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阅文集团

CHINA LITERATURE LIMITED

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(incorporated in the Cayman Islands with limited liability)

(Stock Code: 772)

ANNOUNCEMENT

**COMPLETION OF THE ACQUISITION OF 100% EQUITY INTEREST
OF NEW CLASSICS MEDIA**

Reference is made to the announcements of China Literature Limited (the “**Company**”) dated August 13, 2018 and October 19, 2018 and the circular of the Company dated September 28, 2018 (the “**Circular**”) in respect of, among others, the proposed acquisition of 100% equity interest of Qiandao Lake Holdings Limited. Unless otherwise defined herein, capitalized terms used herein shall have the same meanings as those defined in the Circular.

COMPLETION OF THE ACQUISITION

The Board is pleased to announce that all conditions precedent have been fulfilled and the Acquisition has been completed on October 31, 2018. Accordingly, certain Consideration Shares have been issued by the Company to the Vendors in accordance with the terms of the Share Purchase Agreement.

SHAREHOLDING STRUCTURE OF THE COMPANY

Immediately upon the Completion, the shareholding structure of the Company is set out as below:

Shareholders	Number of Shares	Approximate % of issued Shares
Tencent		
- THL A13	246,600,000	24.1%
- Qinghai Lake	230,705,634	22.6%
- Tencent Mobility	78,337,470	7.7%
Founder SPV	22,955,882	2.2%
Deal Plus	45,000,000	4.4%
Qu SPV	10,318,073	1.0%
Executive SPV	4,525,582	0.4%
Other Shareholders	<u>384,111,605</u>	<u>37.6%</u>
Total	<u><u>1,022,554,246</u></u>	<u><u>100%</u></u>

By order of the Board
CHINA LITERATURE LIMITED
Mr. James Gordon Mitchell
Chairman of the Board and Non-executive Director

Hong Kong, October 31, 2018

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Wu Wenhui and Mr. Liang Xiaodong as executive Directors; Mr. James Gordon Mitchell, Mr. Lin Haifeng, Ms. Li Ming and Mr. Yang Xiang Dong as non-executive Directors; Ms. Yu Chor Woon Carol, Ms. Leung Sau Ting Miranda and Mr. Liu Junmin as independent non-executive Directors.