China Literature

2025 Annual Results

March 17, 2026

阅文集团
CHINA LITERATURE

Disclaimer

This presentation contains forward-looking statements relating to the industry and business outlook, forecast business plans and growth strategies of the Company. These forward-looking statements are based on information currently available to the Company and are stated herein on the basis of the outlook at the time of this presentation. They are based on certain expectations, assumptions and premises, some of which are subjective or beyond our control. These forward-looking statements may prove to be incorrect and may not be realized in future. Underlying the forward-looking statements is a large number of risks and uncertainties. Further information regarding these risks and uncertainties is included in the Company's other public disclosure documents on its corporate website.

Furthermore, this presentation also contains statements based on the Company's management accounts, which have not been audited by the Auditor. Shareholders and potential investors should therefore not place undue reliance on such statements.

2025 Annual Results Summary

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IFRS Measures

- **Revenues** were **RMB7,366.2 million (USD1,048.0 million)** (1), compared with RMB8,121.1 million of 2024
  - **Revenues from online business** were **RMB4,047.0 million (USD575.8 million),** compared with RMB4,030.6 million in 2024
  - **Revenues from intellectual property operations and others** were **RMB3,319.1 million (USD472.2 million)**, compared with RMB4,090.5 million in 2024
- **Operating loss** was **RMB804.5 million (USD114.5 million),** compared with RMB336.1 million in 2024
- **Net loss to shareholders** was **RMB776.1 million (USD110.4 million),** compared with a loss of RMB209.2 million in 2024, primarily due to a RMB1.8 billion impairment loss of goodwill attributable to New Classics Media

Non-IFRS Measures

- **Non-IFRS operating profit** was **RMB735.2 million (USD104.6 million)**, compared with RMB985.4 million in 2024
- **Non-IFRS net profit to shareholders** was **RMB858.5 million (USD122.1 million)**, compared with RMB1,141.7 million in 2024

Note:
(1) Figures stated in USD are based on USD1 to RMB7.0288.

Online Business: A Constantly Thriving Content Ecosystem

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High-Quality Online Content Ecosystem, Continuously Enhanced by New Content and Emerging Talent

In 2025, we added:



~400,000 writers



~800,000 literary works



~42 bn characters

Steady Growth in Top-tier Works

- New titles with 100,000+ average subscriptions per chapter: +40% YoY
- 2 titles surpassed 300,000 average subscriptions per chapter for the first time

Emerging Young Writers

- Writers born after 1995 accounted for 70% of new signers
- Number of writers born after 2000 earning RMB 1 mn+ annually: +150% YoY

Vibrant Community Engagement

- Works exceeding 100,000 collections: +80% YoY
- Titles receiving 10,000+ monthly tickets: +20% YoY

Continued Overseas Expansion:



AI translation — accelerated reach across small language markets, especially in Latin America and Southeast Asia

Global partnerships — teamed with Disney, Netflix, Sony Pictures and regional leaders to launch 1,300+ books, 2,100+ comics, 80+ animated series, and 100+ drama series / films overseas

Traditional IP Businesses: A Powerful Engine for Blockbusters

Our IPs Dominated Major Industry Rankings and Delivered Positive Results Across Our Traditional Areas of Strength

Drama Series



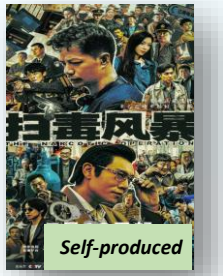
A Record of a Mortal's Journey to Immortality
(凡人修仙传)



Flourished Peony
(国色芳华)



I am Nobody
(异人之下之决战！碧游村)



The Narcotic Operation
(扫毒风暴)

- Our top-tier IP-adapted drama series ranked **No.1** in platform popularity charts during broadcasting
- **5 out of the top 10** long-form dramas by cumulative views across all platforms of 2025 were adapted from our IPs(1)
- Reached a popularity index above **28,000** when debuted on Tencent Video



The Richest Poor Guy
(年少有为)



The Devil Between Us
(除恶)

- Released in early 2026, and received critical acclaim and strong audience traction

Animated Series



Battle Through the Heavens
(斗破苍穹)



Stellar Transformations
(星辰变)



Candle in the Tomb
(鬼吹灯)

- Several sequel animated series consistently ranked among the top titles on platform popularity charts
- **9 out of the top 10** animation series by cumulative views across all platforms of 2025 were adapted from our IPs(1)

Award-winning IP Adaptation



Guardians of the Dafeng
(大奉打更人)



Lord of the Mysteries
(诡秘之主)

- Drama and animation adaptations of "Guardians of the Dafeng (大奉打更人)" and "Lord of the Mysteries (诡秘之主)" won multiple awards At Tencent Video's 2025 Golden Goose Honors

(1) According to Enlightent Data

Emerging IP Initiatives: Achieving Significant Progress

AI-animated Drama: Validation of AI's Large-scale Commercialization in IP Industry

Revenue of AI-animated Dramas in 2025H2:
RMB100 million+

- We have released **nearly 1,000** AI-animated dramas
- **More than 100** with 10 million+ views
- **12** with 100 million+ views



Four Major Initiatives to Build a Dedicated Ecosystem

IP Resources

IP library open for creators and production teams including **annual top-ten hits and diverse genre**

Creative Support

RMB100 million creation fund to support writers

Industry Collaboration

Full-stack support across production, distribution, and IP partnerships

Technology Support

AIGC tools to provide end-to-end support **"AI-animated Drama Assistant (漫剧助手)"**

Emerging IP Initiatives: Achieving Significant Progress

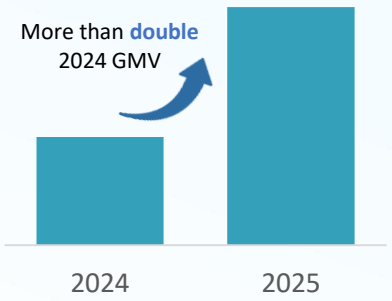
Short Dramas: Premium Content with Frequent Breakout Hits



- Launching more than **120 short dramas** in 2025 with frequent breakout hits
- One representative title set a record with gross revenue exceeding **RMB80 million** and ranked **No.4** on Enlightent's viewership charts in 2025 with **3.5 billion+** views
- Expanded beyond **modern romance** into **male-oriented genres, period and costume dramas, and more** — building a diversified, high-quality premium content matrix with long lifecycles

IP Merchandise Products: Historic Breakthroughs with GMV of RMB1.1 Billion

Total IP merchandise GMV in 2025:
RMB1.1 billion



- **Product:** Design capabilities and supply chain efficiency achieving **industry-leading speed and quality**
- **Channel:** Refined the omni-channel sales network
  - Online: "self-operated live streaming rooms + flagship online stores + mini-programs"
  - Offline: self-operated stores across **10 core cities** nationwide
  - **10,000 channel partners**
- **Operation:** Online and offline campaigns around multiple top IPs to strengthen IP influence
- **Ecosystem:** Advanced **"IP + Consumer"** strategy by partnerships with **200+** leading consumer brands



Technology: AI Solutions Spanning the Full IP Lifecycle

High-quality Online Content Ecosystem, Continuously Enhanced by New Content and Emerging Talent

Online Literature

- **"Writer Assistant (作家助手)"** received a major upgrade with the integration of the **"Smart Pen Tongjian (妙笔通鉴)" AI engine**
- Perform **real-time, in-depth** analysis of tens of millions of words to support writers
- Official, industry-wide availability

IP Adaptation

- **"Copyright Assistant (版权助手)"** launched
- Deep mines China Literature's library of millions of works and accurately matches titles to meet downstream adaptation needs
- Accelerating the **sourcing, screening, and development** of high-quality IP assets

AI-animated Drama

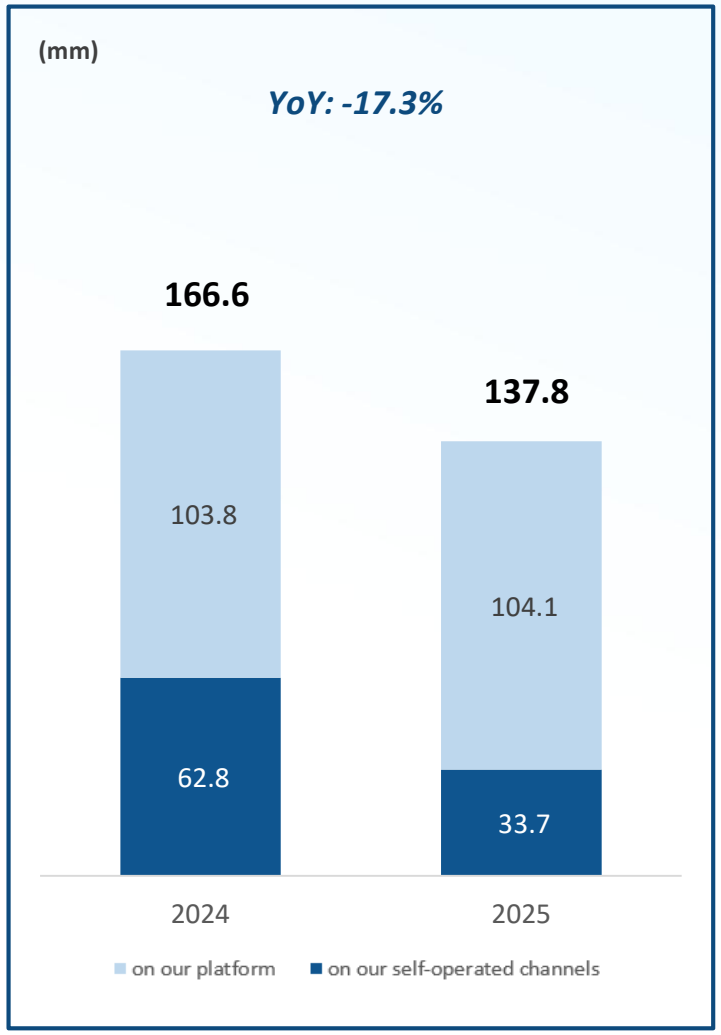
- **"AI-animated Drama Assistant (漫剧助手)"** integrates with multiple leading **multimodal large models**
- Supporting a full production workflow from text to visuals
- **Improving adaptation efficiency** and **lowering the barrier** to animated drama production

Global Expansion

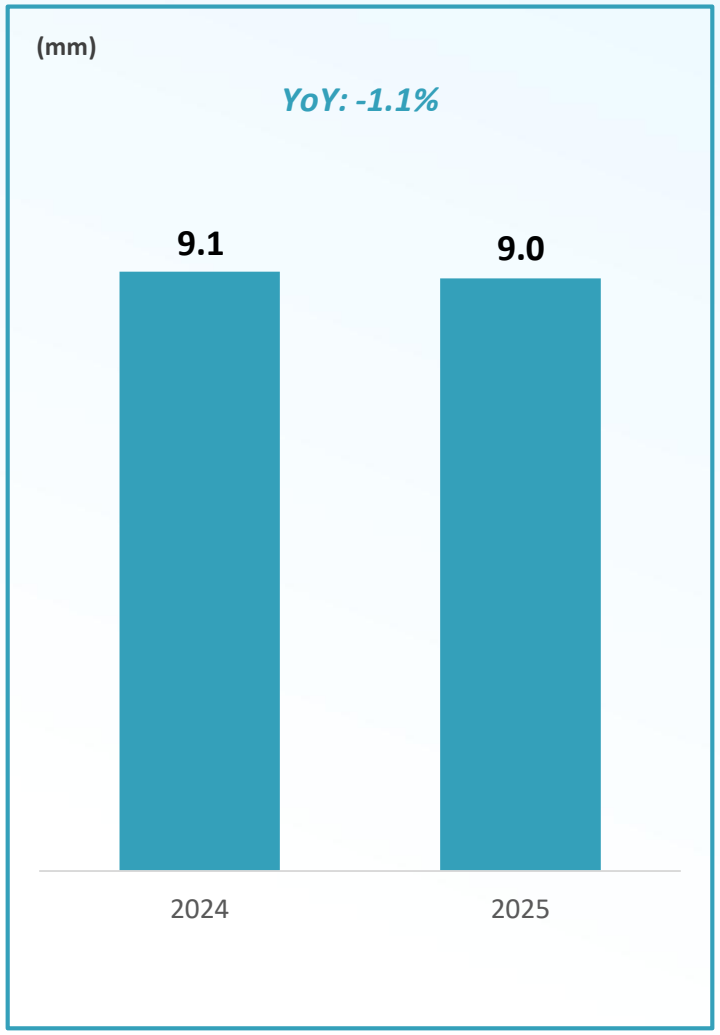
- By the end of 2025, **more than 17,000** AI-translated works available on WebNovel
- Revenue of AI-translated works increased by **39%** YoY
- More than **1/3** of the platform's total revenues

Key Operating Metrics

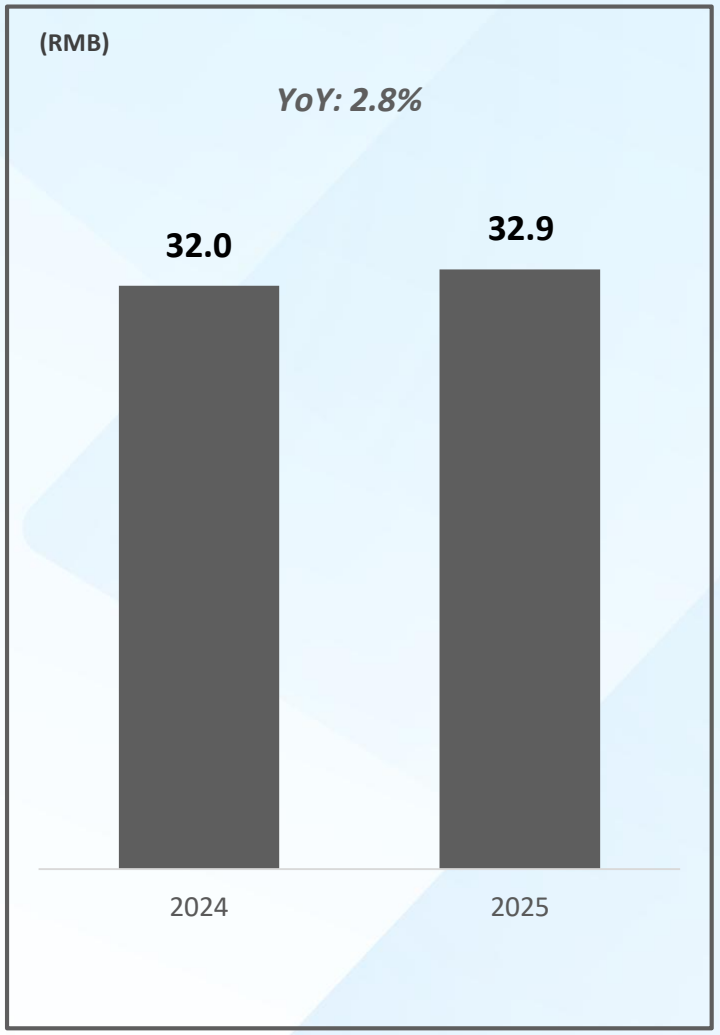
MAUs [1]



MPUs for Paid Reading [2]



Monthly ARPU for Paid Reading [3]



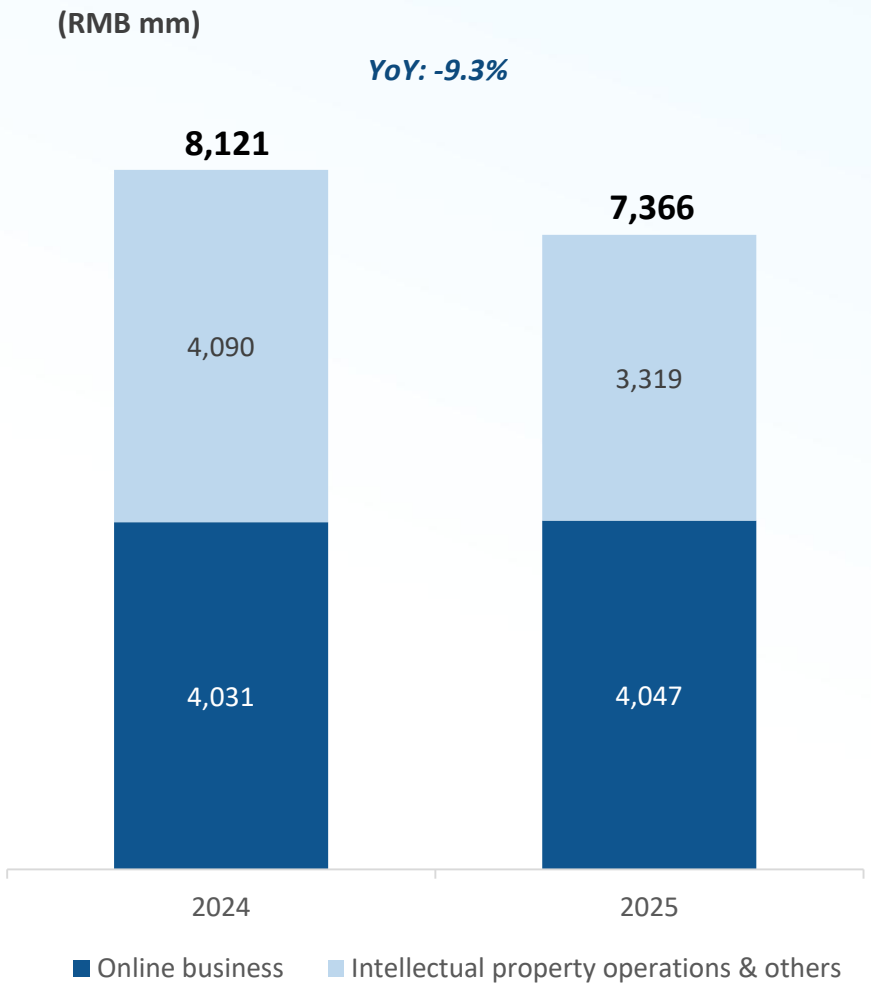
Notes:
(1) Average MAU is calculated as the average of MAUs for each calendar month during the respective year or period, on our platform and our self-operated channels on partner distribution platforms.
(2) Average MPU is calculated as the average of MPUs for each calendar month during the respective year or period, on our platform and our self-operated channels on partner distribution platforms.
(3) Average monthly ARPU is calculated as online reading revenue on our platform and self-operated channels divided by average MPUs during the period, then divided by the number of months during the period.

Financials: Income Statement

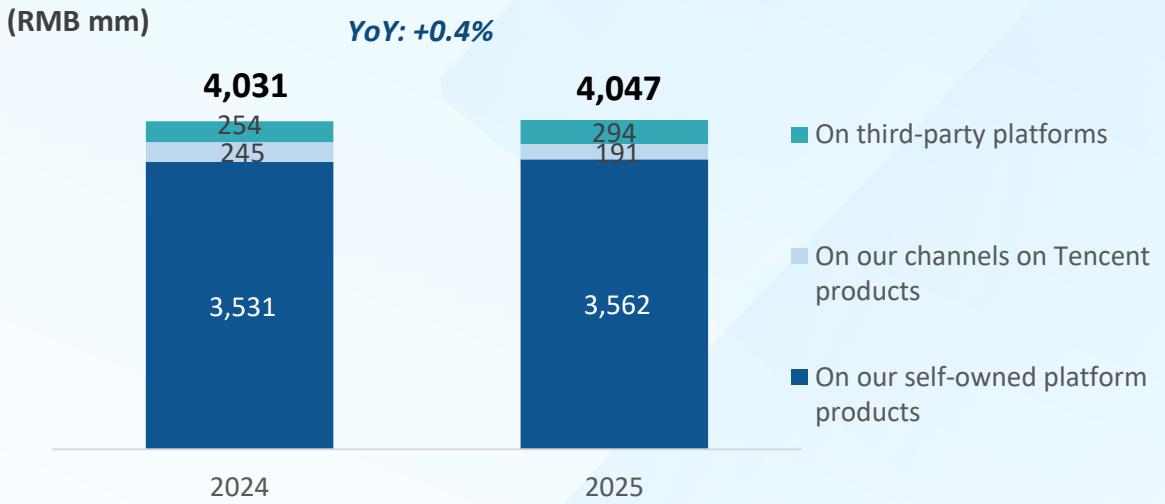
RMB'000	2024	2025	YoY
Revenues	8,121,081	7,366,176	*(9.3%)*
Cost of revenues	(4,199,141)	(3,969,362)	*(5.5%)*
Gross profit	3,921,940	3,396,814	*(13.4%)*
Selling and marketing expenses	(2,261,000)	(2,010,985)	*(11.1%)*
General and administrative expenses	(1,143,501)	(1,007,346)	*(11.9%)*
Other losses, net	(973,892)	(1,245,840)	*27.9%*
Interest income	178,320	166,960	*(6.4%)*
Net provision for impairment losses on financial assets	(57,983)	(104,054)	*79.5%*
Operating loss	(336,116)	(804,451)	*139.3%*
Finance costs, net	(1,836)	(12,663)	*589.7%*
Share of net profit of associates and joint ventures	239,027	200,840	*(16.0%)*
Income tax expense	(110,670)	(160,090)	*44.7%*
Net loss to shareholders	(209,216)	(776,054)	*270.9%*
Non-IFRS net profit to shareholders	1,141,657	858,486	*(24.8%)*

Financials: Revenue Structure

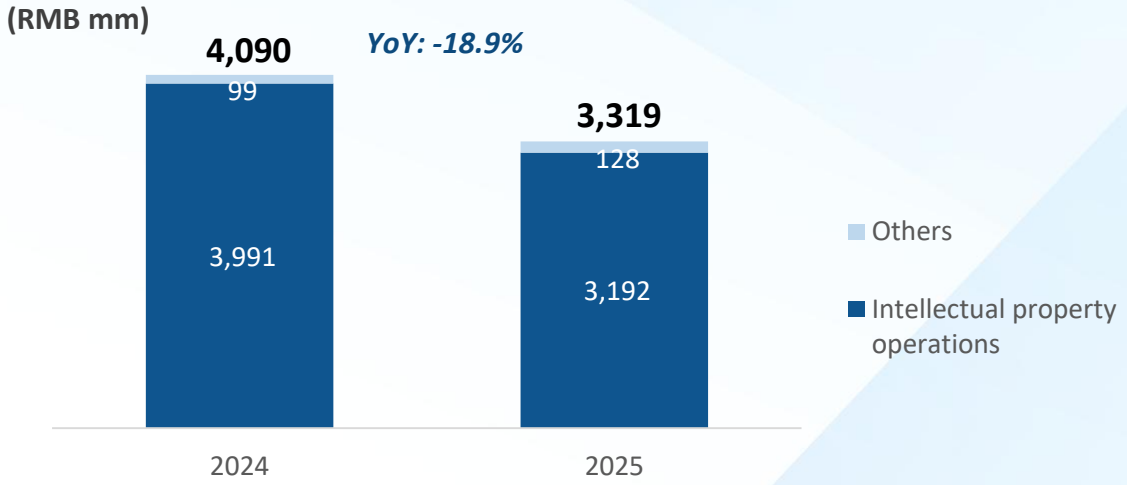
Revenues by Segment (1)



Online Business Revenues Breakdown (1)



Intellectual Property Operations & Others Revenues Breakdown (1)

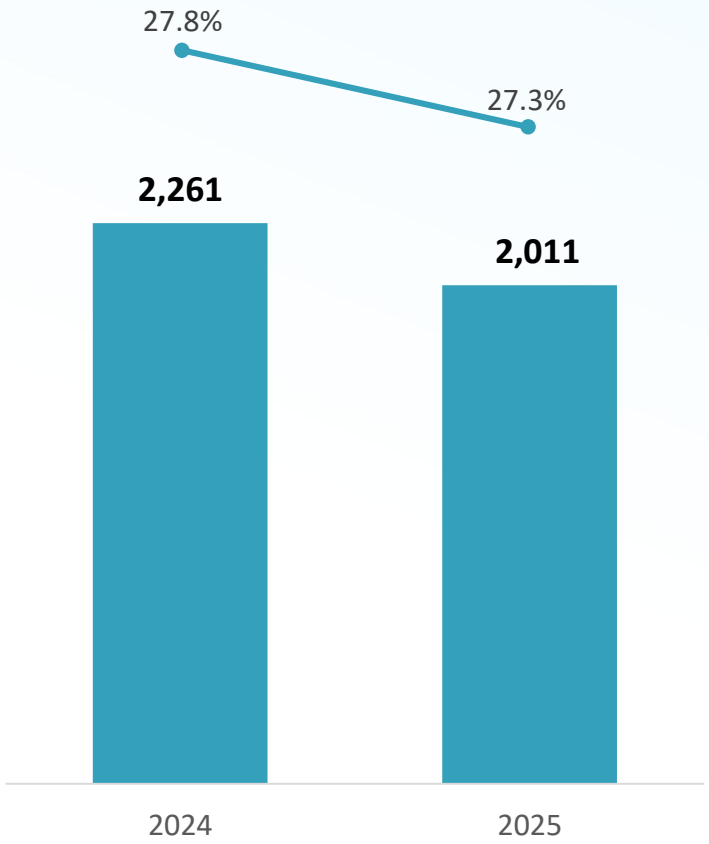


Note:
(1) Certain figures have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures shown in the breakdown items.

Financials: Operating Expenses

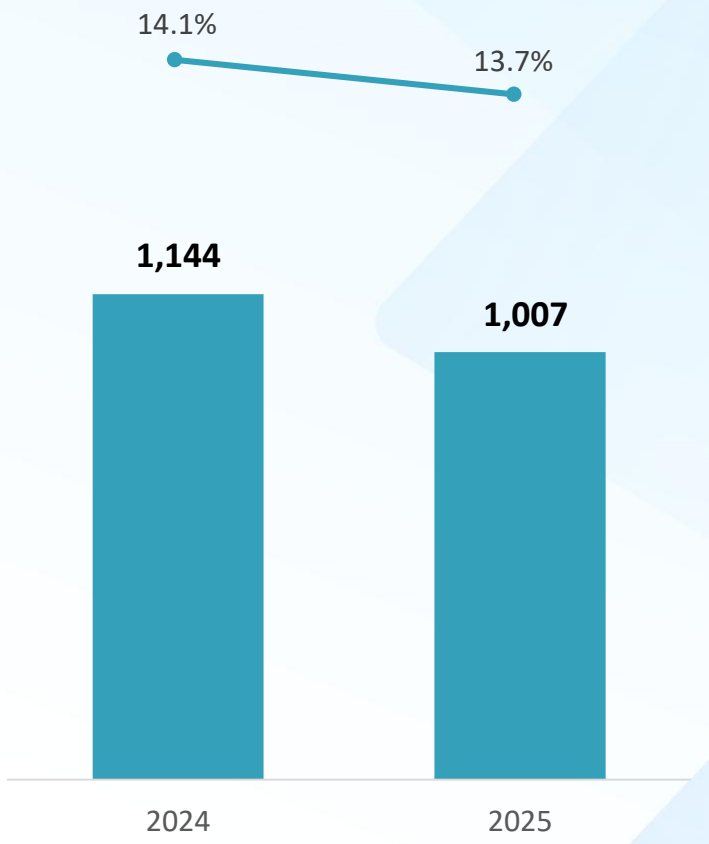
Selling & Marketing Expenses

as % of total revenue, total amount in RMB mn



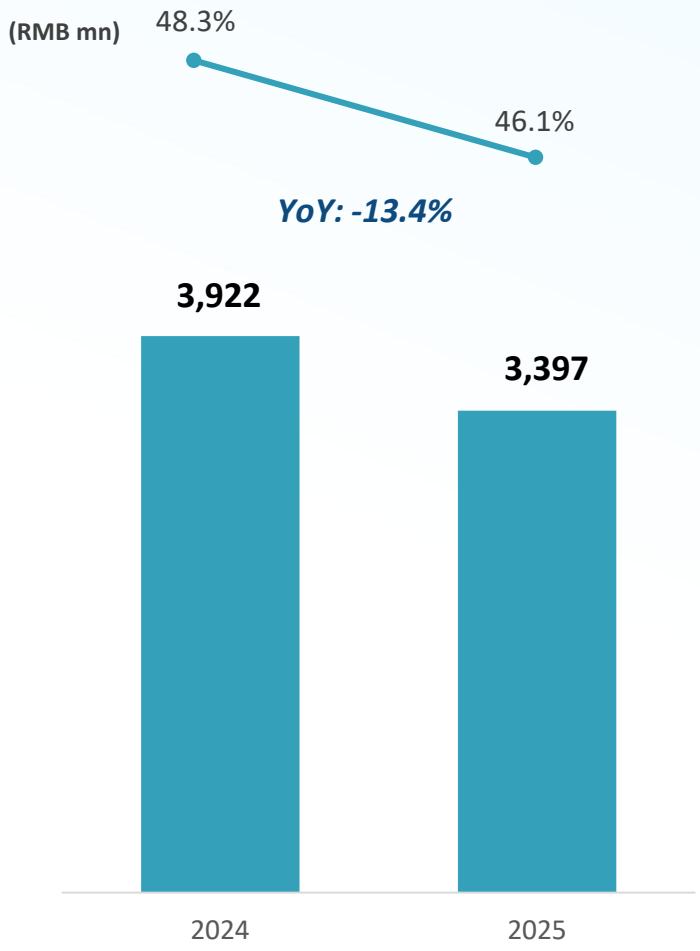
General & Administrative Expenses

as % of total revenue, total amount in RMB mn

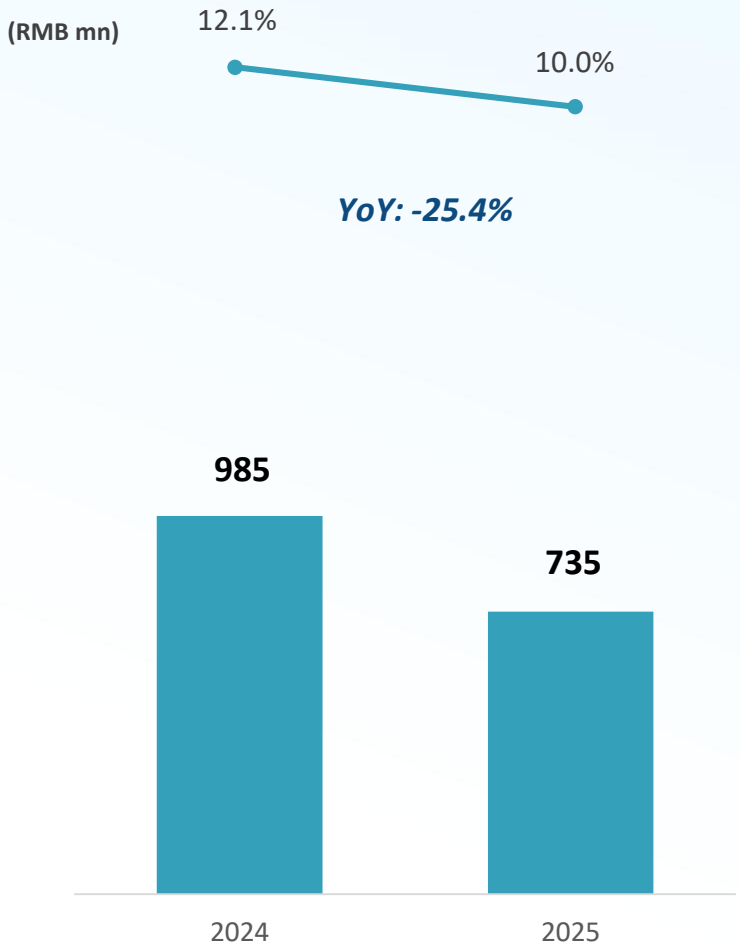


Financials: Key Profitability Metrics

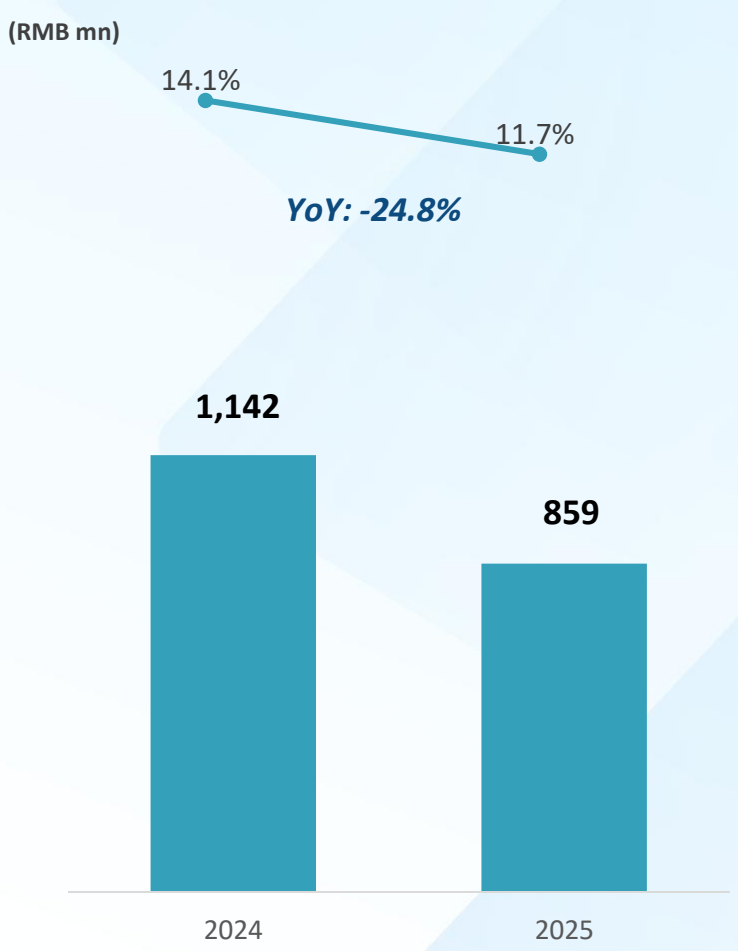
Gross Profit and Gross Margin



Non-IFRS Operating Profit and Operating Margin (1)



Non-IFRS Net Profit to Shareholders and Net Profit to Shareholders Margin (1)



Note:
(1) Figures under Non-IFRS measures.

Financials: Non-IFRS Profitability

(RMB'000)	2024	2025	YoY
EBITDA	**729,297**	**477,369**	***(34.5%)***
Margin %	*9.0%*	*6.5%*	
Adjusted EBITDA [(1)]	**923,127**	**614,032**	***(33.5%)***
Margin %	*11.4%*	*8.3%*	
Operating loss	**(336,116)**	**(804,451)**	***139.3%***
Margin %	*(4.1%)*	*(10.9%)*	
Non-IFRS operating profit [(2)]	**985,391**	**735,239**	***(25.4%)***
Margin %	*12.1%*	*10.0%*	
Net loss to shareholders	**(209,216)**	**(776,054)**	***270.9%***
Margin %	*(2.6%)*	*(10.5%)*	
Non-IFRS net profit to shareholders [(3)]	**1,141,657**	**858,486**	***(24.8%)***
Margin %	*14.1%*	*11.7%*	

Notes:
(1) Adjusted EBITDA is calculated as EBITDA for the period plus share-based compensation expense and expenditures related to acquisition.
(2) Non-IFRS operating profit is defined as operating loss for the period adjusted by share-based compensation, net losses from investments and acquisitions, and amortization of intangible assets resulting from acquisitions.
(3) Non-IFRS net profit to shareholders is defined as net loss to shareholders adjusted by share-based compensation, net losses from investments and acquisitions, amortization of intangible assets resulting from acquisitions, and related tax effect.

Thank You



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