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Xuan Wu Cloud Technology Holdings Limited

玄武雲科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2392)

VOLUNTARY ANNOUNCEMENT ON-MARKET REPURCHASE UNDER THE GENERAL MANDATE

This announcement is made by the board (the “**Board**”) of directors (the “**Director(s)**”) of Xuan Wu Cloud Technology Holdings Limited (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, collectively the “**Group**”) on a voluntary basis to the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company.

The Board hereby announces that it intends to exercise its power under the general mandate to repurchase shares of the Company (the “**Shares**”) granted by the Shareholders to the Board by the resolution of the Shareholders passed at the annual general meeting of the Company held on 26 June 2023 (the “**AGM**”) (the “**Repurchase Mandate**”) and the new repurchase mandate (the “**2024 Repurchase Mandate**”) to be approved at the annual general meeting of the Company to be held on 26 June 2024 (the “**2024 AGM**”). Pursuant to the Repurchase Mandate, the Company is allowed to repurchase up to 56,032,050 Shares, being 10% of the total issued Shares as at the date of passing such resolution at the AGM. Details of the Repurchase Mandate are set out in the circular of the Company dated 27 April 2023. Details of the 2024 Repurchase Mandate will be set out in the circular of the Company for the 2024 AGM.

The Board has decided that, subject to market conditions, the Company shall repurchase Shares on the open market pursuant to the Repurchase Mandate and, if approved, the 2024 Repurchase Mandate (the “**Share Repurchase Plan**”). The Company proposes to use up to HK\$100,000,000 in funds for the repurchase of Shares under the Share Repurchase Plan.

While the Board has full confidence in the business prospects and long-term growth of the Group, it considers that the current share price of the Company is below its intrinsic actual value. The Board believes that the current financial resources of the Company enable it to implement the Share Repurchase Plan and that the Group’s business operation or the cash flow position will not be adversely affected by the repurchases of Shares under the Share Repurchase Plan. Further, the Share Repurchase

Plan will enhance earnings per Share. The Board considers that the Share Repurchase Plan is in the best interest of the Company and its Shareholders as a whole. The Company shall finance the repurchase of Shares from its existing available cash reserves and free cash flow.

The Company will conduct the Share Repurchase Plan in compliance with the articles of association of the Company in effect, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the Codes on Takeovers and Mergers and Share Buy-backs (the “**Takeovers Code**”), the Companies Act of the Cayman Islands and all other applicable laws and regulations. The Share Repurchase Plan will not result in the number of Shares held by the public falling below the minimum percentage as required under the Listing Rules. The Board has no intention to exercise the Repurchase Mandates to the extent that would give rise to an obligation to make a general offer to the Shareholders under Rule 26 or Rule 32 of the Takeovers Code.

Shareholders and potential investors of the Company should note that the exercise of the Repurchase Mandates by the Company will be subject to market conditions and will be at the Board’s absolute discretion. There is no assurance of the timing, quantity or price of any Share repurchase or whether the Company will make any repurchases at all. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company.

By order of the Board
Xuan Wu Cloud Technology Holdings Limited
Mr. Chen Yonghui
Chairman, Chief Executive Officer and Executive Director

Hong Kong, Monday, 22 April 2024

As at the date of this announcement, the Board comprises Mr. Chen Yonghui, Mr. Huang Fangjie, Mr. Li Hairong and Mr. Guo Haiqiu as executive Directors; and Mr. Du Jianqing, Ms. Wu Ruifeng and Prof. Wu Jintao as independent non-executive Directors.