

The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement does not constitute an offer of, nor is it intended to invite offers for, the shares or other securities of NetDragon Websoft Inc. , nor have any such shares or securities been allotted with a view to any of them being offered for sale to members of the public. No new shares will be issued in connection with, or pursuant to, the publication of this announcement.

NetDragon Websoft Inc.

(incorporated in the Cayman Islands with limited liability)

(Stock code on Main Board: 777)

(Stock code on GEM: 8288)

LISTING BY WAY OF INTRODUCTION OF THE ENTIRE ISSUED SHARE CAPITAL OF THE COMPANY ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Sponsor



FIRST SHANGHAI CAPITAL LIMITED

Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the listing document issued by the Company dated 27 May 2008 (the “Listing Document”).

APPLICATION FOR LISTING OF THE SHARES ON THE MAIN BOARD

Application has been made by the Company to the Stock Exchange for the listing of, and permission to deal in, on the Main Board in respect of (i) the 540,232,860 Shares in issue; and (ii) any Shares which may be issued upon (a) the exercise of any options (if any) which were granted under the GEM Share Option Scheme; and (b) the exercise of any options (subject to an initial limit of 10% of the aggregate number of Shares in issue on the date of the EGM) which may be granted under the Proposed Share Option Scheme (which, assuming that there is no change in the total issued share capital of the Company from the date of this announcement to the Listing Date,

shall be 54,023,286 Shares). Immediately prior to the listing of the Shares on the Main Board, the listing of the existing Shares on GEM will be withdrawn. The last day of dealings in the Shares on GEM is expected to be on 23 June 2008 (the Business Day immediately prior to the Main Board Listing).

EXERCISE OF OPTIONS UNDER THE GEM SHARE OPTION SCHEME

During the period from the Latest Practicable Date to the date of this announcement, no option were granted under the GEM Share Option Scheme. Therefore, no Share upon the exercise of any options under the GEM Share Option Scheme, as applied for by the Company for the listing of, and permission to deal in, on the Main Board, is in issue or may be issued up to the date of this announcement.

DEALINGS IN THE SHARES ON THE MAIN BOARD

The Shares have been accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from 2 November 2007, the date on which the Shares were first listed on GEM. Subject to the Listing Committee granting approval of the listing of, and permission to deal in, the Shares on the Main Board and the continual compliance with the stock admission requirements of HKSCC, the Shares will continue to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS once dealings in the Shares on the Main Board commence. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Dealings in the Shares on the Main Board (Stock code: 777) are expected to commence at 9:30 a.m. on 24 June 2008.

GENERAL

The listing of the Shares on the Main Board is by way of introduction and there are no Shares being issued or sold for the listing.

Copies of the Listing Document issued in accordance with the Main Board Listing Rules will be available for information purposes at the office of the Company at Unit 306, 3rd Floor, Beautiful Group Tower, 77 Connaught Road Central, Hong Kong during normal business hours from 12 June 2008 up to and including 26 June 2008 for a period of 14 days from the date of this announcement.

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

Hong Kong, 12 June 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 Director:

Mr. Lin Dongliang

Independent non-executive Directors:

Mr. Chao Guowei, Charles

Mr. Lee Kwan Hung

Mr. Liu Sai Keung, Thomas

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