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CHINA LITERATURE LIMITED
阅文集团
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 772)

VOLUNTARY ANNOUNCEMENT
PROPOSED ON-MARKET SHARE BUY-BACK PLAN

This announcement is made by China Literature Limited (the "**Company**") on a voluntary basis.

PROPOSED ON-MARKET SHARE BUY-BACK PLAN

The board of directors (the "**Board**") of the Company wishes to announce that the Board has approved a plan (the "**Proposed Share Buy-back Plan**") to exercise the general mandate to buy back shares (the "**Shares**") of the Company (the "**Buy-back Mandate**") that has been granted by the shareholders of the Company (the "**Shareholders**") to the Board at the annual general meeting of the Company held on May 30, 2025 (the "**AGM**"), pursuant to which the Shareholders approved the Buy-back Mandate to purchase on-market Shares not exceeding 10% of the aggregate number of issued Shares as at the date of the AGM. Any buy-back of Shares subsequent to the expiry of the current Buy-back Mandate will be subject to the grant of a general mandate by the Shareholders to the Board for the buy-back of Shares at the Company's next annual general meeting to be held in 2026.

The details of the Proposed Share Buy-back Plan are as follows:

(1)	Class of Shares	:	Ordinary Shares
(2)	Consideration to buy-back Shares under the Proposed Share Buy-back Plan	:	Cash

(3)	Source of fund to finance the buy-back of Shares under the Proposed Share Buy-back Plan	:	Existing available cash reserves and free cash flow of the Company (excluding any external borrowing)
(4)	Aggregate number of Shares that can be bought back under the Buy-back Mandate	:	Not more than 102,208,922 Shares
(5)	Maximum amount of fund intended to be used for the Proposed Share Buy-back Plan	:	HKD1.2 billion
(6)	Period for the Proposed Share Buy-back Plan	:	Not more than 12 months

The Board believes that the value of the Shares traded on-market is undervalued. The Board also believes that the Company's current financial resources would enable it to conduct the Proposed Share Buy-back Plan with its own resources while maintaining sufficient financial resources for the continued growth of the Company's operations. The Proposed Share Buy-back Plan also reflects the confidence of the Board to the prospects of the Company.

The Proposed Share Buy-back Plan will be subject to market conditions and will be at the Board's absolute discretion. Any exercise of the Buy-back Mandate to buy back Shares under the Proposed Share Buy-back Plan, if and when conducted, will be subject to and in compliance with the articles of association of the Company, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") (including but not limited to the black-out period under Appendix C3 to the Listing Rules), the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission, the laws of the Cayman Islands and all applicable laws and regulations which the Company is subject to. In particular, should the Company buy back any Shares pursuant to the exercise of the Buy-back Mandate and the Proposed Share Buy-back Plan, the Company will comply with the relevant reporting requirements under the Listing Rules, as well as Rule 10.06 of the Listing Rules requiring the Company not to purchase Shares if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which the Shares were traded on The Stock Exchange of Hong Kong Limited.

Shareholders and potential investors of the Company should note that any exercise of the Buy-back Mandate to buy back Shares under the Proposed Share Buy-back Plan, if and when conducted, will be subject to, among others, market conditions and at the absolute discretion of the Board. There is no assurance of the timing, quantity or price of any buy-back of Shares. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

By order of the Board
CHINA LITERATURE LIMITED
Mr. Pu Hai Tao
Chairman of the Board and Non-executive Director

Hong Kong, December 4, 2025

As at the date of this announcement, the Board comprises Mr. Hou Xiaonan and Mr. Huang Yan as Executive Directors; Mr. Pu Hai Tao, Mr. Cao Huayi and Mr. Xie Qinghua as Non-executive Directors; Ms. Yu Chor Woon Carol, Ms. Leung Sau Ting Miranda and Mr. Liu Junmin as Independent Non-executive Directors.