CHANGES IN INCOME STATEMENT ITEMS

Unit: Yuan Currency: RMB

Item	January to March 2021	January to March 2020	Increase/ decrease (%)	Analysis on significant changes
Operating income	1,953,278,246.59	1,488,264,946.40	31.25	Mainly benefiting from the growth in revenue generated by the general book publication, reading service and education service businesses.
Operating costs	1,179,428,685.66	882,705,170.44	33.62	The increase in operating costs was driven by the sales growth. As a result of the change in income structure, the combined ratio for the Period increased as compared with that in the same period of last year.
Taxes and levies	5,645,369.26	4,278,825.09	31.94	Mainly due to the increase in urban construction tax, education surcharge and stamp duty as compared with those in the same period of last year.
Administrative expenses	277,807,061.03	209,613,177.61	32.53	Mainly due to the increase in labor costs, depreciation of fixed assets and property management expenses as compared with those in the same period of last year.
Finance expenses	(22,944,702.49)	(9,758,586.92)	(135.12)	Mainly due to the increase in interest income generated from bank deposits during the Period as compared with that in the same period of last year.
Investment income (loss represented by “-”)	(10,979,982.47)	10,171,429.16	(207.95)	Mainly due to the decrease in income from investment in associates such as Chengdu Winshare Equity Investment Fund Management Co., Ltd. recognized by Winshare Investment Co., Ltd., a subsidiary using the equity method as compared with that in the same period of last year.
Gains from changes in fair value (loss represented by “-”)	(50,521,076.34)	2,429,146.42	(2,179.79)	Mainly due to the losses from changes in fair value during the Period as a result of the impact of price fluctuations of the shares held in a listed company on the fair value of funds including Winshare Hengxin (Shenzhen) Equity Investment Fund Partnership (Limited Partnership).
Asset impairment loss (loss represented by “-”)	(14,310,060.59)	(7,682,078.86)	86.28	Mainly due to the increase in the provision of impairment losses during the Period as compared with that in the same period of last year as a result of the extension of inventory age.

Item	January to March 2021	January to March 2020	Increase/ decrease (%)	Analysis on significant changes
Gain or loss on asset disposal (loss represented by “-”)	1,937,373.00	48.67	3,980,530.78	Mainly due to the compensation received by Winshare Sports Cultural Development Co., Ltd., a subsidiary of the Company from the metro company for the occupation of land during the Period.
Non-operating income	1,460,637.23	5,144,564.07	(71.61)	Mainly due to the compensation received for the land requisition for the construction of Chenggui Express Rail Link by the State and the compensation for demolition and relocation of properties in Qionglai received in the same period of last year.
Non-operating expenses	3,479,400.85	7,492,923.58	(53.56)	Mainly due to the increase in expenses incurred in the donation of anti-epidemic supplies by the Company in the same period of last year as a result of COVID-19 outbreak.
Income tax expenses	(10,658,611.65)	3,424,470.74	(411.25)	Mainly due to the decrease in income from investment in associates such as Chengdu Winshare Equity Investment Fund Management Co., Ltd., recognized by Winshare Investment Co., Ltd., a subsidiary of the Company using the equity method and the change in deferred income tax expenses arising from the changes in the fair value of investment items held by the funds such as Winshare Hengxin (Shenzhen) Equity Investment Fund Partnership (Limited Partnership).
Profit or loss attributable to minority interest (loss represented by “-”)	1,630,075.50	(4,366,736.09)	N/A	Mainly due to the fluctuations of operating results of a non-wholly owned subsidiary of the Company.
Other comprehensive income, net of tax	63,602,785.48	(215,522,304.67)	N/A	Mainly due to the price fluctuations of the shares held by the Company in listed companies including Anhui Xinhua Media Co., Ltd and Bank of Chengdu Co., Ltd.

ANALYSIS ON SIGNIFICANT CHANGES IN CASHFLOW ITEMS

Unit: Yuan Currency: RMB

Item	January to March 2021	January to March 2020	Increase/ decrease (%)	Analysis on significant changes
Cash receipts from the sale of goods and the rendering of services	2,090,774,629.95	1,434,664,718.03	45.73	Mainly benefiting from the increase in the proceeds of sales from the education service, online sales businesses during the Period as compared with those in the same period of last year.
Cash payments for goods purchased and services received	1,387,062,567.48	813,245,607.39	70.56	Mainly due to the increase in the payments made for the purchases for the education service, online sales and other businesses as compared with those in the same period of last year driven by the sales growth during the Period.
Other cash payments relating to operating activities	243,783,360.57	170,562,879.54	42.93	Mainly due to the increase in operating costs such as logistic expenses paid during the Period.
Cash received from disposal of investments	6,640,610.33	210,156,031.07	(96.84)	Mainly due to the decrease in bank wealth management products matured during the Period as compared with those in the same period of last year.
Cash received from investment income	284,693.71	2,248,753.28	(87.34)	Mainly due to the decrease in income of bank wealth management products acquired during the Period as compared with those in the same period of last year.
Cash paid to acquire fixed assets, intangible assets and other long-term assets	37,328,277.96	15,197,749.39	145.62	Mainly due the year-on-year increase in investment in fixed assets such as transportation vehicles purchased during the Period.
Cash paid to acquire investments	617,142,864.83	218,043,272.22	183.04	Mainly due to the increase in the purchase of bank wealth management products during the Period as compared with that in the same period of last year and the payment of RMB317 million for the investment in Hainan Phoenix Xinhua Publishing and Distribution Co., Ltd. during the Period.
Other cash payments relating to investing activities	–	4,308,299.49	(100.00)	Mainly due to the changes in restricted capital utilized.

IV. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

31 March 2021

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	31 March 2021	31 December 2020 (Audited)
Current assets:		
Cash and bank balances	5,078,529,152.47	5,785,974,800.85
Held-for-trading financial assets	300,010,112.88	6,510,463.20
Notes receivable	6,472,838.36	4,344,936.39
Accounts receivable	1,702,524,747.50	1,586,906,258.90
Financing receivables	4,027,308.60	6,201,191.14
Prepayments	71,720,460.38	77,465,227.71
Other receivables	110,298,496.16	103,776,291.44
Including: Dividends receivable	72,000.00	72,000.00
Inventories	2,640,837,515.00	2,130,621,634.21
Non-current assets due within one year	201,010,639.54	181,722,570.04
Other current assets	104,803,093.49	86,231,460.17
Total current assets	10,220,234,364.38	9,969,754,834.05
Non-current assets:		
Long-term receivables	217,336,841.33	313,418,082.51
Long-term equity investments	704,720,325.10	717,889,546.28
Other equity instrument investment	1,510,468,265.62	1,446,798,951.64
Other non-current financial assets	630,809,016.32	680,880,618.26
Investment properties	85,207,474.67	86,104,385.12
Fixed assets	2,029,922,611.64	2,009,270,646.85
Construction in progress	40,396,194.05	37,670,169.58
Right-of-use assets	422,179,533.23	447,482,542.47
Intangible assets	350,209,504.45	355,813,424.01
Development cost	27,038,667.58	18,870,289.43
Goodwill	500,571,581.14	500,571,581.14
Long-term prepaid expenses	12,317,748.44	12,194,296.86
Deferred income tax assets	14,671,720.36	21,183,296.95
Other non-current assets	338,914,126.25	350,933,345.43
Total non-current assets	6,884,763,610.18	6,999,081,176.53
Total assets	17,104,997,974.56	16,968,836,010.58

Item	31 March 2021	31 December 2020 (Audited)
Current liabilities		
Notes payable	60,499,573.80	45,838,225.28
Accounts payable	4,934,545,655.33	4,550,158,695.76
Contract liabilities	587,557,469.66	442,825,006.30
Employee benefits payable	190,420,396.04	472,779,571.05
Taxes payable	54,909,742.20	64,081,630.88
Other payables	335,813,626.88	655,979,050.64
Non-current liabilities due within one year	104,094,926.37	103,865,186.60
Other current liabilities	187,070,228.06	176,472,136.88
Total current liabilities	6,454,911,618.34	6,511,999,503.39
Non-current liabilities:		
Lease liabilities	341,135,345.60	357,266,005.19
Deferred income	44,976,226.80	45,644,566.05
Deferred income tax liabilities	14,170,438.80	25,775,918.61
Total non-current liabilities	400,282,011.20	428,686,489.85
Total liabilities	6,855,193,629.54	6,940,685,993.24
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	1,081,180,758.88	1,016,266,307.50
Surplus reserve	897,647,684.81	897,647,684.81
Undistributed profits	4,571,674,522.74	4,416,564,721.94
Total equity attributable to shareholders (or shareholders' equity) of the parent company	10,356,868,732.75	10,136,844,480.57
Minority interest	(107,064,387.73)	(108,694,463.23)
Total owners' equity (or shareholders' equity)	10,249,804,345.02	10,028,150,017.34
Total liabilities and owners' equity (or shareholders' equity)	17,104,997,974.56	16,968,836,010.58

BALANCE SHEET OF THE PARENT COMPANY

31 March 2021

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	31 March 2021	31 December 2020 (Audited)
Current assets:		
Cash and bank balances	3,893,452,189.91	4,242,822,636.99
Held-for-trading financial assets	10,112.88	10,463.20
Accounts receivable	918,342,214.57	747,625,909.48
Prepayments	11,968,203.90	32,837,225.54
Other receivables	493,570,953.40	894,926,509.15
Including: Dividends receivable	—	400,000,000.00
Inventories	984,618,596.76	606,090,436.19
Non-current assets due within one year	49,810,017.31	73,255,497.75
Other current assets	77,503,770.56	55,991,778.32
Total current assets	6,429,276,059.29	6,653,560,456.62
Non-current assets:		
Long-term receivables	20,890,810.31	37,035,834.38
Long-term equity investments	3,990,495,320.22	3,995,119,165.77
Other equity instrument investment	1,509,043,200.00	1,445,640,000.00
Other non-current financial assets	194,250,814.72	194,250,814.72
Investment properties	18,763,271.74	18,988,319.25
Fixed assets	1,637,042,641.40	1,610,059,313.35
Construction in progress	40,350,170.46	37,624,145.99
Right-of-use assets	397,731,044.17	419,981,564.62
Intangible assets	139,759,064.33	139,554,152.63
Development cost	5,999,999.83	5,999,999.83
Long-term prepaid expenses	2,546,971.28	3,958,856.56
Other non-current assets	834,558,288.25	846,577,507.43
Total non-current assets	8,791,431,596.71	8,754,789,674.53
Total assets	15,220,707,656.00	15,408,350,131.15

Item	31 March 2021	31 December 2020 (Audited)
Current Liabilities:		
Accounts payable	4,148,448,978.17	4,089,235,914.59
Contract liabilities	428,818,006.95	302,958,716.24
Employee benefits payable	122,203,052.41	324,066,777.71
Taxes payable	19,844,346.69	20,890,204.76
Other payables	689,112,524.56	1,009,009,072.32
Non-current liabilities due within one year	94,405,685.63	93,769,873.33
Other current liabilities	61,299,653.65	49,560,392.77
Total current liabilities	5,564,132,248.06	5,889,490,951.72
Non-current liabilities:		
Lease liabilities	330,400,428.92	345,311,476.37
Deferred income	5,431,106.03	5,796,044.62
Total non-current liabilities	335,831,534.95	351,107,520.99
Total liabilities	5,899,963,783.01	6,240,598,472.71
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	1,233,841,000.00	1,233,841,000.00
Capital reserve	2,631,057,328.10	2,631,057,328.10
Other comprehensive income	1,082,627,872.00	1,017,913,006.10
Surplus reserve	896,812,934.68	896,812,934.68
Undistributed profits	3,476,404,738.21	3,388,127,389.56
Total owners' equity (or shareholders' equity)	9,320,743,872.99	9,167,751,658.44
Total liabilities and owners' equity (or shareholders' equity)	15,220,707,656.00	15,408,350,131.15

CONSOLIDATED INCOME STATEMENT

From January to March 2021

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First quarter of 2021	First quarter of 2020
I. Total operating income	1,953,278,246.59	1,488,264,946.40
Including: Operating income	1,953,278,246.59	1,488,264,946.40
II. Total operating costs	1,681,620,216.52	1,276,802,962.80
Including: Operating costs	1,179,428,685.66	882,705,170.44
Taxes and levies	5,645,369.26	4,278,825.09
Selling expenses	241,257,520.17	189,576,370.46
Administrative expenses	277,807,061.03	209,613,177.61
Research and development expenditures	426,282.89	388,006.12
Finance expenses	(22,944,702.49)	(9,758,586.92)
Including: Interest expenses	5,566,331.56	5,694,713.91
Interest income	29,951,429.94	16,132,841.27
Add: Other income	3,961,810.59	3,673,058.19
Investment income (loss represented by “-”)	(10,979,982.47)	10,171,429.16
Including: Income from investment in associates and joint ventures	(13,169,221.20)	7,943,207.26
Gains from changes in fair values (loss represented by “-”)	(50,521,076.34)	2,429,146.42
Loss from credit impairment (loss represented by “-”)	(52,334,400.09)	(62,405,920.42)
Loss from asset impairment (loss represented by “-”)	(14,310,060.59)	(7,682,078.86)
Gain on disposal of assets (loss represented by “-”)	1,937,373.00	48.67
III. Operating profit (loss represented by “-”)	149,411,694.17	157,647,666.76
Add: Non-operating income	1,460,637.23	5,144,564.07
Less: Non-operating expenses	3,479,400.85	7,492,923.58
IV. Total profit (total loss represented by “-”)	147,392,930.55	155,299,307.25
Less: Income tax expenses	(10,658,611.65)	3,424,470.74
V. Net profit (net loss represented by “-”)	158,051,542.20	151,874,836.51
(I) Categorized by the nature of continuing operation		
1. Net profit from continuing operation (net loss represented by “-”)	158,051,542.20	151,874,836.51
(II) Categorized by ownership		
1. Net profit attributable to shareholders of the parent company (net loss expressed with “-”)	156,421,466.70	156,241,572.60
2. Profit/loss attributable to minority shareholders (net loss represented by “-”)	1,630,075.50	(4,366,736.09)

Item	First quarter of 2021	First quarter of 2020
VI. Other comprehensive income, net of tax	63,602,785.48	(215,522,304.67)
(I) Other comprehensive income attributable to owners of the parent company, net of tax	63,602,785.48	(215,522,304.67)
1. Other comprehensive income not reclassified to profit or loss	63,602,785.48	(215,522,304.67)
(1) Fair value changes of other equity instrument investment	63,602,785.48	(215,522,304.67)
VII.Total comprehensive income	221,654,327.68	(63,647,468.16)
(I) Total comprehensive income attributable to owners of the parent company	220,024,252.18	(59,280,732.07)
(II) Total comprehensive income attributable to minority shareholders	1,630,075.50	(4,366,736.09)
VIII.Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.13	0.13
(II) Diluted earnings per share (RMB/share)	N/A	N/A

INCOME STATEMENT OF THE PARENT COMPANY

From January to March 2021

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First quarter of 2021	First quarter of 2020
I. Operating income	1,193,981,735.11	1,016,471,103.00
Less: Operating costs	711,788,494.38	618,548,522.28
Taxes and levies	427,517.34	114,602.88
Selling expenses	165,480,596.54	137,047,781.92
Administrative expenses	209,577,608.99	155,059,280.93
Finance expenses	(15,776,189.91)	(6,235,537.27)
Including: Interest expenses	7,220,385.25	6,605,906.25
Interest income	23,745,899.02	13,358,997.62
Add: Other income	876,361.29	749,806.86
Investment income (loss represented by "-")	(3,169,300.53)	523,575.54
Including: Income from investment in associates and joint ventures	(4,623,845.55)	(1,666,714.85)
Gains from changes in fair values (loss represented by "-")	525.60	(301,457.69)
Loss from credit impairment (loss represented by "-")	(19,507,914.11)	(33,678,180.12)
Loss from asset impairment (loss represented by "-")	(8,513,622.33)	1,470,494.27
II. Operating profit (loss represented by "-")	92,169,757.69	80,700,691.12
Add: Non-operating income	815,949.88	4,683,650.95
Less: Non-operating expenses	3,396,693.02	7,452,709.91
III. Total profit (total loss represented by "-")	89,589,014.55	77,931,632.16
IV. Net profit (net loss represented by "-")	89,589,014.55	77,931,632.16
(I) Net profit from continuing operation (net loss represented by "-")	89,589,014.55	77,931,632.16
V. Other comprehensive income, net of tax	63,403,200.00	(215,433,600.00)
(I) Other comprehensive income not reclassified to profit or loss	63,403,200.00	(215,433,600.00)
(1) Fair value changes of other equity instrument investment	63,403,200.00	(215,433,600.00)
VI. Total comprehensive income	152,992,214.55	(137,501,967.84)
VII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.07	0.06
(II) Diluted earnings per share (RMB/share)	N/A	N/A

CONSOLIDATED CASH FLOW STATEMENT

From January to March 2021

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First quarter of 2021	First quarter of 2020
I. Cash flows from operating activities:		
Cash receipts from sale of goods and rendering of services	2,090,774,629.95	1,434,664,718.03
Other cash receipts relating to operating activities	66,096,791.99	59,064,888.52
Sub-total of cash inflows from operating activities	2,156,871,421.94	1,493,729,606.55
Cash paid for goods purchased and services received	1,387,062,567.48	813,245,607.39
Cash paid to and on behalf of employees	531,399,260.42	456,620,315.40
Payments of taxes	27,922,837.73	31,924,309.03
Other cash payments relating to operating activities	243,783,360.57	170,562,879.54
Sub-total of cash outflows from operating activities	2,190,168,026.20	1,472,353,111.36
Net cash flow from operating activities	(33,296,604.26)	21,376,495.19
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	6,640,610.33	210,156,031.07
Cash receipts from investment income	284,693.71	2,248,753.28
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,272,692.90	2,186,790.10
Sub-total of cash inflows from investing activities	9,197,996.94	214,591,574.45
Cash paid to acquire fixed assets, intangible assets and other long-term assets	37,328,277.96	15,197,749.39
Cash paid to acquire investments	617,142,864.83	218,043,272.22
Other cash payments relating to investing activities	–	4,308,299.49
Sub-total of cash outflows from investing activities	654,471,142.79	237,549,321.10
Net cash flow from investment activities	(645,273,145.85)	(22,957,746.65)
III. Cash flows from financing activities:		
Other cash payments relating to financing activities	26,596,017.88	23,129,399.27
Sub-total of cash outflows from financing activities	26,596,017.88	23,129,399.27
Net cash flow from financing activities	(26,596,017.88)	(23,129,399.27)
IV. Net increase in cash and cash equivalents	(705,165,767.99)	(24,710,650.73)
Add: Opening balance of cash and cash equivalents	5,740,841,068.18	3,470,037,468.97
V. Closing balance of cash and cash equivalents	5,035,675,300.19	3,445,326,818.24

CASH FLOW STATEMENT OF THE PARENT COMPANY

From January to March 2021

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First quarter of 2021	First quarter of 2020
I. Cash flows from operating activities:		
Cash receipts from sale of goods and rendering of services	1,217,586,189.69	877,601,946.09
Other cash receipts relating to operating activities	39,814,784.97	27,431,420.83
Sub-total of cash inflows from operating activities	1,257,400,974.66	905,033,366.92
Cash paid for goods purchased and services received	706,560,827.93	430,771,812.79
Cash paid to and on behalf of employees	363,889,066.85	314,099,016.21
Payments of taxes	3,117,259.18	261,914.34
Other cash payments relating to operating activities	216,227,310.87	146,111,006.06
Sub-total of cash outflows from operating activities	1,289,794,464.83	891,243,749.40
Net cash flow from operating activities	(32,393,490.17)	13,789,617.52
II. Cash flows from investing activities:		
Cash receipts from disposal of investments	140,610.33	294,446,548.49
Cash receipts from investment income	–	2,210,821.77
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	117,592.00	2,186,735.10
Other cash receipts relating to investing activities	27,671,286.53	38,000,000.00
Sub-total of cash inflows from investing activities	27,929,488.86	336,844,105.36
Cash paid to acquire fixed assets, intangible assets and other long-term assets	33,662,786.04	12,143,227.03
Cash paid to acquire investments	317,142,864.83	300,043,272.22
Sub-total of cash outflows from investing activities	350,805,650.87	312,186,499.25
Net cash flow from investment activities	(322,876,162.01)	24,657,606.11
III. Cash flows from financing activities:		
Other cash receipts relating to financing activities	28,000,000.00	–
Sub-total of cash inflows from financing activities	28,000,000.00	–
Other cash payments relating to financing activities	22,100,794.90	19,937,074.53
Sub-total of cash outflows from financing activities	22,100,794.90	19,937,074.53
Net cash flow from financing activities	5,899,205.10	(19,937,074.53)
IV. Net increase in cash and cash equivalents	(349,370,447.08)	18,510,149.10
Add: Opening balance of cash and cash equivalents	4,235,082,239.58	2,638,250,163.76
V. Closing balance of cash and cash equivalents	3,885,711,792.50	2,656,760,312.86

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

Sichuan, the PRC, 29 April 2021

As at the date of this announcement, the Board comprises (a) Mr. He Zhiyong and Mr. Chen Yunhua as executive Directors; (b) Mr. Luo Jun, Mr. Zhang Peng and Mr. Han Xiaoming as non-executive Directors; and (c) Mr. Chan Yuk Tong, Ms. Xiao Liping and Mr. Fang Bingxi as independent non-executive Directors.

* For identification purposes only