

XINHUA MOBILE LIMITED INVESTED US\$700,000 IN GINSMS INC. BY WAY OF A PRIVATE PLACEMENT OF COMMON SHARES

Grand Cayman, Cayman Islands, April 10, 2017 – Xinhua Mobile Limited (“**XMobile**”), a wholly-owned subsidiary of Xinhua Holdings Limited (“**Xinhua**”), a company which securities are listed on the Tokyo Stock Exchange announces that it has completed a non-brokered private placement of US\$700,000 (equivalent to C\$931,280) of common shares of its subsidiary, GINSMS Inc. (“**GINSMS**”). The subscription is for a total of 7,163,692 common shares purchased at a subscription price of C\$0.13 per common share (“**Private Placement**”).

Following the closing of the Private Placement, GINSMS has 149,793,861 common shares issued and outstanding. and Xinhua Mobile owns 97,841,852 common shares or 65.32% of all issued and outstanding common shares of GINSMS.

Depending upon circumstances, XMobile may, from time to time, increase or decrease its ownership of securities of GINSMS, whether in the open market, by privately negotiated agreements or otherwise, subject to a number of factors, including general market conditions and other available investment and business opportunities. Other than as noted above, XMobile does not currently have any plans or future intentions relating to any of the following: (a) a corporate transaction, such as a merger, reorganization or liquidation, involving GINSMS or any of its subsidiaries; (b) a sale or transfer of a material amount of the assets of GINSMS or any of its subsidiaries; (c) a change in the board of directors or management of GINSMS, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board; (d) a material change in the present capitalization or dividend policy of GINSMS; (e) a material change in GINSMS’ business or corporate structure; (f) a change in the GINSMS’ charter, bylaws or similar instruments or another action which might impede the acquisition of control of GINSMS by any person or company; (g) a class of securities of GINSMS being delisted from, or ceasing to be authorized to be quoted on, a marketplace; (h) GINSMS ceasing to be a reporting issuer in any jurisdiction of Canada; (i) a solicitation of proxies from securityholders; or (j) an action similar to any of those enumerated above.

For further information:

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