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NetDragon Websoft Inc.

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8288

PROPOSED CHANGE OF COMPANY NAME

The Board announces that a special resolution will be proposed at the AGM to, subject to the approval of the Registrar of Companies in the Cayman Islands, approve the change of the name of the Company in the following manner:

- (a) the name of the Company be changed from “NetDragon Websoft Inc.” to “Net Dragon Websoft Inc.”; and
- (b) immediately after the change of name in paragraph (a), the name of the Company be changed from “Net Dragon Websoft Inc.” to “NetDragon Websoft Inc. 網龍網絡有限公司”.

PROPOSED CHANGE OF COMPANY NAME

The board (the “**Board**”) of directors of NetDragon Websoft Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) proposes that subject to and conditional upon the approval of the Registrar of Companies in the Cayman Islands being obtained, the name of the Company be changed in the following manner:

- (a) the name of the Company be changed from “NetDragon Websoft Inc.” to “Net Dragon Websoft Inc.”; and
- (b) immediately after the change of name in paragraph (a), the name of the Company be changed from “Net Dragon Websoft Inc.” to “NetDragon Websoft Inc. 網龍網絡有限公司”.

Reasons for the change of name

Currently the Company has only the English name of “NetDragon Websoft Inc.”, and does not have a Chinese name. By means of the above arrangement, the Board wishes to achieve the effect of adopting a Chinese name “網龍網絡有限公司” without making change to the Company’s existing English name “NetDragon Websoft Inc.” under the applicable Cayman Islands laws.

Such change the name of the Company is proposed in order to make the Company more visible amongst existing and potential customers, business partners and investors in Asia, particularly the People's Republic of China (the "PRC"). The Group's distribution network cover in the PRC continues to expand and the use of the Chinese name will enable customers, business partners and investors to identify the Group and its businesses and build up the Company's own brand name in these regions.

Conditions of the change of name

The proposed change of name of the Company will be subject to the following conditions:

- (a) the passing of a special resolution in relation to the change of name of the Company by the shareholders of the Company (the "Shareholders") at the forthcoming annual general meeting of the Company (the "AGM"); and
- (b) the Registrar of Companies of the Cayman Islands approving the change of name of the Company.

The Company will file a special resolution authorising the change of name of the Company together with the relevant statutory form to the Registrar of Companies of the Cayman Islands and the Registrar of Companies in Hong Kong.

Effects on the change of name

The proposed change of name of the Company will not affect any of the rights of the Shareholders. Once the change of name becomes effective, new share certificates of the Company will be issued bearing the new name of the Company. However, all existing share certificates in issue bearing the existing name of the Company will, after the change of name has become effective, continue to be effective as documents of title of the shares of the Company and be valid for trading, settlement and registration purposes. There will not be any arrangements for exchange of existing share certificates of the Company for new share certificates bearing the new name of the Company.

In addition, the Board also proposes to adopt a Chinese stock short name for the purpose of trading on the Stock Exchange.

Further announcement will be made by the Company to inform the Shareholders of the effective date of the change of name of the Company and the adoption of Chinese stock short name of the Company.

GENERAL

A circular containing, amongst other things, details of the proposed change of company name and the notice of AGM will be despatched to the Shareholders as soon as practicable.

By Order of the Board
NetDragon Websoft Inc.
Liu Dejian
Chairman

Hong Kong, 31 March 2008

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Liu Dejian
Mr. Liu Luyuan
Mr. Zheng Hui
Mr. Chen Hongzhan

Non-executive Directors:

Mr. Lin Dongliang
Mr. Zhu Xinkun

Independent non-executive Directors:

Mr. Chao Guowei, Charles
Mr. Lee Kwan Hung
Mr. Liu Sai Keung, Thomas

This announcement for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the “Latest Company Announcement” page for at least 7 days from the date of its posting and on the website of the Company at www.nd.com.cn.