winshare文轩

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)

2026 INTERIM RESULTS ANNOUNCEMENT

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 consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2026 (the "**Period**" or "**Current Period**") prepared in accordance with the relevant requirements of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), together with the comparative figures for the corresponding period of 2025 (the "**Same Period of Last Year**").

CONSOLIDATED BALANCE SHEET
As at 30 June 2026

RMB

Item	*Notes*	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Assets			
Current Assets:			
Cash and bank balances	*5*	**9,119,102,156.20**	8,813,294,996.91
Held-for-trading financial assets		**16,532.78**	47,285.12
Accounts receivable	*6*	**1,791,523,982.36**	1,631,558,313.21
Financing receivables		**15,519,907.53**	13,659,195.61
Prepayments		**120,668,602.59**	101,661,653.47
Other receivables	*7*	**261,662,095.84**	155,434,051.60
Including: Dividends receivable		**98,608,000.00**	12,464,000.00
Inventories	*8*	**2,358,299,408.73**	2,280,086,323.16
Contract assets		**2,988,467.07**	10,220,367.99
Non-current assets due within one year		**13,345,101.13**	22,507,427.20
Other current assets		**61,927,841.60**	72,574,515.09
Total Current Assets		**13,745,054,095.83**	13,101,044,129.36

Item	*Notes*	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Non-current Assets:			
Long-term receivables	*9*	**15,519,247.67**	13,693,637.50
Long-term equity investments	*10*	**864,124,096.08**	871,587,783.09
Other equity instrument investment	*11*	**2,030,850,593.81**	2,110,106,593.81
Other non-current financial assets	*12*	**504,043,212.12**	466,762,331.54
Investment properties		**73,297,192.64**	75,059,480.25
Fixed assets	*13*	**2,280,429,475.42**	2,347,072,000.84
Construction in progress		**6,306,501.93**	3,394,771.08
Right-of-use assets		**295,113,518.52**	330,892,995.19
Intangible assets		**300,994,071.62**	313,800,969.23
Development cost		**11,453,652.53**	7,650,470.72
Goodwill	*14*	**622,652,907.24**	622,652,907.24
Long-term prepaid expenses		**27,966,377.46**	28,688,755.34
Deferred income tax assets		**4,950,449.18**	6,963,098.32
Other non-current assets		**2,805,918,672.25**	3,145,071,401.54
Total Non-current Assets		**9,843,619,968.47**	10,343,397,195.69
TOTAL ASSETS		**23,588,674,064.30**	23,444,441,325.05
Liabilities and shareholders' equity			
Current Liabilities:			
Short-term borrowings		**37,950,000.00**	10,000,000.00
Accounts payable	*15*	**5,356,182,602.48**	5,162,813,030.81
Advance receipts		**4,125,712.26**	7,506,790.10
Contract liabilities	*16*	**622,934,820.74**	591,240,193.13
Employee benefits payable		**702,109,070.85**	1,009,468,036.81
Taxes payable		**19,285,580.32**	47,287,226.56
Other payables	*17*	**508,331,351.46**	304,192,570.95
Including: Interests payable		**6,183.33**	–
Dividends payable		**177,922,245.48**	–
Non-current liabilities due within one year		**81,444,368.84**	83,930,280.44
Other current liabilities		**126,622,337.25**	141,378,687.62
Total Current Liabilities		**7,458,985,844.20**	7,357,816,816.42

Item	*Notes*	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Non-current Liabilities:			
Lease liabilities		**234,514,846.17**	268,414,242.75
Long-term payables		**5,458,101.00**	5,374,260.12
Deferred income		**88,776,238.72**	85,837,398.10
Deferred income tax liabilities		**79,783,655.30**	76,139,642.63
Total Non-current Liabilities		**408,532,841.19**	435,765,543.60
TOTAL LIABILITIES		**7,867,518,685.39**	7,793,582,360.02
Shareholders' Equity:			
Share capital	*18*	**1,233,841,000.00**	1,233,841,000.00
Capital reserve		**2,524,643,969.45**	2,524,643,969.45
Other comprehensive income	*24*	**1,602,413,172.65**	1,681,669,172.65
Surplus reserve		**1,580,525,668.61**	1,580,525,668.61
Undistributed profits	*19*	**8,376,264,193.09**	8,240,007,529.56
Total Shareholders' Equity Attributable to the Parent Company		**15,317,688,003.80**	15,260,687,340.27
Non-controlling Interests		**403,467,375.11**	390,171,624.76
TOTAL SHAREHOLDERS' EQUITY		**15,721,155,378.91**	15,650,858,965.03
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**23,588,674,064.30**	23,444,441,325.05

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2026

RMB

Item		Notes	**For the period from 1 January to 30 June 2026 (Unaudited)**	For the period from 1 January to 30 June 2025 (Unaudited)
I.	**Operating income**	*20*	**5,006,515,922.52**	5,527,429,426.93
	Less: Operating costs	*20*	**3,195,653,910.97**	3,368,865,598.71
	Taxes and surcharges		**25,844,210.91**	24,256,777.88
	Selling expenses		**603,277,937.36**	698,894,015.13
	Administrative expenses		**687,722,005.92**	748,557,863.43
	Research and development expenditure		**14,026,750.95**	14,110,458.81
	Finance expenses		**(63,761,666.41)**	(69,213,459.70)
	Including: Interest expense		**6,489,147.53**	7,772,317.93
	Interest income		**71,733,260.06**	77,881,033.30
	Add: Other income		**27,912,543.43**	48,168,005.53
	Investment income	*21*	**102,172,028.41**	102,176,132.12
	Including: Income from investments in associates and joint ventures		**(6,104,387.01)**	18,119,131.91
	Gains from changes in fair values		**22,062,632.21**	10,859,065.07
	Gains on credit impairment		**20,918,519.05**	48,695,138.39
	Impairment gains (losses) of assets		**(39,885,127.50)**	(41,270,639.32)
	Gains (losses) from disposal of assets		**1,573,225.09**	(174,288.09)
II.	**Operating profit**		**678,506,593.51**	910,411,586.37
	Add: Non-operating income		**672,772.67**	2,923,519.65
	Less: Non-operating expenses		**6,899,548.53**	5,862,111.54
III.	**Total profit**		**672,279,817.65**	907,472,994.48
	Less: Income tax expenses	*23*	**8,927,018.88**	7,438,067.33

Item	Notes	For the period from 1 January to 30 June 2026 (Unaudited)	For the period from 1 January to 30 June 2025 (Unaudited)
IV. Net profit		**663,352,798.77**	900,034,927.15
(I) Categorized by the nature of continuing operation:			
1. Net profit from continuing operations		**663,352,798.77**	900,034,927.15
(II) Categorized by ownership:			
1. Net profit attributable to shareholders of the parent company		**654,469,883.53**	856,544,756.92
2. Profit or loss attributable to non-controlling interests		**8,882,915.24**	43,490,170.23
V. Other comprehensive income, net of tax	*24*	**(79,256,000.00)**	175,645,823.59
(I) Other comprehensive income attributable to shareholders of the parent company, net of tax	*24*	**(79,256,000.00)**	175,645,823.59
1. Other comprehensive income not reclassified to profit or loss	*24*	**(79,256,000.00)**	175,645,823.59
(1) Changes in other equity instrument investment at fair value		**(79,256,000.00)**	175,645,823.59
VI. Total comprehensive income		**584,096,798.77**	1,075,680,750.74
(I) Total comprehensive income attributable to shareholders of the parent company		**575,213,883.53**	1,032,190,580.51
(II) Total comprehensive income attributable to non-controlling shareholders		**8,882,915.24**	43,490,170.23
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)	*25*	**0.53**	0.69
(II) Diluted earnings per share (RMB/share)		**0.53**	0.69

CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2026

RMB

Item		For the period from 1 January to 30 June 2026 (Unaudited)	For the period from 1 January to 30 June 2025 (Unaudited)
I.	**Cash Flows from Operating Activities:**		
	Cash receipts from the sale of goods and the rendering of services	**5,171,175,438.82**	5,643,552,191.71
	Receipts of tax refunds	**12,098,933.04**	130,410,433.07
	Other cash receipts relating to operating activities	**75,125,195.76**	92,977,338.71
	Sub-total of cash inflows from operating activities	**5,258,399,567.62**	5,866,939,963.49
	Cash payments for goods purchased and services received	**3,312,098,107.22**	3,590,126,575.09
	Cash payments to and on behalf of employees	**1,180,382,312.26**	1,194,072,523.09
	Payments of various types of taxes	**81,324,356.53**	88,806,329.48
	Other cash payments relating to operating activities	**367,846,942.61**	373,204,642.79
	Sub-total of cash outflows from operating activities	**4,941,651,718.62**	5,246,210,070.45
	Net Cash Flow from Operating Activities	**316,747,849.00**	620,729,893.04
II.	**Cash Flows from Investing Activities:**		
	Cash receipts from recovery of investments	**5,446,860.85**	29,237,196.19
	Cash receipts from investment income	**68,661,708.33**	9,885,092.44
	Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	**2,762,402.49**	4,868,546.63
	Other cash receipts relating to investing activities	**595,000,000.00**	60,000,000.00
	Sub-total of cash inflows from investing activities	**671,870,971.67**	103,990,835.26
	Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	**43,297,857.24**	58,510,167.00
	Cash payments to acquire investments	**20,113,474.04**	50,132,664.02
	Other cash payments relating to investing activities	**1,051,155,269.79**	748,741,826.49
	Sub-total of cash outflows from investing activities	**1,114,566,601.07**	857,384,657.51
	Net Cash Flow from Investing Activities	**(442,695,629.40)**	(753,393,822.25)

Item		For the period from 1 January to 30 June 2026 (Unaudited)	For the period from 1 January to 30 June 2025 (Unaudited)
III.	**Cash Flows from Financing Activities:**		
	Cash received from borrowings	**27,950,000.00**	–
	Sub-total of cash inflows from financing activities	**27,950,000.00**	–
	Cash payments for distribution of dividends, profit or settlement of interest expenses	**340,623,718.39**	324,851,098.98
	Other cash payments relating to financing activities	**49,890,992.45**	52,767,334.80
	Sub-total of cash outflows from financing activities	**390,514,710.84**	377,618,433.78
	Net Cash Flow from Financing Activities	**(362,564,710.84)**	(377,618,433.78)
IV.	**Net Increase (Decrease) in Cash and Cash Equivalents**	**(488,512,491.24)**	(510,282,362.99)
	Add: Opening balance of cash and cash equivalents	**7,279,621,670.33**	8,962,582,856.29
V.	**Closing Balance of Cash and Cash Equivalents**	**6,791,109,179.09**	8,452,300,493.30

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

1. BASIC INFORMATION ABOUT THE COMPANY

The Company was registered at Administration for Market Regulation of Sichuan Province on 11 June 2005 with the share capital of RMB733,370,000.00.

On 30 May 2007, the Company publicly offered 401,761,000 shares of overseas listed foreign shares ("**H Shares**") (including overallotment) in Hong Kong and was listed on the Stock Exchange. Upon completion of issuance, the share capital of the Company was changed to RMB1,135,131,000.00.

As approved by Reply on Approval of IPO of Xinhua Winshare Publishing and Media Co., Ltd. (Zheng Jian Xu Ke [2016] No.1544) issued by China Securities Regulatory Commission, the Company publicly offered 98,710,000 shares of RMB ordinary share ("**A Shares**") to the public on 8 August 2016 and was listed on the Shanghai Stock Exchange. Upon the completion of IPO, the share capital of the Company changed into RMB1,233,841,000.00.

The legal representative of the Company is Mr. Zhou Qing. The registered address of the Company is located at Unit 1, Block 1, No. 238, Sanse Road, Jinjiang District, Chengdu, China and the headquarters is located at Xinhua Star Tower A, No. 238, Sanse Road, Jinjiang District, Chengdu, Sichuan.

The Group is actually and mainly engaged in: permitted items: wholesale of publications; distribution of primary and secondary school textbooks; Internet sales of publications; printing of publications; printing of packaging and decoration printed materials; printing of documents, materials and other printed materials; catering services (operated by branches); catering services (not producing smoke, odor, or exhaust gas); food sales; tourism business; road freight transportation (excluding dangerous goods). (items subject to prior approvals according to the law can only be operated upon obtaining approvals from the relevant authorities, and the specific business items are subject to the approval documents or licenses of relevant departments) General items: Internet sales (except for sales of goods requiring a license); copyright agency; investment activities with own funds; digital content production services (excluding publishing and distribution); sales of electronic products; wholesale of computer hardware and software and auxiliary equipment; retail of computer hardware and software and auxiliary equipment; software sales; sales of teaching equipment; sales of instruments and meters; wholesale of stationery; retail of stationery; retail of sporting goods and equipment; wholesale of sporting goods and equipment; organization of cultural and artistic exchange activities; experiential development activities and planning; education consulting services (excluding education training activities involving licensing and approval); sales of daily necessities; sales of office supplies; sales of toys, animation and amusement products; retail of daily household appliances; agency sales of single-purpose commercial prepaid cards; catering management; Food sales (only prepackaged food sales); non-residential real estate leasing; counter and stall rental; sales agency; consulting and planning services; conference and exhibition services (organizing exhibitions abroad is subject to approval of the relevant authorities); cultural venue management services; professional design services; graphic design and production; project management services; labor services (excluding labor dispatch); library management services; daily necessities rental; cultural supplies and equipment rental; outside-school hour care services for primary and secondary school students; business management consulting; information consulting services (excluding licensed information consulting services); information technology consulting services; graphic design; advertising production; packaging services; business management; furniture sales; office equipment and supplies sales; clothing and apparel retail; footwear and hat retail; cosmetics retail; knitwear and textile sales; sales of arts and crafts and ceremonial articles (excluding ivory and its products); sales of daily necessities; retail of arts and crafts and collectibles (excluding ivory and its products); sales of office equipment; wholesale of cosmetics; sales of packaging materials and products; sales of building decoration materials; organization for sports insurance; organization for sports competition; rental services (excluding licensed rental services); ticket agency services; tourism development project planning and consulting; business agency services; study space services; sales of artificial intelligence hardware; musical instrument retail; daily chemical product sales; photographic equipment and telescope retail; camera and equipment sales; leather product sales; slide projector and projection equipment sales; paper product sales; audio equipment sales; goods import and export; technology import and export; jewelry retail; vending machine sales; intelligent robot sales; consumer service robot sales; intelligent unmanned aerial vehicle sales; amusement and entertainment product sales; gold and silver product sales; sales of chemical products (excluding licensed chemical products); educational and teaching testing and evaluation activities; technical services, technology development, technology consulting, technology exchange, technology transfer, and technology promotion; information system integration services; data processing and storage support services; software development; sales of copying and offset printing equipment; sales of inks (excluding hazardous chemicals); sales of teaching models and teaching aids; sales of specialized chemical products (excluding hazardous chemicals); sales of lighting fixtures; digital technology services; asset management services invested with own funds; human resources services (excluding employment agency activities and labor dispatch services); business training (excluding educational training, vocational skills training, and other training that require a license); retail of pet food and supplies; sales of maternal and infant products; book rentals; sales of labor protection products; sales of glasses (excluding contact lenses); sales of wearable smart devices; sales of communications equipment; sales of household goods; and amusement park services. (business activities may be independently conducted according to the law with a business license, except for items subject to prior approvals according to the law).

The parent of the Company is Sichuan Xinhua Publishing and Distribution Group Co., Ltd. The de facto controller of the Company is State-owned Assets Supervision and Administration Commission of Sichuan Province.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation

The Group has adopted the Accounting Standards for Business Enterprises and relevant regulations issued by the Ministry of Finance. In addition, the Group has disclosed relevant financial information in accordance with Information Disclosure and Presentation Rules for Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reporting (Revised in 2023), Hong Kong Companies Ordinance and Listing Rules.

Going concern

The Group assessed its ability to continue as a going concern for the 12 months subsequent to 30 June 2026, and found no events or circumstances that may cast significant doubts upon it. Hence the financial statements have been prepared on a going concern basis.

3. TAX INCENTIVES AND OFFICIAL APPROVALS

Enterprise income tax

In accordance with the Announcement on Tax Policies for the Transformation of Operating Cultural Institutions into Enterprises of Cultural System Reform (Announcement of the Ministry of Finance, State Administration of Taxation and Publicity Department No. 20 of 2024) issued by the Ministry of Finance, State Administration of Taxation and Publicity Department of the Communist Party of China ("**Publicity Department**"), the Company and its subsidiaries, Beijing Shuchuan Xinhua Bookstore Book Distribution Co., Ltd., Sichuan Xinhua Online Network Co., Ltd., Sichuan Winshare Cultural Communication Co., Ltd. and the Company's fourteen publishing units enjoyed enterprise income tax exemption from the registration date of transformation until 31 December 2027.

In accordance with the Notice on the Continuous Implementation of Several Tax Policies for the Transformation of Operating Cultural Institutions into Enterprises of Cultural System Reform (Announcement of the Ministry of Finance, State Administration of Taxation and Publicity Department No. 71 of 2023), the Announcement on the List of the First Batch of State-transformed Cultural Enterprises (Liang Cai Fa Shui [2021] No. 4) and the Announcement on Tax Policies for the Transformation of Operating Cultural Institutions into Enterprises of Cultural System Reform (Announcement of the Ministry of Finance, State Administration of Taxation and Publicity Department No. 20 of 2024) issued by the Ministry of Finance, State Administration of Taxation and Publicity Department, Liangshanzhou Xinhua Bookstore Co., Ltd. ("**Liangshanzhou Xinhua Bookstore**"), a subsidiary of the Company, was entitled to the enterprise income tax exemption policy from 1 January 2021 to 31 December 2027.

In accordance with the Announcement on Renewing the Enterprise Income Tax Policy for Great Western Development (Announcement of the Ministry of Finance, State Administration of Taxation and National Development and Reform Commission No. 23 of 2020) issued by the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission, the Company and some of its subsidiaries were included in encouraged industries in Western China, which were subject to enterprise income tax calculated at the rate of 15% of the assessable income.

Value-added tax

Pursuant to Notice on Renewing the Implementation of Promoting Cultural Value-added Tax Preferential Policies (Announcement of Ministry of Finance and the State Administration of Taxation No. 60 of 2023) issued by the Ministry of Finance and the State Administration of Taxation, for the period from 1 January 2024 to 31 December 2027, the Group's publications of newspapers and journals published for children and the elderly, textbooks for students in primary and secondary schools and publications for ethnic minorities were entitled to preferential policy of 100% reimbursement of value-added tax during publishing phase; apart from the above publications that were entitled to preferential policy of 100% reimbursement of value-added tax, other publications such as books, journals, audio-visual products and electronic publications were entitled to preferential policy of 50% reimbursement of value-added tax during publishing phase; and the book wholesale and retail business was entitled to exemption from value-added tax.

4. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

During the six months ended 30 June 2026, the Group had no changes in significant accounting policies and accounting estimates.

5. CASH AND BANK BALANCES

RMB

Item	30 June 2026 (Unaudited)			31 December 2025 (Audited)		
	Amounts of the original currencies	**Exchange rate**	**Amount in RMB**	Amounts of the original currencies	Exchange rate	Amount in RMB
Cash on hand:						
RMB	**31,312.39**	**1.0000**	**31,312.39**	48,383.28	1.0000	48,383.28
Bank balances:						
RMB *(Note 1)*	**9,072,648,106.29**	**1.0000**	**9,072,648,106.29**	8,766,342,149.42	1.0000	8,766,342,149.42
USD	**19,588.08**	**6.8109**	**133,412.45**	19,583.04	7.0288	137,645.27
HKD	**66,855.42**	**0.8686**	**58,067.28**	72,151.83	0.9032	65,168.98
JPY	**304.00**	**0.0420**	**12.78**	304.00	0.0448	13.62
Other currency funds:						
RMB *(Note 2)*	**46,231,245.01**	**1.0000**	**46,231,245.01**	46,701,636.34	1.0000	46,701,636.34
Total			**9,119,102,156.20**			8,813,294,996.91

Note 1: On 30 June 2026, the bank balances include 3-month above time deposits amounting to RMB4,719,147,808.23 (31 December 2025: RMB4,605,405,342.50). The management held the term deposits for the Period with the intention of flexible arrangement of funds and withdrew funds at any time depending on the capital needs. The bank balances include time deposits with a term exceeding 3 months and maturing within 1 year, which the management intended to hold to maturity with a principal of RMB2,148,000,000.00, and accrued interest calculated based on the effective interest rate method of RMB147,546,288.51.

Note 2: On 30 June 2026, other currency funds include the balances with Alipay App account, WeChat App account, E-commerce platform online store account and securities account of RMB13,784,556.41 (31 December 2025: RMB13,918,964.70), and restricted currency funds of RMB32,446,688.60 (31 December 2025: RMB32,782,671.64). At the end of the Period, the Group's cash and bank balances with restricted ownership consist of (1) security deposit placed in bank for the issuance of guarantee letter of RMB4,004,240.03; (2) security deposit for travel service quality of Sichuan Winshare Xingzhi Study Tour Travel Agency Co., Ltd., a subsidiary of the Company, of RMB1,150,000.00; (3) special fund for housing reform and housing repair of RMB25,118,324.59; and (4) bank deposits frozen as a result of the litigation of Sichuan Xinhua Printing Co., Ltd., a subsidiary of the Company, of RMB2,174,123.98.

6. ACCOUNTS RECEIVABLE

(1) Disclosure by aging

RMB

Aging	Carrying balance as at 30 June 2026 (Unaudited)	Carrying balance as at 31 December 2025 (Audited)
Within 1 year	**1,631,522,364.61**	1,435,364,371.82
More than 1 year but not exceeding 2 years	**216,535,226.10**	264,606,637.54
More than 2 years but not exceeding 3 years	**129,948,705.73**	158,468,908.49
More than 3 years	**612,398,733.56**	599,408,779.93
Subtotal	**2,590,405,030.00**	2,457,848,697.78
Less: Provision for credit loss	**798,881,047.64**	826,290,384.57
Total	**1,791,523,982.36**	1,631,558,313.21

The aging analysis of accounts receivable above is based on the date on which the customer gains control over the relevant goods or services.

(2) Disclosure by provision method of credit loss

RMB

	30 June 2026 (unaudited)					31 December 2025 (audited)				
	Carrying amount		Credit loss provision			Carrying amount		Credit loss provision		
Category	Amount	Percentage (%)	Amount	Provision percentage (%)	Carrying value	Amount	Percentage (%)	Amount	Provision percentage (%)	Carrying value
Provision for credit loss on an individual basis	**427,706,818.47**	**16.51**	**266,887,181.25**	**62.40**	**160,819,637.22**	468,312,292.07	19.05	267,608,828.39	57.14	200,703,463.68
Provision for credit loss on a collective basis	**2,162,698,211.53**	**83.49**	**531,993,866.39**	**24.60**	**1,630,704,345.14**	1,989,536,405.71	80.95	558,681,556.18	28.08	1,430,854,849.53
Total	**2,590,405,030.00**	**100.00**	**798,881,047.64**		**1,791,523,982.36**	2,457,848,697.78	100.00	826,290,384.57		1,631,558,313.21

Provision for credit loss on an individual basis

RMB

	30 June 2026 (unaudited)			
Name of entity	**Carrying balance**	**Provision for credit loss**	**Provision percentage (%)**	**Reason for provision**
Customer A	135,014,240.31	124,671,239.03	92.34	Poor solvency
Customer D	73,297,275.50	14,476,889.13	19.75	Slow recovery speed
Others	219,395,302.66	127,739,053.09	58.22	Slow recovery speed, etc.
Total	427,706,818.47	266,887,181.25	62.40	

Provision for credit loss on a collective basis

As part of the Group's credit risk management, the Group uses an impairment matrix to determine the expected credit losses of accounts receivable formed by various businesses based on the aging of accounts receivable. These businesses involve a large number of small customers with the same risk characteristics, and the aging information can reflect the solvency of such customers as the accounts receivable fall due.

RMB

	30 June 2026 (unaudited)			
Aging	**Carrying balance**	**Provision for credit loss**	**Provision percentage (%)**	**Carrying value**
Within 1 year	1,594,388,126.10	76,714,595.07	4.81	1,517,673,531.03
More than 1 year but not exceeding 2 years	184,176,425.70	75,006,803.79	40.73	109,169,621.91
More than 2 years but not exceeding 3 years	94,525,490.42	90,664,298.22	95.92	3,861,192.20
More than 3 years	289,608,169.31	289,608,169.31	100.00	–
Total	2,162,698,211.53	531,993,866.39	24.60	1,630,704,345.14

(3) Credit loss provision made or reversed in the Period

The credit loss provision made for the Current Period was RMB39,816,598.79, the credit loss provision reversed was RMB57,680,578.10, and the decrease due to changes in scope of consolidation amounted to RMB9,545,347.62.

(4) Accounts receivable actually written off for the Period

Accounts receivable written off for the Current Period amounted to RMB0.

(5) Top five debtors with the largest balances of accounts receivable at the end of the Period

RMB

Name of entity	Balance of accounts receivable as at 30 June 2026 (Unaudited)	Balance of contract assets as at 30 June 2026 (Unaudited)	Closing balance of accounts receivable and contract assets as at 30 June 2026 (Unaudited)	As a percentage of the total balance of accounts receivable and contract assets (%)	Balance of bad debt provision as at 30 June 2026 (Unaudited)
Customer A	135,014,240.31	670,000.00	135,684,240.31	5.23	124,671,239.03
Customer B	108,782,828.15	–	108,782,828.15	4.19	594,676.63
Customer D	73,297,275.50	–	73,297,275.50	2.83	14,476,889.13
Customer T	35,293,972.76	–	35,293,972.76	1.36	1,520.85
Customer E	33,408,910.56	–	33,408,910.56	1.29	33,408,910.56
Total	385,797,227.28	670,000.00	386,467,227.28	14.90	173,153,236.20

The total transaction volume between the above-mentioned customers and the Group in the period from 1 January to 30 June 2026 accounted for less than 1% of the Group's operating income.

7. OTHER RECEIVABLES

7.1 Presentation of items

RMB

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Dividend receivables	**98,608,000.00**	12,464,000.00
Other receivables	**163,054,095.84**	142,970,051.60
Total	**261,662,095.84**	155,434,051.60

7.2 Dividend receivables

RMB

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Bank of Chengdu Co., Ltd. ("**Bank of Chengdu**")	**73,680,000.00**	–
Anhui Xinhua Media Co., Ltd. ("**Wan Xin Media**")	**24,928,000.00**	12,464,000.00
Total	**98,608,000.00**	12,464,000.00

7.3 Other receivables

(1) Other receivables by aging

RMB

Aging	Carrying balance as at 30 June 2026 (Unaudited)	Carrying balance as at 31 December 2025 (Audited)
Within 1 year	**101,758,219.48**	69,780,365.66
More than 1 year but not exceeding 2 years	**3,238,380.08**	4,278,011.13
More than 2 years but not exceeding 3 years	**5,541,084.57**	4,368,011.13
More than 3 years	**76,900,559.83**	87,831,470.22
Subtotal	**187,438,243.96**	166,257,858.14
Less: Provision for credit loss	**24,384,148.12**	23,287,806.54
Total	**163,054,095.84**	142,970,051.60

(2) Disclosure by provision method of credit loss

RMB

	30 June 2026 (Unaudited)					31 December 2025 (Audited)				
	Carrying amount		Credit loss provision			Carrying amount		Credit loss provision		
Category	Amount	Percentage (%)	Amount	Provision percentage (%)	Carrying value	Amount	Percentage (%)	Amount	Provision percentage (%)	Carrying value
Provision for credit loss on an individual basis	**109,424,879.06**	**58.38**	**14,298,289.23**	**13.07**	**95,126,589.83**	108,442,712.55	65.23	13,954,655.74	12.87	94,488,056.81
Provision for credit loss on a collective basis	**78,013,364.90**	**41.62**	**10,085,858.89**	**12.93**	**67,927,506.01**	57,815,145.59	34.77	9,333,150.80	16.14	48,481,994.79
Total	**187,438,243.96**	**100.00**	**24,384,148.12**		**163,054,095.84**	166,257,858.14	100.00	23,287,806.54		142,970,051.60

Provision for credit loss on an individual basis

RMB

	30 June 2026 (Unaudited)			
Name of entity	**Carrying balance**	**Provision for credit loss**	**Provision percentage (%)**	**Reason for provision**
Deposit/security deposit/ petty cash	95,126,589.83	–	–	N/A
Others	14,298,289.23	14,298,289.23	100.00	Poor solvency
Total	109,424,879.06	14,298,289.23	13.07	

Provision for credit loss on a collective basis

RMB

	30 June 2026 (Unaudited)			
Aging	**Carrying balance**	**Provision for credit loss**	**Provision percentage (%)**	**Carrying value**
Within 1 year	**67,163,390.62**	**318,361.12**	**0.47**	**66,845,029.50**
More than 1 year but not exceeding 2 years	**1,178,785.18**	**96,308.67**	**8.17**	**1,082,476.51**
More than 2 years but not exceeding 3 years	**1,980,645.86**	**1,980,645.86**	**100.00**	**–**
More than 3 years	**7,690,543.24**	**7,690,543.24**	**100.00**	**–**
Total	**78,013,364.90**	**10,085,858.89**	**12.93**	**67,927,506.01**

(3) Credit loss provision made or reversed in the Period

The credit loss provision made for the Current Period was RMB2,270,544.16, the credit loss provision reversed was RMB715,347.81, and the decrease due to changes in scope of consolidation amounted to RMB458,454.77.

(4) Other accounts receivable actually written off in the Period

Other receivables written off amounted to RMB400.00 for the Current Period.

(5) Other receivables presented by nature

RMB

Nature of other receivables	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Amount due from related parties	**273,391.85**	299,507.23
Deposit and guarantee deposit	**94,091,431.44**	93,456,906.75
Petty cash	**1,035,158.39**	1,031,150.06
VAT refund receivable	**4,288,212.45**	–
Others	**87,750,049.83**	71,470,294.10
Total	**187,438,243.96**	166,257,858.14

(6) *Top five debtors with the largest balances of other receivables at the end of the Period*

RMB

Name of entity	Nature	Balance as at 30 June 2026 (Unaudited)	Aging	As a percentage of total other receivables (%)	Balance of credit loss provision as at 30 June 2026 (Unaudited)
Higher Education Press Co., Ltd.	Deposit/security deposit	30,000,000.00	1-2 years, 2-3 years, more than 3 years	16.01	–
Bazhong Enyang District Land Reserve Center	Others	9,832,500.00	Less than 1 year	5.25	–
Hubei Ocean Engine Technology Co., Ltd.	Deposit/security deposit	9,597,496.08	Less than 1 year	5.12	–
Dazhou Senior High School Peiwen School	Deposit/security deposit	3,158,938.20	More than 3 years	1.69	–
Education Department of Tibet Autonomous Region	Deposit/security deposit	2,830,000.00	More than 3 years	1.51	–
Total		55,418,934.28		29.58	

8. INVENTORIES

(1) Categories of inventories

RMB

Item	30 June 2026 (Unaudited)			31 December 2025 (Audited)		
	Book balance	**Provision for decline in value**	**Carrying amount**	Book balance	Provision for decline in value	Carrying amount
Goods on hand	**2,519,585,749.89**	**257,570,553.42**	**2,262,015,196.47**	2,366,503,272.41	231,423,658.56	2,135,079,613.85
Work-in-progress	**61,369,322.19**	**–**	**61,369,322.19**	124,358,461.24	–	124,358,461.24
Raw materials	**36,261,797.38**	**1,346,907.31**	**34,914,890.07**	24,133,435.97	3,485,187.90	20,648,248.07
Total	**2,617,216,869.46**	**258,917,460.73**	**2,358,299,408.73**	2,514,995,169.62	234,908,846.46	2,280,086,323.16

There were no inventories pledged as at the end of the Period.

(2) Provision for decline in value of inventories

RMB

Category of inventories	1 January 2026	Provision for the Current Period	Decrease in the Current Period: Reversal or reallocation	Decrease in the Current Period: Write-off for the Current Period	Decrease in the Current Period: Changes in scope of consolidation	Decrease in the Current Period: Other decreases	30 June 2026 (Unaudited)
Goods on hand	231,423,658.56	38,081,592.19	2,033,370.07	–	9,901,327.26	–	257,570,553.42
Raw materials	3,485,187.90	–	30,644.60		2,107,635.99	–	1,346,907.31
Total	234,908,846.46	38,081,592.19	2,064,014.67		12,008,963.25	–	258,917,460.73

Provision for decline in value of inventories on a collective basis

RMB

	30 June 2026 (Unaudited)			31 December 2025 (Audited)		
Name of group	**Carrying balance**	**Provision for decline in value**	**Provision percentage (%)**	Carrying balance	Provision for decline in value	Provision percentage (%)
Goods on hand – Books	**2,364,780,113.57**	**221,520,269.37**	**9.37**	2,180,871,019.97	185,454,621.84	8.50
Goods on hand – Paper	**40,823,501.01**	**2,143,052.49**	**5.25**	58,313,087.57	2,143,052.49	3.68
Goods on hand – Others	**113,982,135.31**	**33,907,231.56**	**29.75**	127,319,164.87	43,825,984.23	34.42
Work-in-progress	**61,369,322.19**	**–**	**–**	124,358,461.24	–	–
Raw materials	**36,261,797.38**	**1,346,907.31**	**3.71**	24,133,435.97	3,485,187.90	14.44
Total	**2,617,216,869.46**	**258,917,460.73**		2,514,995,169.62	234,908,846.46	

9. LONG-TERM RECEIVABLES

(1) Details of long-term receivables

RMB

Item	30 June 2026 (Unaudited)			31 December 2025 (Audited)			
	Book balance	**Provision for impairment**	**Carrying amount**	Book balance	Provision for impairment	Carrying amount	**Range of discount rate**
Goods sold by instalments *(Note)*	**30,296,431.69**	**1,432,082.89**	**28,864,348.80**	42,242,883.68	6,041,818.98	36,201,064.70	3.00%-4.75%
Less: Long-term receivables included in non-current assets due within one year	**14,060,213.48**	**715,112.35**	**13,345,101.13**	26,417,865.50	3,910,438.30	22,507,427.20	3.00%-4.75%
Net	**16,236,218.21**	**716,970.54**	**15,519,247.67**	15,825,018.18	2,131,380.68	13,693,637.50	

Note: Receivables of goods sold by instalments are the Group's receivables for education informatization and equipment business, which shall be collected by instalments in accordance with the contract. The agreed period in the contract is 2-5 years and the Group has discounted the instalments at a discount rate of 3.00%-4.75% (31 December 2025: 3.10%-4.75%).

(2) Credit loss provision made or reversed in the Period

The credit loss provision made for the Current Period was RMB281,243.30, and the credit loss provision reversed was RMB4,890,979.39.

10. LONG-TERM EQUITY INVESTMENTS

(1) Summary of long-term equity investments:

RMB

Item	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Book balance of long-term equity investments	**870,771,441.65**	878,235,128.66
Less: Provision for impairment of long-term equity investments	**6,647,345.57**	6,647,345.57
Carrying amount of long-term equity investments	**864,124,096.08**	871,587,783.09

(2) Details of long-term equity investments are as follows:

RMB

Investee	1 January 2026	Changes for the Current Period								30 June 2026 (Unaudited)	Closing balance of provision for impairment
		Addition in investment	Reduction in investment	Investment gain or loss recognized under equity method	Adjustment of other comprehensive income	Changes in other equity	Distribution of cash dividends or profits declared	Provision for impairment loss	Others		
I. Joint Ventures											
Hainan Publishing House Co., Ltd.	386,708,420.36	–	–	(13,421,531.71)	–	–	–	–	–	373,286,888.65	–
Sichuan Fudou Technology Co., Ltd. (“**Fudou Technology**”) *(Note 9)*	–	–	–	–	–	–	–	–	–	–	–
Sanya Xuan Cai Private Equity Venture Capital Fund Management Co., Ltd. (“**Sanya Xuancai**”) *(Note 1)*	2,882,119.44	–	–	(475,030.84)	–	–	–	–	–	2,407,088.60	–
Subtotal	389,590,539.80	–	–	(13,896,562.55)	–	–	–	–	–	375,693,977.25	–
II. Associates											
Sichuan Wenbao Supply Chain Technology Co., Ltd. (“**Wenbao Company**”) *(Note 2)*	48,799,407.66	–	–	881,181.86	–	–	(900,000.00)	–	–	48,780,589.52	–
The Commercial Press (Chengdu) Co., Ltd.	4,024,237.65	–	–	(491,514.72)	–	–	–	–	–	3,532,722.93	–
Ren Min Eastern (Beijing) Book Industry Co., Ltd.	7,105,507.54	–	–	25,049.91	–	–	–	–	–	7,130,557.45	–
Guizhou Xinhua Winshare Book Audio-Visual Product Chainstore Co., Ltd. (“**Guizhou Winshare**”)	–	–	–	–	–	–	–	–	–	–	–
Ming Bo Education Technology Holdings Co., Ltd.	9,010,909.82	–	–	846,076.45	–	–	–	–	–	9,856,986.27	–
Sichuan Centennial Preschool Educational Management Co., Ltd.	5,468,756.28	–	–	(225,005.25)	–	–	–	–	–	5,243,751.03	1,604,619.30
Chengdu Deyuan Gewu Private Equity Fund Management Co., Ltd.	25,408,060.11	–	–	3,496,644.14	–	–	–	–	–	28,904,704.25	–
Sichuan Jiaoke Zhihui Education and Technology Co., Ltd.	1,582,220.19	–	–	9,644.79	–	–	–	–	–	1,591,864.98	–

Investee	1 January 2026	Changes for the Current Period: Addition in investment	Reduction in investment	Investment gain or loss recognized under equity method	Adjustment of other comprehensive income	Changes in other equity	Distribution of cash dividends or profits declared	Provision for impairment loss	Others	30 June 2026 (Unaudited)	Closing balance of provision for impairment
Fuzhou Winshare Technology Partnership (Limited Partnership) ("**Fuzhou Winshare**") *(Note 3)*	**459,300.00**	**-**	**(459,300.00)**		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sichuan Jiaoyang Sihuo Film Co., Ltd.	**125,591.57**	**-**	**-**		**-**	**-**	**-**	**-**	**-**	**125,591.57**	**-**
Xinhua Yingxuan (Beijing) Screen Culture Co., Ltd. ("**Xinhua Yingxuan**")	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5,042,726.27**
Tianjin Tianxi Zhongda Cultural Development Co., Ltd. ("**Tianxi Zhongda**") *(Note 4)*	**25,066,324.79**	**-**	**-**	**652,520.65**	**-**	**-**	**-**	**-**	**-**	**25,718,845.44**	**-**
Huaxuan Yinshi (Beijing) Cultural Communication Co., Ltd. ("**Huaxuan Yinshi**") *(Note 5)*	**71,818.93**	**-**	**-**	**(71,818.93)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Hainan Phoenix Xinhua Publishing and Distribution Co., Ltd. ("**Hainan Phoenix**") *(Note 6)*	**341,185,391.75**	**-**	**-**	**7,406,912.74**	**-**	**-**	**-**	**-**	**-**	**348,592,304.49**	**-**
Sichuan Cuiya Education Technology Co., Ltd. ("**Cuiya Education**") *(Note 7)*	**933,169.13**	**-**	**-**	**(60,959.58)**	**-**	**-**	**-**	**-**	**-**	**872,209.55**	**-**
Sichuan Digital World Culture Technology Co., Ltd. ("**Digital World**") *(Note 8)*	**12,756,547.87**	**-**	**-**	**(4,676,556.52)**	**-**	**-**	**-**	**-**	**-**	**8,079,991.35**	**-**
Subtotal	**481,997,243.29**	**-**	**(459,300.00)**	**7,792,175.54**	**-**	**-**	**(900,000.00)**	**-**	**-**	**488,430,118.83**	**6,647,345.57**
Total	**871,587,783.09**	**-**	**(459,300.00)**	**(6,104,387.01)**	**-**	**-**	**(900,000.00)**	**-**	**-**	**864,124,096.08**	**6,647,345.57**

Note 1: According to the articles of association of Sanya Xuancai, Winshare Investment Co., Ltd. ("**Winshare Investment**"), a subsidiary of the Company, has 40% of the voting rights in the shareholders' meeting and the other two shareholders will enjoy 30% of the voting rights respectively. Resolutions of annual financial budget plans, final accounting plan, profit distribution and make up losses plans made by the shareholders' meeting of Sanya Xuancai shall be approved by over 75% of the votes from the shareholders. Therefore, Winshare Investment and the other two shareholders have joint control over Sanya Xuancai which is a joint venture of the Group.

Note 2: In June 2017, Sichuan Xinhua Winshare Logistics Co., Ltd. ("**Winshare Logistics**"), a subsidiary of the Company, entered into an investment agreement with BLOGIS Holdings Limited and Chengdu Longchuang Investment Management Center (Limited Partnership) to jointly establish Wenbao Company with a shareholding proportion of 45%, 40% and 15%, respectively. On 20 April 2023, Winshare Logistics transferred 45% of the equity interests in Wenbao Company it held to the Company at RMB46,234,600.00. According to the latest articles of association of Wenbao Company, the resolutions of Wenbao Company on the events such as annual financial budget plan, final accounting plan, profit distribution and making up losses plans etc. must be approved by the shareholders representing more than 50% of the voting power. Therefore, Wenbao Company is an associate of the Group.

Note 3: Winshare Investment, a subsidiary of the Company, disposed of all its equity interests in Fuzhou Winshare on 10 June 2026, and no longer exerts significant influence on Fuzhou Winshare. Therefore, Fuzhou Winshare is no longer an associate of the Group.

Note 4: In July 2019, Sichuan Tiandi Publishing House Co., Ltd., a subsidiary of the Company, and Shanghai Ximalaya Network Technology Co., Ltd. ("**Shanghai Ximalaya**") entered into an investment agreement, jointly establishing Tianxi Zhongda, with a shareholding proportion of 40% and 60% respectively. In 2020, Shanghai Ximalaya transferred 5% of the equity interests of Tianxi Zhongda it held to Huang Wenhua. In June 2021, Shanghai Ximalaya transferred 55% of the equity interests of Tianxi Zhongda it held to Shanghai Xizhao Network Technology Co., Ltd. According to the latest articles of association of Tianxi Zhongda, the resolutions of Tianxi Zhongda on the events such as annual financial budget plan, final accounting plan, profit distribution and making up losses plans etc. must be approved by the shareholders representing more than 50% of the voting power. Therefore, Tianxi Zhongda is an associate of the Group.

Note 5: In August 2019, the Company entered into an investment agreement with Beijing Guoling Smart Health and Elderly Care Industry Development Centre and Fenglinhong (Beijing) Cultural Communication Co., Ltd., jointly establishing Huaxuan Yinshi, with a shareholding proportion of 40%, 30% and 30% respectively. According to the articles of association, the resolutions of Huaxuan Yinshi on the events such as annual financial budget plan, final accounting plan, profit distribution and making up losses plans etc. must be approved by the shareholders representing more than 50% of the voting power. Therefore, Huaxuan Yinshi is an associate of the Group.

Note 6: On 30 December 2020, Hainan Xinhua Bookstore Group Co., Ltd. transferred 25% equity interests in Hainan Phoenix to the Company by way of transfer under an agreement. According to the articles of association of Hainan Phoenix, the Company has appointed two directors to Hainan Phoenix and is able to exercise significant influence over Hainan Phoenix. Therefore, Hainan Phoenix is an associate of the Group.

Note 7: On 14 July 2021, the Company entered into an investment agreement with Sichuan Magic Cloud Technology Co., Ltd., Sichuan Daily Newspaper Network Media Development Company Limited, Sichuan Lianxiang Future Technology Partnership (Limited Partnership), Sichuan Cable Radio and Television Network Co., Ltd. and Sichuan Rennixue Education Technology Co., Ltd., jointly establishing Cuiya Education, with a shareholding proportion of 18%, 34%, 18%, 15%, 11% and 4% respectively. According to the articles of association of Cuiya Education, the Company has appointed one director to Cuiya Education. The chairman of the board of directors shall be recommended by the Company and elected and removed by more than half of the directors of the board of directors. As the Company is able to exercise significant influence over Cuiya Education, Cuiya Education is an associate of the Group.

Note 8: On 12 March 2023, Sichuan Digital Publishing Co., Ltd., a subsidiary of the Company, and Sichuan New Media Group Co., Ltd. jointly established Sichuan Digital World Culture Technology Co., Ltd., with the shareholding ratios of the two parties being 49% and 51%, respectively. According to the articles of association of Digital World, the Group appoints a director to Digital World, and can exert significant influence on Digital World. Therefore, Digital World is an associate of the Group.

Note 9: On 17 March 2026, the shareholders' meeting of Fudou Technology resolved to approve the capital reduction and withdrawal plan of Winshare Investment, a subsidiary of the Group, and amended its articles of association. As the Group no longer exerts common control over Fudou Technology, Fudou Technology is no longer a joint venture of the Group.

(3) Details of unrecognized investment losses are as follows:

RMB

	30 June 2026 (Unaudited)		31 December 2025 (Audited)	
Item	**Unrecognized investment losses for the Period**	**Accumulated unrecognized investment losses**	Unrecognized investment losses for the prior year	Accumulated unrecognized investment losses
Guizhou Winshare	**–**	**5,557,990.70**	–	5,557,990.70
Fudou Technology	**N/A**	**N/A**	238,234.04	4,619,967.40
Huaxuan Yinshi	**105,105.97**	**105,105.97**	–	–
Xinhua Yingxuan	**308,828.97**	**36,654,972.21**	5,230,171.74	36,346,143.24
Total	**413,934.94**	**42,318,068.88**	5,468,405.78	46,524,101.34

11. OTHER EQUITY INSTRUMENT INVESTMENTS

(1) Details of other equity instruments investments

RMB

Item	Balance as at 1 January 2026	Changes in the Current Period: Increase in investment	Decrease in investment	Gain included in other comprehensive income for the Current Period	Loss included in other comprehensive income for the Current Period	Others	Balance as at 30 June 2026 (Unaudited)	Dividend income recognized in the Current Period	Accumulated gain included in other comprehensive income	Accumulated loss included in other comprehensive income	Reason for FVTOCI designation
Wan Xin Media	820,131,200.00	–	–	–	205,656,000.00	–	614,475,200.00	24,928,000.00	428,059,872.00	–	The investment is not held for the purpose of selling it in the near term for short-term gains
Bank of Chengdu	1,289,600,000.00	–	–	126,400,000.00	–	–	1,416,000,000.00	73,680,000.00	1,176,000,000.00	–	
Others	375,393.81	–	–	–	–	–	375,393.81	–	–	1,646,699.35	
Total	2,110,106,593.81	–	–	126,400,000.00	205,656,000.00	–	2,030,850,593.81	98,608,000.00	1,604,059,872.00	1,646,699.35	

(2) There was no derecognitions during the Current Period.

12. OTHER NON-CURRENT FINANCIAL ASSETS

RMB

Item	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
CITIC Buyout Investment Fund (Shenzhen) Partnership (Limited Partnership) ("**CITIC Buyout**") *(Note 1)*	**48,177,764.62**	46,276,696.26
Winshare Hengxin (Shenzhen) Equity Investment Fund Partnership (Limited Partnership) ("**Winshare Hengxin**") *(Note 2)*	**7,283,587.34**	6,943,403.29
Ningbo Meishan Free Trade Port Winshare Dingsheng Equity Investment Partnership (Limited Partnership) *(Note 3)*	**72,020,412.09**	73,045,120.14
Xinhua Internet E-commerce Co., Ltd. ("**Xinhua Internet**") *(Note 4)*	**1,055,422.24**	1,055,422.24
Sichuan Culture Investment Jinwen Equity Investment Fund Partnership (Limited Partnership) *(Note 5)*	**39,837,596.61**	39,858,068.88
Goldstone Growth Equity Investment (Hangzhou) Partnership (Limited Partnership) ("**Goldstone Growth**") *(Note 6)*	**91,071,256.97**	59,927,396.02
CICC Qichen Phase II (Wuxi) Emerging Industry Equity Investment Fund Partnership (Limited Partnership) ("**CICC Qichen Phase II**") *(Note 7)*	**185,723,393.16**	180,782,445.62
Sinopec Marketing Co., Ltd. *(Note 8)*	**58,873,779.09**	58,873,779.09
Total	**504,043,212.12**	466,762,331.54

Note 1: Gains from changes in fair values for the Current Period were RMB4,690,528.50 (prior period: losses of RMB1,379,732.29), and the recovery of the exit money due to liquidation of investment project totaled RMB2,789,460.14 (prior period: RMB3,111,121.11).

Note 2: Gains from changes in fair values for the Current Period were RMB340,184.05 (prior period: gains of RMB10,342,081.40, and the recovery of the exit money due to liquidation of investment project totaled RMB0.00 (prior period: RMB33,683,385.10).

Note 3: Losses from changes in fair values for the Current Period were RMB1,024,708.05 (prior period: gains of RMB421,697.58), and the recovery of the exit money due to liquidation of investment project totaled RMB0.00 (prior period: RMB2,409,305.07).

Note 4: In November 2020, the Company entered into an investment agreement with Xinhua Bookstore Headquarters Co., Ltd. and Wan Xin Media to make an investment of RMB3,000,000.00 in Xinhua Internet. The shareholding of the Company was 1.39%.

Note 5: Losses from changes in fair values for the Current Period were RMB20,472.27 (prior period: losses of RMB20,451.29).

Note 6: In the Current Period, gains from changes in fair values were RMB13,152,652.56 (prior period: gains of RMB296,015.91), increase in investment was RMB20,000,000.00 (prior period: RMB20,000,000.00), and the recovery of investment amounted to RMB2,008,791.61 (prior period: RMB0.00).

Note 7: In the Current Period, gains from changes in fair value were RMB4,940,947.54 (prior period: losses of RMB1,943,951.83), and increase in investment was RMB0.00 (prior period: RMB30,000,000.00).

Note 8: Gains from changes in fair values for the Current Period were RMB0.00 (prior period: gains of RMB3,136,123.23).

13. FIXED ASSETS

(1) Fixed assets

RMB

Item	Buildings	Machinery and equipment	Electronic equipment and others	Transportation vehicles	Total
Cost as at 30 June 2026 (Unaudited)	3,126,069,351.11	406,691,493.85	212,261,353.89	117,441,528.72	3,862,463,727.57
Accumulated depreciation as at 30 June 2026 (Unaudited)	1,020,987,498.27	288,698,242.80	178,658,456.52	93,674,058.04	1,582,018,255.63
Impairment provision for fixed assets as at 30 June 2026 (Unaudited)	15,996.52	–	–	–	15,996.52
Carrying amount as at 30 June 2026 (Unaudited)	2,105,065,856.32	117,993,251.05	33,602,897.37	23,767,470.68	2,280,429,475.42

(2) As at the end of the Current Period, fixed assets of which certificates of title have not been obtained amounted to RMB46,347,539.58 in aggregate, and fixed assets of which certificates of title have not been obtained had no significant impact on the Group's operations.

(3) There were no temporary idle fixed assets included in the Group's major operational fixed assets at the end of the Current Period.

14. GOODWILL

(1) Cost of goodwill

RMB

Name of the investee or item resulting in goodwill	1 January 2026	Increase in the Current Period Incurred by business combination	Decrease in the Current Period Changes in scope of consolidation	30 June 2026 (Unaudited)
Acquisitions of fifteen publishing companies	500,571,581.14	–	–	500,571,581.14
Acquisition of Liangshanzhou Xinhua Bookstore	122,081,326.10	–	–	122,081,326.10
Others	544,629.46	–	–	544,629.46
Total	623,197,536.70	–	–	623,197,536.70

(2) Provision for impairment of goodwill

RMB

Name of the investee or item resulting in goodwill	1 January 2026	Increase in the Current Period Incurred by business combination	Decrease in the Current Period Changes in scope of consolidation	30 June 2026 (Unaudited)
Acquisitions of fifteen publishing companies	–	–	–	–
Acquisition of Liangshanzhou Xinhua Bookstore	–	–	–	–
Others	544,629.46	–	–	544,629.46
Total	544,629.46	–	–	544,629.46

(3) Information related to the asset group or asset group combination where goodwill is located

Name	Composition and basis of asset group or asset group combination	Business segment and basis	Consistent with previous year
Three of the fifteen publishing companies	The Group acquired fifteen publishing companies on 31 August 2010, resulting in goodwill of RMB500,571,581.14, which was allocated to the relevant asset group, namely three of the fifteen publishing companies in the publication segment.	The business type is publishing business, so it belongs to the publication segment.	Yes
Liangshanzhou Xinhua Bookstore	The Group acquired Liangshanzhou Xinhua Bookstore on 31 December 2022, resulting in goodwill of RMB122,081,326.10, which was allocated to the relevant asset group, namely Liangshanzhou Xinhua Bookstore.	The business type is textbooks and supplementary materials distribution and general books sale business, so it belongs to the distribution segment.	Yes
Others	N/A	N/A	Yes

15. ACCOUNTS PAYABLE

Details of aging analysis of accounts payable are as follows:

RMB

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Within 1 year	**4,128,967,872.14**	4,027,006,094.10
More than 1 year but not exceeding 2 years	**474,494,701.43**	446,986,932.87
More than 2 years but not exceeding 3 years	**265,361,756.45**	199,815,380.71
More than 3 years	**487,358,272.46**	489,004,623.13
Total	**5,356,182,602.48**	5,162,813,030.81

The above aging analysis of accounts payable is carried out based on the time of purchasing goods or receiving services. Accounts payable aged more than one year are mainly payments due to the suppliers.

16. CONTRACT LIABILITIES

(1) Presentation of contract liabilities

RMB

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Advanced receipts for sold goods	**622,242,312.63**	589,976,076.07
Membership card points	**692,508.11**	1,264,117.06
Total	**622,934,820.74**	591,240,193.13

(2) The important contract liabilities aged over 1 year were mainly pre-stored recharge cards amounted to RMB361,724,089.63.

(3) The significant changes in the balance of the Group's contract liabilities this Period were as follows:

RMB

Item	Balance of changes (Unaudited)	Reason for change
Advanced receipts for sold goods	204,440,276.75	Revenue recognized for the amount included in the opening carrying amount of contract liabilities
Advanced receipts for sold goods	236,706,513.31	Amount increased due to cash received

(4) Analysis on contract liabilities

The Group's receipts in advance for goods sold are mainly advanced receipts from books sold to customers such as students and presale of book purchase cards in retail stores, and these transaction funds are recognized as contract liabilities upon receipt. For advanced receipts from book sales, revenue is recognized upon transfer of control of related goods to customers.

The Group's retail stores adopt a reward policy of membership loyalty cards for customers. For customers with consumption points reaching a certain level, points can be converted into cash for purchase in the retail stores. The Group allocates sale consideration to the sold goods and issued points in accordance with the respective stand-alone selling prices. Sale consideration allocated to reward points is recognized as contract liabilities, and as revenue upon redemption.

17. OTHER PAYABLES

(1) Total other payables

RMB

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Interest payables	**6,183.33**	–
Dividend payables	**177,922,245.48**	–
Other payables	**330,402,922.65**	304,192,570.95
Total	**508,331,351.46**	304,192,570.95

(2) Interest payables

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
		RMB
Interest payables for short-term borrowings	**6,183.33**	–

(3) Dividend payables

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
		RMB
Dividend payables – H Shareholders	**177,922,245.48**	–

(4) Other payables by nature of payments

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)
		RMB
Amounts due to related parties	**7,983.90**	7,983.90
Security deposit/deposit/quality warranty/performance security	**105,586,596.57**	84,811,994.43
Construction and infrastructure construction expenses	**23,589,876.33**	23,338,396.49
Amounts due to/from other entities	**4,795,119.32**	4,854,777.94
Others	**196,423,346.53**	191,179,418.19
Total	**330,402,922.65**	304,192,570.95

Other payables aged more than one year are mainly security deposit and deposit.

18. SHARE CAPITAL

RMB

Item	1 January 2026	Changes for the Current Period: Issue of new shares	Bonus issue	Capitalization of surplus reserve	Others	Subtotal	30 June 2026
Total number of shares	1,233,841,000.00	–	–	–	–	–	1,233,841,000.00

19. UNDISTRIBUTED PROFITS

RMB

Item	30 June 2026 (Unaudited)	31 December 2025 (Audited)	Note
Undistributed profits at the beginning of the period/year	**8,240,007,529.56**	7,561,485,821.67	
Add: Net profit attributable to shareholders of the parent company for the period/year	**654,469,883.53**	1,568,450,497.66	
Less: Appropriation to statutory surplus reserve	**–**	149,377,356.18	(1)
Distribution of dividends on ordinary shares	**518,213,220.00**	740,304,600.00	(2)
Other equity instrument investment previously recorded in other comprehensive income transferred to retained earnings for the current period	**–**	246,833.59	
Undistributed profits at the end of the period/year	**8,376,264,193.09**	8,240,007,529.56	(3)

(1) Appropriation to statutory surplus reserve

According to the Articles of Association, the Company is required to transfer 10% of its net profit to the statutory surplus reserve. The transfer may be ceased if the balance of the statutory surplus reserve has reached 50% of the Company's registered capital. The statutory surplus reserve can be used to offset the loss of the Company, expanding production and operation or transferring to paid-in capital, but the retained statutory surplus reserve shall not be lower than 25% of the registered capital.

(2) Cash dividends approved at shareholders' meeting

On 27 May 2026, the resolution regarding the Company's 2025 Annual Profit Distribution Proposal was approved at 2025 annual general meeting of the Company. The profit distribution was based on the Company's total share capital of 1,233,841,000 shares before the implementation of the proposal. The cash dividend per share was RMB0.42 (tax-inclusive).

(3) Appropriation to surplus reserve by subsidiaries

At the end of the Current Period, the balance of the Group's undistributed profits included appropriation to surplus reserve by subsidiaries amounting to RMB200,238,687.46 (31 December 2025: RMB200,238,687.46).

20. OPERATING INCOME AND OPERATING COSTS

(1) Classification

RMB

Item	For the period from 1 January to 30 June 2026 (Unaudited)	For the period from 1 January to 30 June 2025 (Unaudited)
Principal operating income	**4,943,377,732.83**	5,439,042,898.58
Other operating income *(Note 1)*	**63,138,189.69**	88,386,528.35
Total operating income	**5,006,515,922.52**	5,527,429,426.93
Principal operating cost	**3,185,486,341.59**	3,353,937,901.50
Other operating cost	**10,167,569.38**	14,927,697.21
Total operating costs	**3,195,653,910.97**	3,368,865,598.71

Note 1: Included in other operating income was net income from concessionaire sales of RMB11,342,675.11. Among which, revenue from concessionaire sales was RMB89,449,890.10 and cost from concessionaire sales was RMB78,107,214.99 (for the period from 1 January to 30 June 2025: net income from concessionaire sales of RMB13,541,800.04. Among which, revenue from concessionaire sales was RMB103,776,249.68 and cost from concessionaire sales was RMB90,234,449.64).

(2) **Details of income from contracts:**

RMB

Product	Principal operating income		Principal operating costs	
	For the period from 1 January to 30 June 2026 (Unaudited)	For the period from 1 January to 30 June 2025 (Unaudited)	**For the period from 1 January to 30 June 2026 (Unaudited)**	For the period from 1 January to 30 June 2025 (Unaudited)
I. Publication segment				
Textbooks and supplementary materials	**631,366,298.18**	649,368,813.52	**349,831,206.59**	356,616,773.57
General book	**431,967,646.73**	460,921,431.75	**356,990,554.03**	352,089,913.10
Printing and supplies	**139,559,984.52**	109,187,085.91	**125,234,262.72**	90,438,387.38
Newspapers and journals	**10,864,954.31**	21,916,429.82	**6,809,938.43**	13,074,629.36
Others	**16,819,344.06**	38,498,832.54	**10,259,782.31**	30,737,445.56
Subtotal	**1,230,578,227.80**	1,279,892,593.54	**849,125,744.08**	842,957,148.97
II. Distribution segment				
Textbooks and supplementary materials	**1,816,298,100.82**	1,916,414,493.72	**1,141,541,879.69**	1,179,309,545.70
General book	**2,413,486,775.99**	2,804,387,769.51	**1,815,973,605.97**	1,989,758,835.27
Education informatization and others	**109,616,271.65**	143,024,639.12	**87,625,418.37**	118,327,914.19
Subtotal	**4,339,401,148.46**	4,863,826,902.35	**3,045,140,904.03**	3,287,396,295.16
III. Others	**217,090,347.16**	206,104,572.74	**182,944,924.04**	174,085,258.33
Less: Inter-segment elimination	**843,691,990.59**	910,781,170.05	**891,725,230.56**	950,500,800.96
Total	**4,943,377,732.83**	5,439,042,898.58	**3,185,486,341.59**	3,353,937,901.50

Division of publication segment and distribution segment and other details are set out in Note 22.

(3) Details of performance obligation

Item	Time of obligation performance	Important payment term	Nature of goods transferred as committed by the Company	Main responsible person?	Amounts borne by the Company that are expected to be returned to customers	Types of quality assurance provided by the Company and related obligation
Sales of books and printing supplies	At the time of delivery	Nil	Self-owned, stenciling-rent or outsourcing	Yes	–	Providing guarantee-type quality assurance does not form a separate performance obligation
Education informatization and equipment business	At the time of delivery	2-5 years by installments	Self-developed or outsourcing	Yes	–	Providing guarantee-type quality assurance does not form a separate performance obligation

In addition to the education informatization and equipment business, the Group's principal operating income mainly comes from the sales of general books and textbooks and supplementary materials, sales of printing and supplies, etc. The Group, as the main responsible person, performs the performance business at the time of delivery. The contracts do not contain important payment terms and important amounts expected to be returned to customers, and providing guarantee-type quality assurance does not form a separate performance obligation.

For revenue from the education informatization and equipment business, the Group, as the main responsible person, performs the performance business at the time of delivery. The contracts stipulate that payments shall be collected in installments over 2-5 years. The contracts do not contain important amounts expected to be returned to customers, and providing guarantee-type quality assurance does not form a separate performance obligation.

The Group has adopted a simplified practical expedient for service contracts originally expected to have a contract term of no more than one year, and therefore the information disclosed above does not include the transaction price allocated to the remaining performance obligations under such contracts.

21. INVESTMENT INCOME

RMB

Item	**For the period from 1 January to 30 June 2026 (Unaudited)**	For the period from 1 January to 30 June 2025 (Unaudited)
Income (loss) from long-term equity investments under equity method	**(6,104,387.01)**	18,119,131.91
Dividend income during the holding of other equity instrument investments	**98,608,000.00**	83,749,585.40
Investment income from disposal of held-for-trading financial assets	**157,777.61**	307,414.81
Investment income from disposal of long-term equity investments	**9,510,637.81**	–
Total	**102,172,028.41**	102,176,132.12

22. SEGMENT REPORTING

Based on the Group's internal organization structure, management requirements and internal reporting system, the operations of the Group are classified into two reporting segments, namely publication segment and distribution segment. The reporting segments are determined based on the Group's business type. The Group's management periodically evaluates the operating results of these reporting segments to make decisions about resources to be allocated to the segments and assess their performance.

Major products and services delivered or provided by each of the reporting segments of the Group are:

Publication segment: Publishing of publications like books, journals, audio-visual products and digital products; provision of printing services and supply of printing materials;

Distribution segment: Distribution of textbooks to schools, teachers and students and supply of education informatization and equipment service for secondary and primary schools; retailing, distribution and online sales of publications.

Other segment of the Group covers provision of capital operations, logistic service, etc. However, these operating businesses do not separately satisfy the definition of reporting segment. The relevant financial information of such operating businesses is consolidated and presented as "others" in the following table.

Segment reporting information is disclosed in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to management. The accounting policies and measurement criteria are consistent with the accounting and measurement criteria in the preparation of the financial statements.

(1) Segment reporting information

For the period from 1 January to 30 June 2026 (Unaudited)

RMB

	Publication segment	Distribution segment	Others	Unallocated items	Inter-segment eliminations	Total
Principal operating income	1,230,578,227.80	4,339,401,148.46	217,090,347.16	–	(843,691,990.59)	4,943,377,732.83
Principal operating costs	849,125,744.08	3,045,140,904.03	182,944,924.04	–	(891,725,230.56)	3,185,486,341.59
Total assets	7,320,644,839.00	16,311,489,642.78	1,224,463,513.17	2,128,207,766.90	(3,396,131,697.55)	23,588,674,064.30
Total liabilities	1,505,054,671.54	8,936,088,900.44	555,008,506.95	179,992,373.88	(3,308,625,767.42)	7,867,518,685.39

For the period from 1 January to 30 June 2025 (Unaudited)

RMB

	Publication segment	Distribution segment	Others	Unallocated items	Inter-segment eliminations	Total
Principal operating income	1,279,892,593.54	4,863,826,902.35	206,104,572.74	–	(910,781,170.05)	5,439,042,898.58
Principal operating costs	842,957,148.97	3,287,396,295.16	174,085,258.33	–	(950,500,800.96)	3,353,937,901.50
Total assets	7,410,682,023.88	16,202,889,648.83	1,161,046,691.72	2,571,148,165.26	(3,783,479,556.89)	23,562,286,972.80
Total liabilities	1,605,485,126.04	9,255,602,015.17	525,948,773.31	263,001,271.18	(3,664,485,202.05)	7,985,551,983.65

(2) External revenue by geographical area of source and non-current assets by geographical location

More than 99% of the Group's income is sourced from the PRC customers and most of the Group's assets are located in the PRC. Therefore, the regional data are not disclosed.

(3) Concentration on major customers

The Group's revenue from its single largest customer for the current period is RMB504,375,904.80 (Same Period of Last Year: RMB495,320,447.10), which is attributable to the distribution segment. Apart from the aforementioned single largest customer, the Group has no external customer from which the sales amount accounts for 10% or more of the total revenue for the Current Period and the Same Period of Last Year.

Inter-segment transfers are measured on the basis of prices negotiated between different segment entities. Segment revenue and segment expenses are determined on the basis of actual revenue and expenses of each segment. Segment assets and liabilities are allocated according to the attributable assets employed by a segment in its operating activities and the attributable liabilities resulting from the operating activities of a segment.

23. INCOME TAX EXPENSES

RMB

Item	**For the period from 1 January to 30 June 2026 (Unaudited)**	For the period from 1 January to 30 June 2025 (Unaudited)
Current income tax calculated according to tax laws and relevant requirements	**3,637,735.37**	4,743,460.25
Tax filing differences	**(367,378.30)**	7,793.58
Deferred income tax expenses	**5,656,661.81**	2,686,813.50
Total	**8,927,018.88**	7,438,067.33

Reconciliation of income tax expenses to the accounting profit is as follows:

RMB

Item	For the period from 1 January to 30 June 2026 (Unaudited)	For the period from 1 January to 30 June 2025 (Unaudited)
Accounting profit	**672,279,817.65**	907,472,994.48
Income tax expenses calculated at 25%	**168,069,954.41**	226,868,248.62
Tax concessions	**(141,273,339.38)**	(199,460,909.88)
Effect of expenses that are not deductible for tax purposes	**1,795,887.45**	2,107,199.13
Effect of tax-free income	**(24,691,444.40)**	(21,713,780.28)
Effect of utilization of deductible losses for which no deferred income tax asset was recognized in the prior period	**(78,798.06)**	(1,256,816.57)
Effect of utilization of deductible temporary differences for which no deferred income tax asset was recognized in the prior period	**(659,685.74)**	(3,555,204.18)
Effect of deductible temporary differences or deductible losses for which no deferred income tax asset was recognized during the current period	**6,131,822.90**	4,441,536.91
Tax filing differences	**(367,378.30)**	7,793.58
Total	**8,927,018.88**	7,438,067.33

24. OTHER COMPREHENSIVE INCOME

RMB

		Changes for the Current Period					
Item	**1 January 2026**	**Amount before income tax for the Current Period**	**Less: Amount previously recorded in other comprehensive income transferred to retained earnings for the Current Period**	**Less: Income tax expenses**	**Post-tax amount attributable to the owner of the parent**	**Post-tax amount attributable to the non-controlling shareholders**	**30 June 2026 (Unaudited)**
Changes in fair value of other equity instrument investments	1,681,669,172.65	(79,256,000.00)	–	–	(79,256,000.00)	–	1,602,413,172.65

25. CALCULATION PROCESS OF BASIC EARNINGS PER SHARE

For the purpose of calculating basic earnings per share, net profit for the current period attributable to ordinary shareholders is as follows:

RMB

	For the period from 1 January to 30 June 2026 (Unaudited)	For the period from 1 January to 30 June 2025 (Unaudited)
Net profit for the current period attributable to ordinary shareholders	**654,469,883.53**	856,544,756.92
Including: Net profit from continuing operations	**654,469,883.53**	856,544,756.92

For the purpose of calculating basic earnings per share, the denominator is the weighted average number of outstanding ordinary shares and its calculation process is as follows:

Number of shares

	For the period from 1 January to 30 June 2026 (Unaudited)	For the period from 1 January to 30 June 2025 (Unaudited)
Number of ordinary shares outstanding at the beginning of the period	**1,233,841,000.00**	1,233,841,000.00
Weighted number of ordinary shares outstanding at the end of the period	**1,233,841,000.00**	1,233,841,000.00

Earnings per share:

RMB

	For the period from 1 January to 30 June 2026 (Unaudited)	For the period from 1 January to 30 June 2025 (Unaudited)
Net profit for the current period attributable to ordinary shareholders divided by weighted number of ordinary shares outstanding at the end of period	**0.53**	0.69
Net profit for the current period attributable to ordinary shareholders and attributable to continuing operation divided by weighted number of ordinary shares outstanding at the end of period	**0.53**	0.69

The Company has no dilutive potential ordinary shares.

26. EVENTS AFTER THE BALANCE SHEET DATE

At the board meeting held on 26 August 2026, the resolution regarding the interim profit distribution for 2026 was passed where the undistributed profit for the 2026 interim period was distributed at the price of RMB0.17 (tax inclusive) per share and the proposed dividend amounted to RMB209,752,970.00 (tax inclusive). The resolution shall take effect upon obtaining approval at the extraordinary general meeting for 2026 ("**EGM**") to be held on 22 October 2026.

Save as disclosed above, after the reporting period and as at the date of this announcement, there is no other significant event affecting the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

(I) BUSINESS REVIEW

INDUSTRY OVERVIEW

According to the monitoring data publicly published by Beijing OpenBook Co., Ltd. ("**Open Book Data**"), the sales value of the overall book retail market in the first half of 2026 dropped by 1.63% year-on-year. Content e-commerce maintained a positive growth trajectory, whereas shelf-based e-commerce and physical store channels continued to experience negative growth. Data released by CENTRIN ECloud Co., Ltd. showed that the sales value of the book market in the first half of the year decreased by 9.87% year-on-year, with both the sales value of new books and the number of new titles in active sale experiencing year-on-year declines. In the face of rapid technological iterations and evolving consumer demands, the publishing industry has accelerated its digital and intelligent transformation. With content development as its foundation, the industry is leveraging artificial intelligence to drive innovation across the entire publishing chain, cultivating new cultural business formats, and striving to build a new ecosystem for knowledge services.

2026 marks the opening year of the "15th Five-Year Plan". Guided by the strategy of building a cultural powerhouse, favorable policies continue to be rolled out. The mandates of "supporting the prosperous development of the publishing industry" and "supporting the development of physical bookstores" were included in the Government Work Report for the first time, demonstrating the state's firm resolve to promote the building of a scholarly society and solidly advance the construction of a cultural powerhouse. The implementation of the Regulations on Promoting National Reading has ushered in a new stage in the institutionalization and legalization of national reading initiatives. Relevant national authorities have successively issued a series of supporting policies aimed at improving the reading literacy of the youth, promoting rural reading, and enriching the spiritual and cultural life of the elderly. These policies are conducive to promoting the full integration of publishing industry into the construction of public cultural service system and enhancing the effectiveness of national reading services. Meanwhile, at the national level, policy documents such as the Action Plan for "AI + Education" and the Implementation Plan for Advancing the Construction of High-Quality Industry Datasets have been successively released. The comprehensive implementation of the "AI+" initiative and the deep advancement of the Digital China strategy have charted the course for the publishing industry to accelerate its integration with technology and to cultivate and develop new productive forces.

RESULTS

In the first half of 2026, the business operations and development of the publishing and distribution industry faced multiple challenges. In the face of policy adjustments and changes in market environment, the Group took concrete measures to proactively respond, solidly advanced the creation of premium content and integrated innovation, continuously deepened the expansion of online reading services and out-of-store businesses, and persistently enhanced its operational capabilities in content e-commerce. Furthermore, the Company proactively adapted to adjustments in educational policies, optimized sales organization methods, enriched marketing resources, and elevated the quality of education services. At the same time, the Company strengthened measures such as procurement management and expense control, striving to mitigate the impact of policy adjustments and market environment changes on its operating performance space. During the Period, the Group recorded revenue of RMB5,007 million, representing a year-on-year decrease of 9.42%. The Group achieved total profit of RMB672 million, representing a year-on-year decrease of 25.92%, and net profit of RMB663 million, representing a year-on-year decrease of 26.30%.

Revenue

During the Period, the Group recorded revenue of RMB5,007 million, representing a decrease of 9.42% as compared with RMB5,527 million in the Same Period of Last Year, among which, revenue from principal businesses amounted to RMB4,943 million, representing a year-on-year decrease of 9.11%, which was mainly due to the year-on-year decrease in sales of textbooks and supplementary materials and student books impacted by policy adjustments in the education services industry and the decline in student number.

Operating costs

During the Period, operating costs of the Group amounted to RMB3,196 million, representing a decrease of 5.14% from RMB3,369 million in the Same Period of Last Year. Among which, costs of principal businesses amounted to RMB3,185 million, representing a year-on-year decrease of 5.02%, mainly due to decline in sales volume.

Gross profit margin

During the Period, consolidated gross profit margin of the Group was 36.17%, down by 2.88 percentage points from 39.05% in the Same Period of Last Year, among which, gross profit margin of principal businesses was 35.56%, down by 2.78 percentage points from 38.34% in the Same Period of Last Year, mainly due to change in sales structure.

ANALYSIS OF OPERATING SEGMENTS

The operating businesses of the Group are divided into two reporting segments, namely the publication segment and the distribution segment, respectively.

The principal businesses of the Group for the six months ended 30 June 2026 by product and industry are as follows:

RMB

	Principal business by industry					
Industry	Operating income	Operating costs	Gross profit margin (%)	Change of operating income as compared with prior year (%)	Change of operating costs as compared with prior year (%)	Change of gross profit margin as compared with prior year (ppt)
Publication	1,230,578,227.80	849,125,744.08	31.00	(3.85)	0.73	(3.14)
Distribution	4,339,401,148.46	3,045,140,904.03	29.83	(10.78)	(7.37)	(2.58)
Others	217,090,347.16	182,944,924.04	15.73	5.33	5.09	0.19
Inter-segment elimination	(843,691,990.59)	(891,725,230.56)	–	–	–	–
Total	4,943,377,732.83	3,185,486,341.59	35.56	(9.11)	(5.02)	(2.78)

Product	Operating income	Operating costs	Gross profit margin (%)	Change of operating income as compared with prior year (%)	Change of operating costs as compared with prior year (%)	Change of gross profit margin as compared with prior year (ppt)
	Principal business by product					
I. Publication	**1,230,578,227.80**	**849,125,744.08**	**31.00**	**(3.85)**	**0.73**	**(3.14)**
Textbooks and supplementary materials	631,366,298.18	349,831,206.59	44.59	(2.77)	(1.90)	(0.49)
General books	431,967,646.73	356,990,554.03	17.36	(6.28)	1.39	(6.25)
Printing and supplies	139,559,984.52	125,234,262.72	10.26	27.82	38.47	(6.91)
Newspapers and journals	10,864,954.31	6,809,938.43	37.32	(50.43)	(47.91)	(3.02)
Others	16,819,344.06	10,259,782.31	39.00	(56.31)	(66.62)	18.84
II. Distribution	**4,339,401,148.46**	**3,045,140,904.03**	**29.83**	**(10.78)**	**(7.37)**	**(2.58)**
Textbooks and supplementary materials	1,816,298,100.82	1,141,541,879.69	37.15	(5.22)	(3.20)	(1.31)
General books	2,413,486,775.99	1,815,973,605.97	24.76	(13.94)	(8.73)	(4.29)
Education informatization and others	109,616,271.65	87,625,418.37	20.06	(23.36)	(25.95)	2.79
III. Others	**217,090,347.16**	**182,944,924.04**	**15.73**	**5.33**	**5.09**	**0.19**
Including: Logistics services	212,782,104.00	182,440,961.56	14.26	5.62	5.70	(0.06)
Inter-segment elimination total	**(843,691,990.59)**	**(891,725,230.56)**	**–**	**–**	**–**	**–**
Total	**4,943,377,732.83**	**3,185,486,341.59**	**35.56**	**(9.11)**	**(5.02)**	**(2.78)**

Sales model	Operating income	Operating costs	Gross profit margin (%)	Change of operating income as compared with prior year (%)	Change of operating costs as compared with prior year (%)	Change of gross profit margin as compared with prior year (ppt)
	Principal business by sales model					
Offline sales	2,411,598,913.76	1,442,996,143.83	40.16	(11.46)	(8.27)	(2.08)
Online sales	2,531,778,819.07	1,742,490,197.76	31.18	(6.76)	(2.15)	(3.24)
Total	**4,943,377,732.83**	**3,185,486,341.59**	**35.56**	**(9.11)**	**(5.02)**	**(2.78)**

(1) *Publication segment*

The publication segment of the Group covers publishing of publications including books, newspapers and journals, audio-visual products and digital products; provision of printing services and supply of printing materials.

During the Period, the principal operating income of the publication segment amounted to RMB1,231 million, representing a decrease of 3.85% from RMB1,280 million for the Same Period of Last Year, which was mainly due to decrease in revenue from sales of textbooks and supplementary materials and general books as a result of changes in the book market environment and the greater discounts offered.

During the Period, the gross profit margin of the publication segment was 31.00%, decreased by 3.14 percentage points from 34.14% for the Same Period of Last Year, which was mainly due to the greater discounts offered for general books and the decrease in sales volume of textbooks and supplementary materials.

Textbooks and supplementary materials

In the first half of 2026, the Group stays closely aligned with the development trends of technological innovation and steadily advances the integrated and innovative development of educational publishing. It advanced the research and development, as well as the iterative functional upgrades, of the "AI Accompanying Me to Learn" series of integrated supplementary products in strategic partnership with Tencent Education, and launched in the first half of the year titles for use in the spring semester, including English, Classical Chinese, and Composition. The Group also brought relevant AI-assisted platforms online and further optimized and refined their core modules, thereby empowering the implementation of smart teaching scenarios. Furthermore, it continued to expand the high-quality digital resources of the exclusive channel of "Sichuan Education Learning" of Ximalaya, and "Sichuan Education Zone" of Winshare Youjiao's platform, enriching the supply of online educational content.

During the Period, the sales revenue of textbooks and supplementary materials under the Group's publication segment amounted to RMB631 million, representing a decrease of 2.77% as compared to RMB649 million for the Same Period of Last Year. The cost of sales amounted to RMB350 million, representing a decrease of 1.90% as compared to RMB357 million for the Same Period of Last Year. The gross profit margin was 44.59%, which decreased by 0.49 percentage points from 45.08% for the Same Period of Last Year.

General books

In the first half of 2026, the Group achieved good social benefits within the publication segment. In particular, Dictionary of the Language of Dunhuang Documents (《敦煌文獻語言大詞典》) and Supplemented Old History of the Five Dynasties (《輯補舊五代史》) were honored with the Book Award at the 6th China Publishing Government Award, while So This Is What China Looks Like (《原來中國長這樣》) was selected as one of the 2025 China Good Books. In the first half of 2026, the Group closely aligned with major themes, planning and publishing key themed books such as The Red Army Passed Through Our Hometown (《紅軍從咱家鄉過》) and Party History in Songs (《歌聲裡的黨史》) to mark important milestones including the 90th anniversary of the victory of the Red Army's Long March and the 105th anniversary of the founding of the Communist Party of China. Exploring local cultural resources and steadily advancing a series of key publishing projects, the Group published premium works on the Three Su Culture (三蘇文化), such as Peace of Mind: An American Sinologist's Journey with Dongpo (《此心安處: 一位美國漢學家的東坡行旅》) and A Stroll Through the Aesthetics of Su Dongpo (《蘇東坡美學漫步》), as well as premium works on the Shu Road Culture (蜀道文化), including the Shu Road Volume of the "Humanistic Bashu, Beautiful Tianfu" Cultural and Tourism Book Series (《「人文巴蜀•大美天府」文旅叢書——蜀道卷》) and China's Shu Road: A Cultural Corridor Spanning 3,000 Years (《中國蜀道跨越三千年的文明走廊》). Furthermore, the Group advanced integrated publishing projects such as the New Revised Annotated Catalog of the Orthodox Daozang (《新修正統道藏總目提要》), Complete Compilation of Reviews on Song Dynasty Literature and Art (《宋代文藝述評全編》), Chronological Annotations of Su Shi's Collected Works (《蘇軾文集編年箋注》), Dictionary of Oracle Bone Inscriptions (《甲骨文詞典》), and Grand Dictionary of the Romance of the Three Kingdoms (《三國演義大辭典》), thereby facilitating the digital collation and innovative application of ancient books and classic dictionaries. According to the Open Book Data, in the first half of 2026, the Group's market share ranked 10th in terms of actual sales value in the overall book market in China and 6th locally.

The Group actively promotes the "going out" publishing initiative to deepen cultural exchange and cooperation. In the first half of 2026, a total of 206 copyrights were exported. The Group participated in major international book fairs such as the Beijing International Book Fair by organizing a series of new book launches and cultural exchange activities, thereby effectively promoting the trade of book copyrights and enhancing the overseas influence of Chinese culture. The Group promoted the four Asian classics translation projects undertaken with high quality, further facilitating cultural exchange and mutual learning between China and the rest of the world. In addition, all nine of the Group's publishing houses were selected into the top 100 in the 2026 Influence of Overseas Collections of Chinese Books.

During the Period, the sales revenue of general books under the Group's publication segment amounted to RMB432 million, representing a decrease of 6.28% as compared to RMB461 million for the Same Period of Last Year. The cost of sales amounted to RMB357 million, representing an increase of 1.39% as compared to RMB352 million for the Same Period of Last Year. The gross profit margin was 17.36%, which decreased by 6.25 percentage points from 23.61% for the Same Period of Last Year.

(2) Distribution segment

The distribution segment of the Group covers provision of textbooks to schools, teachers and students and education informatization and education equipment business for secondary and primary schools; retailing, distribution and online sales of publications, etc.

During the Period, the principal operating income of the distribution segment amounted to RMB4,339 million, representing a decrease of 10.78% from RMB4,864 million for the Same Period of Last Year, which was mainly due to the year-on-year decrease in sales of textbooks and supplementary materials and student books impacted by policy adjustments in the education services industry and the decline in student number.

During the Period, the gross profit margin of the distribution segment was 29.83%, decreased by 2.58 percentage points from 32.41% for the Same Period of Last Year, which was mainly due to the decrease in sales of textbooks and supplementary materials and student books.

Textbooks and supplementary materials

In the first half of 2026, to address the operational pressures brought about by industry policy adjustments and decline in student population, the Group centered its efforts around a series of national policy deployments aimed at expanding high-quality basic education, elevating quality, and standardizing management. It advanced optimization of product structure, service extension and business integration, continuously innovating its marketing models. The Company also launched comprehensive solutions for "Healthy Campuses", "Scholarly Campuses", and "Sci-Tech Campuses", providing support for the high-quality and balanced development of compulsory education in Sichuan Province.

During the Period, the sales revenue of textbooks and supplementary materials under the Group's distribution segment amounted to RMB1,816 million, representing a decrease of 5.22% as compared to RMB1,916 million for the Same Period of Last Year. The cost of sales amounted to RMB1,142 million, representing a decrease of 3.20% as compared to RMB1,179 million for the Same Period of Last Year. The gross profit margin was 37.15%, which decreased by 1.31 percentage points from 38.46% for the Same Period of Last Year.

General books

In the first half of 2026, the Group continued to promote the integrated development of reading services and strove to enhance its online and offline full-channel operational capabilities. Seizing the opportunities presented by the implementation of the Regulations on Promoting National Reading and the launch of the first National Reading Activity Week, the Group organized public-benefit book fairs, sharing sessions by renowned authors, and reading promotion projects, thereby deeply cultivating national reading services. It continuously consolidated the main distribution channels of key themed current affairs publications, actively integrated into the construction of public cultural service system, and expanded the businesses of government and enterprise services with remarkable results. Furthermore, the Group continuously promoted the optimization and upgrading of physical stores by focusing on the diverse cultural needs of consumers and relying on original IPs to create new business formats that integrate culture and tourism. In particular, the renovation and upgrading of physical stores such as the City Flagship Store in Panzhihua was completed, and the Panda Bookstore (Giant Panda Base Branch) was launched. The Group also strengthened the application of new technologies in business scenarios such as demand discovery, product promotion and distribution, and content marketing. This empowered the refined operation of channels and consolidated the leading competitive advantage of the Group's book e-commerce operations nationwide. The Group continued to strengthen the construction of channel matrix, so that the level of refined operations for its online "cloud stores" channel steadily improved, and its "Reading at Home" business experienced rapid growth.

During the Period, the sales revenue of general books under the Group's distribution segment amounted to RMB2,413 million, representing a decrease of 13.94% as compared to RMB2,804 million for the Same Period of Last Year. The cost of sales amounted to RMB1,816 million, representing a decrease of 8.73% as compared to RMB1,990 million for the Same Period of Last Year. The gross profit margin was 24.76%, which decreased by 4.29 percentage points from 29.05% for the Same Period of Last Year.

Education informatization and others

In the first half of 2026, the Group continues to build a matrix of digital education service platforms featuring the coordinated operation of Winshare Youjiao, Winshare Youxue, Winshare Youxuan, and Winshare Huixue, thereby bridging integrated online and offline service channels. Among them: Winshare Youjiao focuses on core teaching application scenarios of frontline teachers and deeply integrates the capabilities of mainstream domestic AI large models, cumulatively serving 1,374 schools and a teacher flow of 448,400. Meanwhile, Winshare Youxue continues to iterate its core functions, serving 4.45 million students. The labor and practical education business served a secondary and primary student flow of over 150,000 in Sichuan Province, while the teacher training business served a teacher flow of over 30,000.

During the Period, the sales revenue of education informatization and others under the Group's distribution segment amounted to RMB110 million, representing a decrease of 23.36% as compared to RMB143 million for the Same Period of Last Year. The cost of sales amounted to RMB88 million, representing a decrease of 25.95% as compared to RMB118 million for the Same Period of Last Year. The gross profit margin was 20.06%, which increased by 2.79 percentage points from 17.27% for the Same Period of Last Year.

(II) ANALYSIS OF OPERATING RESULTS AND FINANCIAL PERFORMANCE

EXPENSES

During the Period, selling expenses of the Group amounted to RMB603 million, representing a decrease of 13.68% from RMB699 million in the Same Period of Last Year, mainly due to the decrease in labor costs, logistics expenses, etc. as compared with the Same Period of Last Year.

During the Period, administrative expenses of the Group amounted to RMB688 million, representing a decrease of 8.13% from RMB749 million in the Same Period of Last Year, mainly due to the decrease in labor costs, business entertainment fees, depreciation and amortization expenses, travel fees, etc. as compared with the Same Period of Last Year.

During the Period, finance expenses of the Group amounted to RMB-63,761,700, representing an increase of RMB5,451,800 from RMB-69,213,500 in the Same Period of Last Year, mainly because the interest income derived from bank deposits decreased as compared with the Same Period of Last Year.

During the Period, research and development expenses of the Group amounted to RMB14,026,800, the change of which was insignificant as compared to RMB14,110,500 in the Same Period of Last Year.

GAINS ON FAIR VALUE CHANGE

During the Period, gains on fair value change of the Group amounted to RMB22,062,600, representing an increase of RMB11,203,500 as compared with gains on fair value change of RMB10,859,100 in the Same Period of Last Year, mainly due to the changes in fair value of projects held by funds invested by the Company such as CITIC Buyout, Goldstone Growth, and CICC Qichen Phase II as affected by the capital market situation during the Period.

CREDIT IMPAIRMENT LOSSES

During the Period, credit impairment losses reversed by the Group amounted to RMB20,918,500, while credit impairment losses reversed in the Same Period of Last Year amounted to RMB48,695,100, mainly due to the fact that the Group continued to strengthen its efforts to manage accounts receivable, especially the recovery of historical debts. Reversal of credit impairment losses was achieved in both the Period and the Same Period of Last Year.

ASSET IMPAIRMENT LOSSES

During the Period, asset impairment losses provided for by the Group amounted to RMB39,885,100, representing a decrease of RMB1,385,500 from RMB41,270,600 in the Same Period of Last Year, the change of which was insignificant.

INVESTMENT INCOME

During the Period, the Group's investment income was RMB102 million, which was basically the same as RMB102 million for the Same Period of Last Year.

OTHER INCOME AND NON-OPERATING INCOME AND EXPENSES

During the Period, other income of the Group amounted to RMB27,912,500, representing a decrease of 42.05% from RMB48,168,100 in the Same Period of Last Year, which was mainly due to the effect of the timing of VAT refund.

During the Period, non-operating income of the Group amounted to RMB672,800, representing a decrease of 76.99% from RMB2,923,500 in the Same Period of Last Year, mainly due to the disposal of scrapped goods in the Same Period of Last Year, which resulted in a higher income.

During the Period, non-operating expenses of the Group amounted to RMB6,899,500, representing an increase of RMB1,037,400 from RMB5,862,100 in the Same Period of Last Year, mainly due to the increase in donations as compared with the Same Period of Last Year.

GAIN ON ASSET DISPOSAL

During the Period, gain on asset disposal of the Group amounted to RMB1,573,200, representing an increase of RMB1,747,500 from loss on asset disposal of RMB174,300 in the Same Period of Last Year, mainly due to the year-on-year increase in gain from the disposal of vehicles and the early termination of leases during the Current Period.

INCOME TAX EXPENSES

During the Period, income tax expenses of the Group amounted to RMB8,927,000, representing an increase of RMB1,489,000 as compared with RMB7,438,100 in the Same Period of Last Year, the change of which was insignificant.

OTHER COMPREHENSIVE INCOME

During the Period, other comprehensive income net, after tax of the Group amounted to a loss of RMB79 million, representing a decrease of RMB255 million from a gain of RMB176 million in the Same Period of Last Year, mainly due to the fluctuation in the market value of the shares of listed companies held by the Company such as Wan Xin Media and Bank of Chengdu.

PROFIT

Net profit of the Group for the Period amounted to RMB663 million, representing a year-on-year decrease of RMB237 million. Net profit attributable to shareholders of the listed company amounted to RMB654 million, representing a year-on-year decrease of RMB202 million. After deducting non-recurring profit or loss, the net profit attributable to shareholders of the listed company amounted to RMB628 million, representing a year-on-year decrease of RMB219 million, which was mainly attributable to the decline in sales, resulting in a decrease in gross profit.

EARNINGS PER SHARE

Earnings per share is calculated based on the net profit of the Group attributable to the shareholders of the listed company for the Period divided by the weighted average number of the ordinary shares in issue during the Period. During the Period, earnings per share of the Group amounted to RMB0.53, representing a decrease of RMB0.16 as compared with RMB0.69 in the Same Period of Last Year. For details regarding the calculation of earnings per share, please refer to Note 25 to the consolidated financial statements in this interim results announcement.

CASH FLOW

During the Period, net cashflow of the Group generated from operating activities was net inflow of RMB317 million, representing a decrease of RMB304 million as compared with net inflow of RMB621 million in the Same Period of Last Year, mainly due to the decline in sales resulting in a year-on-year decrease in net cash inflow from operating activities. In addition, the Group received enterprise income tax refund of RMB130 million in the Same Period of Last Year, while there was no such cash inflow during the Period.

During the Period, net cashflow of the Group generated from investing activities was net outflow of RMB443 million, as compared with net outflow of RMB754 million in the Same Period of Last Year. The net cash outflow decreased year-on-year, mainly due to the allocation of time deposits during the Period.

During the Period, net cashflow of the Group generated from financing activities was net outflow of RMB363 million, as compared with net outflow of RMB378 million in the Same Period of Last Year. The net cash outflow was mainly due to dividends paid for A Shares and lease liabilities, the change of which was insignificant from the Same Period of Last Year.

ASSETS AND LIABILITIES ANALYSIS

(As at 30 June 2026)

RMB

Item	Amount as at the end of the Current Period	Amount as at the end of the Current Period as a percentage of the total assets (%)	Amount as at the end of the prior year	Amount as at the end of the prior year as a percentage of the total assets (%)	Change in the amount as at the end of the Current Period over the amount as at the end of the prior year (%)	Remark
Held-for-trading financial assets	16,532.78	0.00	47,285.12	0.00	(65.04)	It mainly represents the stocks invested by the Company.
Other receivables	261,662,095.84	1.11	155,434,051.60	0.66	68.34	The increase was mainly the receipt of 2025 cash dividends in July as declared by Bank of Chengdu, Wan Xin Media, etc.
Contract assets	2,988,467.07	0.01	10,220,367.99	0.04	(70.76)	Mainly due to change in quality warranty.
Non-current assets due within one year	13,345,101.13	0.06	22,507,427.20	0.10	(40.71)	Mainly due to the decrease in closing balance of receivables as compared with the opening balance as a result of the fact that the receivables of education informatization and education equipment business, which adopted collection by instalments, were transferred to receivables as the agreed payment period approached.
Construction in progress	6,306,501.93	0.03	3,394,771.08	0.01	85.77	Mainly due to the increase in investment in interior renovation projects for housing, etc. as compared with the beginning of the year.
Development expenditure	11,453,652.53	0.05	7,650,470.72	0.03	49.71	Mainly due to the increase in software R&D projects that have not yet been completed at the end of the Current Period compared with the beginning of the year.

Item	Amount as at the end of the Current Period	Amount as at the end of the Current Period as a percentage of the total assets (%)	Amount as at the end of the prior year	Amount as at the end of the prior year as a percentage of the total assets (%)	Change in the amount as at the end of the Current Period over the amount as at the end of the prior year (%)	Remark
Short-term borrowings	37,950,000.00	0.16	10,000,000.00	0.04	279.50	It mainly represents new working capital borrowings for subsidiaries of the Company.
Receipts in advance	4,125,712.26	0.02	7,506,790.10	0.03	(45.04)	Mainly due to changes in the balance of house rental received in advance.
Employee benefits payable	702,109,070.85	2.98	1,009,468,036.81	4.31	(30.45)	Mainly due to the payment of performance-based wages for the year 2025 during the Period.
Taxes payable	19,285,580.32	0.08	47,287,226.56	0.20	(59.22)	Mainly due to the decrease in balance of value-added tax, enterprise income tax and other taxes payable as at the end of the Current Period as compared with the beginning of the year.
Other payables	508,331,351.46	2.15	304,192,570.95	1.30	67.11	The increase was mainly due to the cash dividend of RMB178 million declared by the Company for H Shares for 2025, which was paid in full in July.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, the Group had cash and bank balances of approximately RMB9,119 million (31 December 2025: RMB8,813 million), and short-term borrowings of RMB37.95 million (31 December 2025: RMB10 million).

As at 30 June 2026, the gearing ratio (calculated by dividing total liabilities by total assets) of the Group was 33.35%, up by 0.11 percentage point as compared with 33.24% as at 31 December 2025. The Group's overall financial structure remains relatively stable.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any material contingent liabilities.

PLEDGE OF ASSETS

As at 30 June 2026, the balance of pledged deposits of the Group amounted to RMB5,154,200 (31 December 2025: RMB7,681,000), representing the security deposits placed with the banks for the issuance of letters of guarantee, etc. Save as disclosed above, the Group did not have any other assets under pledge or guarantee.

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 that no foreign exchange hedging arrangement has been made.

WORKING CAPITAL MANAGEMENT

	30 June 2026	30 June 2025
Current ratio	**1.8**	1.8
Inventory turnover days	**132.4**	130.7
Trade receivable and notes turnover days	**63.6**	55.4
Trade payable and notes turnover days	**300.4**	296.1

As at 30 June 2026, current ratio of the Group was 1.8, basically the same as compared with the Same Period of Last Year. During the Period, the inventory turnover days was 132.4 days, up by 1.7 days as compared with the Same Period of Last Year. The trade receivable and notes turnover days was 63.6 days, up by 8.2 days as compared with the Same Period of Last Year. The trade payable and notes turnover days was 300.4 days, up by 4.3 days as compared with the Same Period of Last Year.

The above indicators reflect that the operating conditions of the Group remained relatively stable, and the turnover days of inventory, trade receivables and trade payables were in line with the industry features of the publication and distribution enterprises.

Note: The trade receivable and notes turnover days were calculated based on the aggregate amount of notes receivable, accounts receivable and long-term receivables due within one year.

(III) OVERVIEW OF MATERIAL INVESTMENTS, ACQUISITIONS AND DISPOSALS

The Group centered on the development strategy and optimized the industry layout. While developing its principal businesses, the Group pushed ahead the industry-finance integration with a view to establishing the Group as a first-class cultural media group in the PRC.

The Company was interested in 80,000,000 shares of Bank of Chengdu. Its shareholding was 1.89%. The cost of investment was RMB240 million. Bank of Chengdu is mainly engaged in commercial banking business approved by China's banking regulator. During the Period, a dividend income of RMB73,680,000 from Bank of Chengdu and a fair value gain of RMB126 million were recognized. As at 30 June 2026, the market capitalization of the shares held by the Company in Bank of Chengdu was RMB1,416 million, accounting for 6.00% of the total assets of the Group as at 30 June 2026.

The Company was interested in 124,640,000 shares of Wan Xin Media. Its shareholding was 6.37%. The cost of investment was RMB186 million. Wan Xin Media is mainly engaged in cultural services, education services, full supply chain management and other culture-related businesses. During the Period, a dividend income of RMB24,928,000 from Wan Xin Media and a fair value loss of RMB206 million were recognized. As at 30 June 2026, the market capitalization of the shares held by the Company in Wan Xin Media was RMB614 million, accounting for 2.60% of the total assets of the Group as at 30 June 2026.

Wan Xin Media and Bank of Chengdu are financial investments of the Company which not only generate attractive dividend income to the Group for the Period, but also higher capital appreciation to the Group. The Company will monitor the price trends of the A share market and these two stocks from time to time. Coupled with the industrial development, the Company will formulate corresponding investment strategies to continuously and steadily contribute to the finance income of the Company.

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

During the Period, details of the external investments made by the Group are set out in Notes 10, 11 and 12 to the consolidated financial statements in this results announcement.

Information of the major subsidiaries

RMB0'000

Name of company	Type of company	Main business	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Sichuan Education Publishing House Co., Ltd.	Subsidiary	Book publication	1,000.00	162,133.46	135,201.70	33,939.78	13,541.76	13,541.76
Sichuan Publication Printing Co., Ltd.	Subsidiary	Plate-leased printing and supply of textbooks	5,000.00	72,976.31	67,852.35	16,519.32	7,568.03	7,568.20
Sichuan Winshare Online E-commerce Co., Ltd.	Subsidiary	Online sales of various products	6,000.00	337,348.65	(6,155.08)	168,467.12	922.33	826.65

(IV) FUTURE PROSPECTS

Focusing on its main responsibilities and principal businesses, the Group adheres to integrity and innovation, continues to deepen reform, accelerates the cultivation of new and quality publishing productivity, gradually builds a new publishing and communication system in the digital era, and continuously improves the supply capacity of high-quality cultural products and services. It will implement the following operating plans:

Strengthen the supply capability of high-quality content. Precisely plan high-quality publishing topics, intensify efforts to cultivate original content, and deeply cultivate distinctive cultural resources to continuously consolidate publishing brand advantages and market competitiveness; proactively promote the deep integration and innovation of publishing business formats, continuously expand business boundaries, and extend the content industry chain; accelerate digital transformation and upgrading, leveraging new technologies to empower the entire publishing process and enhance both the precision of topic planning and overall content quality; continuously excel in international communication, relying on key projects such as the Asian classics translation projects, deeply cultivate the outward translation and dissemination of excellent traditional Chinese culture, vividly tell China's stories, and spread Chinese culture globally.

Advance the innovation and expansion of education services. Deeply explore market hotspots and customer needs, proactively adapt to technological iterations and changes in policy requirements; with a core focus on the integration of print and digital formats, strengthen content construction and continuously improve the comprehensive quality of products; consolidate the labor and practical education business, strategically lay out plans for study tour operations, such as winter and summer camps; optimize the content of teacher training courses and supporting service systems to strengthen professional service capabilities; promote the optimization and upgrading of digital platforms for education services, empower business development through technology, and steadily advance the digital transformation of education service business.

Optimize the quality and effectiveness of reading services. Fully leverage the Group's role of publishing and distribution as a leading channel and main front, making every effort to promote, distribute and support key thematic current affairs publications; proactively integrate into the construction of public cultural service system and expand out-of-store businesses; deeply embed in local culture to promote the integration of culture and tourism; continuously expand the layout of instant retail channels to deepen online and offline integration; focus on scenario-based marketing to enhance the conversion efficiency of platform e-commerce and enrich the operational system of content e-commerce; accelerate the application of new technologies to empower product selection, marketing, customer service, and content production, utilizing technology to drive improvements in business quality and efficiency. Continue to build a national reading activity system underpinned by events such as the Tianfu Book Fair and the Xinhua Winshare Reading Festival (新華文軒閱讀盛典), thereby enhancing the influence of national reading activities.

Deepen the construction of supply chain service system. Continuously strengthen the digital and intelligent support capabilities of logistics, leverage digital intelligence to promote the synergistic optimization of service quality, operational efficiency, and cost control, continuously enhance the core competitiveness of supply chain services. While consolidating the service guarantee advantages of principal businesses, deeply explore the core value of supply chain, expand the growth space for market-oriented businesses, and continuously optimize logistics business structure. Advance the standardization of whole-process quality control and perfect the comprehensive quality management system. Promote the application of the Sichuan textbook printing management platform, utilize digital means to improve printing efficiency, and continuously deepen the digital and intelligent transformation of printing businesses.

Advance capital operations to improve quality and efficiency. Focus on main responsibilities and principal businesses, further improve the business structure of capital operations, strengthen risk prevention and control, and obtain gains from capital operations; seize the trend of integrated development between culture and technology, leverage capital operations to uncover high-quality projects for the Group, and continuously promote the transformation and upgrading of its relevant businesses.

(V) POTENTIAL RISKS

Macroeconomic environment and external policy risks. In recent years, due to the compounding effects of multiple factors, such as the slowdown in macroeconomic growth, continuous changes in demographic structure, shifts in cultural consumption patterns, and policy adjustments in the education industry, the Group's business development has faced significant operational pressure. The Group will proactively adapt to these environmental changes, optimize its product and service systems, advance the refined operation of its channels, and strive to elevate the supply standard of its content products and services, thereby continuously enhancing its adaptability and competitiveness.

Technological change and content innovation risks. Currently, accompanied by the rapid development of digital technologies such as artificial intelligence and cloud computing, the digital and intelligent transformation continues to deepen. The models of content production, dissemination, and consumption within the publishing industry are undergoing profound changes, with new business formats constantly emerging and application scenarios continuously expanding. The iterative development of technology poses new challenges to the Group's content innovation capabilities, its level of integrated technology application, and its traditional operational systems. The Group will proactively adapt to the development trends of frontier technologies like artificial intelligence, deepen the integration of business and technology, utilize new technologies to drive the optimization and upgrading of operational models, innovate new business formats for cultural services, and accelerate the development of new productive forces in the publishing sector.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sales of treasury shares). As at 30 June 2026, the Company did not hold any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Directors are of the view that, during the Period, save as the following, the Company has adopted and complied with the applicable principles and the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules:

According to code provision B.2.2 of the Corporate Governance Code, each director (including directors with a specific service term) shall take turns to resign, at least once every three years. The service term of the Company's fifth session of the Board of Directors expired on 23 January 2025. Since the change of session of the Board of Directors of the Company has not yet been completed, the terms of the Board of Directors and the special committees thereunder and the senior management of the Company will be extended correspondingly. Please refer to the announcement of the Company dated 23 January 2025 for details.

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

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as the code of conduct for securities transactions by the Directors of the Company, for the purpose of regulating securities transactions by the Directors. Having made specific enquiries to each Director, all Directors confirmed that they have complied with the provisions as set out in the Model Code throughout the Period.

INTERIM DIVIDEND

The Board has recommended the payment of an interim dividend by the Company for the six months ended 30 June 2026 of RMB0.17 (tax inclusive) per share (the Same Period of Last Year: RMB0.19 (tax inclusive) per share), totaling approximately RMB209,752,970.00 (tax inclusive) (the "**Interim Dividend for 2026**"). The proposed Interim Dividend for 2026 is subject to the approval by shareholders at the extraordinary general meeting. If the proposal is approved, dividends payable to A shareholders will be declared and paid in RMB, whereas dividends payable to H shareholders 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 EGM.

In accordance with the "Enterprise Income Tax Law of the People's Republic of China" and its implementation regulations, where a PRC domestic enterprise distributes dividends to non-resident enterprise shareholders, it is required to withhold 10% enterprise income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of the dividend as enterprise income tax, distribute the dividend to non-resident enterprise shareholders, i.e., any shareholders who hold the Company's shares in the name of nonindividual 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 Taxation Administration 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 agreements between the countries where they reside and China or the tax arrangements between mainland China 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.

H shareholders whose names appear on the register of members of the Company on Thursday, 22 October 2026 are entitled to attend and vote at the EGM. H shareholders whose names appear on the register of members of the Company on the dividend entitlement date are entitled to the Interim Dividend for 2026 of the Company (if approved by the shareholders). The Interim Dividend for 2026 will be paid on or before Tuesday, 22 December 2026 (if approved by the shareholders).

H shareholders are advised to consult their own professional advisers about the tax effect in China, Hong Kong and/or other countries (regions) in respect of owning and disposal of H shares if they are in any doubt as to the above arrangements.

Shareholders should read this paragraph carefully. Should there be anyone who intends to change his/her identity as a shareholder, please seek advice on the relevant procedures from the nominees or trustees. The Company is neither obliged nor responsible for ascertaining the identities of the shareholders. In addition, the Company will withhold enterprise income tax and individual income tax in strict compliance with the relevant laws or regulations and the registered information on the H share register of members as at the dividend entitlement date, and will not entertain or assume responsibility for any requests or claims in relation to any delay or inaccuracies in ascertaining the identity of the shareholders or any disputes over the arrangements for withholding the enterprise income tax and individual income tax.

EGM

The EGM of the Company will be held at Xinhua Star Tower A, No. 238, Sanse Road, Jinjiang District, Chengdu, Sichuan, the PRC (中國四川省成都市錦江區三色路 238 號新華之星 A 座) on Thursday, 22 October 2026. Details of the EGM will be set out in the notice of the EGM 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 FOR H SHARES

In order to ascertain the shareholders who are entitled to attend the EGM and to receive the Interim Dividend for 2026 (if approved by the shareholders), the register of members for H shares will be closed by the Company during the following periods:

To ascertain the H shareholders who are qualified to attend and vote at the EGM:

Latest time for lodging transfers of H shares	4:30 p.m., Thursday, 15 October 2026
Closure of register of members for H shares	from Friday, 16 October 2026 to Thursday, 22 October 2026 (both days inclusive)
Date for holding the EGM	Thursday, 22 October 2026

To ascertain the H shareholders who are entitled to the proposed Interim Dividend for 2026:

Latest time for lodging transfers of H shares	4:30 p.m., Tuesday, 27 October 2026
Closure of register of members for H shares	from Wednesday, 28 October 2026 to Friday, 30 October 2026 (both days inclusive)
Record date	Friday, 30 October 2026

In order for the H shareholders to qualify to attend and vote at the EGM and to receive the Interim Dividend for 2026 (if approved by the shareholders) proposed by the Company, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration before the abovementioned deadlines for lodging the transfer documents.

EVENTS AFTER THE PERIOD

At the Board meeting held on 26 August 2026, the profit distribution plan for the interim period of 2026 was passed under which the undistributed profit for the interim period of 2026 will be distributed at the price of RMB0.17 (tax inclusive) per share and the proposed dividend amounted to RMB209,752,970.00 (tax inclusive). The resolution shall take effect upon obtaining approval at the EGM. Apart from this, there were no material events of the Group after the Period.

AUDIT COMMITTEE

The Company has established the audit committee (the "**Audit Committee**") in compliance with the requirements under Rules 3.21 and 3.22 of the Listing Rules with specific written terms of reference.

The Audit Committee has reviewed the Group's unaudited consolidated financial statements for the six months ended 30 June 2026 included in this interim results announcement and has communicated and discussed the financial reporting issues of the Group with the management of the Company. The Audit Committee confirmed that the interim financial report of the Group has been prepared in accordance with the applicable accounting standards and requirements and have made appropriate disclosures accordingly.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.winshare.com.cn). The Company's 2026 interim report will be despatched to the shareholders of the Company and published on the websites of the Stock Exchange and the Company on or before 30 September 2026.

By Order of the Board
XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.*
Chairman
Zhou Qing

Sichuan, the PRC, 26 August 2026

As at the date of this announcement, the Board comprises (a) Mr. Zhou Qing, Mr. Liu Longzhang and Mr. Li Kun as executive Directors; (b) Mr. Ke Jiming and Ms. Tan Ao as non-executive Directors; and (c) Mr. Lau Tsz Bun, Mr. Deng Fumin and Mr. Han Wenlong as independent non-executive Directors.

* *For identification purposes only*