

Monthly Return of Equity Issuer on Movements in Securities

For the month ended (dd/mm/yyyy): <u>30/09/2010</u>

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer	NetDragon Websoft Inc.
Date Submitted	07/10/2010

I. Movements in Authorised Share Capital

(1) Stock code : <u>777</u> Descr	iption :		
	No. of ordinary shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month	1,000,000,000	USD0.01	USD10,000,000.00
Increase/(decrease)			<u></u>
Balance at close of the month	1,000,000,000	USD0.01	USD10,000,000.00
(2) Stock code : Descr	iption :		
	No. of ordinary shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month	<u></u>		
Increase/(decrease)	<u></u>		<u></u>
Balance at close of the month			

2. Preference Shares

Stock code :Descr	iption :		
	No. of preference shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month			
Increase/(decrease)	<u></u>		<u></u>
Balance at close of the month		<u></u>	<u></u>

3. Other Classes of Shares

Stock code :Descri	ption :		
	No. of other classes of shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month			<u></u>
Increase/(decrease)			<u></u>
Balance at close of the month	<u></u>		<u></u>

Total authorised share capital at the end of the month (*State* **USD10,000,000.00** *currency*) :

II. Movements in Issued Share Capital

	No. of or	dinary shares	No of preference	No. of other classes		
	(1)	(2)	shares	of shares		
Balance at close of preceding month	528,570,860			<u></u>		
Increase/ (decrease) during the month	<u></u>					
Balance at close of the month	528,570,860					

III. Details of Movements in Issued Share Capital

Share Options (unde	er Share Option	Schemes of the	Issuer)			
Particulars of share					No. of new shares of	No. of new shares of
option scheme					issuer issued during	issuer which may be
including EGM					the month pursuant	issued pursuant thereto
approval date		Movement duri	ng the month		thereto	as at close of the month
(dd/mm/yyyy) and			0		_	
class of shares						
issuable	Granted	Exercised	Cancelled	Lapsed		
1. Share						
Option						
Scheme						
Exercise Price						
HKD4.33						
(12/06/2008)						
Ordinary shares						6,800,000
(Note 1)		·				
(1000 1)						
2						
<u></u>						
(/ /)						
shares						
(Note 1)						
(
3						
<u> </u>						
(/ /)						
shares						
(Note 1)						
		Тс	otal A. (Ordin	nary shares)		
				~		
Tetal for described 1.1		. .				
Total funds raised du		1 irom exercise o	1			
options (State curren	ncy)					

Share Options (under Share Option Schemes of the Issuer

Warrants to Issue Shares of the Issuer which are to be Listed

Description of warrants (Date of expiry - dd/mm/yyyy)	Currency of Nominal value at nominal close of value preceding month	Exercised during the month	Nominal value at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1					
(/ /) Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable)					
(dd/mm/yyyy)	(/ /)				
2					
(/ /) Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy) 3	(/ /)				
(/ /) Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy) 4.					
(/ /) Stock code (if listed) Class of shares issuable (Note 1) Subscription price EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)				
	Tota	(Prefere	nary shares) <u></u> ence shares) <u></u> Other class) <u></u>		

For Main Board and GEM listed issuers

Convertibles (i.e. Convertible in	nto Shares of the l	Issuer which are to	be Listed)			
Class and description	Currency of amount outstanding	Amount at close of preceding month	Converted during the month	Amount at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1						
Stock code (if listed)						
issuable (<i>Note 1</i>)						
Subscription price						
EGM approval date						
(if applicable)						
(dd/mm/yyyy))	(/ /)					
2						
Stock code (if listed)						
Class of shares						
issuable (Note 1)						
Subscription price						
(if applicable)						
(dd/mm/yyyy)	(/ /)					
3						
Stock code (if listed) Class of shares						
issuable (Note 1)						
Subscription price						
EGM approval date						
(if applicable)						
(dd/mm/yyyy)	(/ /)					
4						
Stock code (if listed)						
Class of shares						
issuable (Note 1)						
Subscription price						
(if applicable)						
(dd/mm/yyyy)	(/ /)					
				inary shares)		_
				rence shares)		-
			((Other class)		-

For Main Board and GEM listed issuers Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

	No. of new shares of issuer issued during	No. of new shares of issuer which may be
Full particulars including EGM approval date (dd/mm/yyyy),	the month pursuant thereto	issued pursuant thereto as at close of the month
if applicable, and class of shares issuable:		
1. Share Award Scheme approved by the Board		
Ordinary Shares	-	
ordinary bilares	1	
(02/09/2008)		
shares (Note 1)	1	
2		
	-	
	1	
	-	
shares (Note 1)	1	
3		
	1	
	-	
	-	
shares (Note 1)		
silates (Note 1)		
Total D. (Ordinary shares)		
(Preference shares)		
(Other class)		

	Type of Issue	<u>ı Issued Share Capital</u>				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
			Class of shares issuable (<i>Note 1</i>)				
1.	Rights issue	At price : State	Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
			Class of shares issuable (Note 1)				
2.	Open offer	At price : State	Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
			Class of shares issuable (<i>Note 1</i>)				
3.	Placing	At price : State	Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
			Class of shares issuable (Note 1)				
4.	Bonus issue		Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		<u></u>

	Type of Issue	F	For Ma	in Boai	rd and GEM liss No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of
5.	Scrip dividend At price : State currency ——	Class of shares issuable (<i>Note 1</i>) Issue and allotment date : (dd/mm/yyyy)	(/ ,	/)		
		EGM approval date: (dd/mm/yyyy)	(/ ,	/)		
		Class of shares repurchased (<i>Note 1</i>)				
6.	Repurchase of shares	Cancellation date : (dd/mm/yyyy)	(/)			
		EGM approval date: (dd/mm/yyyy)	(/ ,	/)		<u></u>
		Class of shares redeemed (<i>Note 1</i>)				
7.	Redemption of shares	Redemption date : (dd/mm/yyyy)	(/ ,	/)		
		EGM approval date: (dd/mm/yyyy)	(/))		
		Class of shares issuable (Note 1)				
8.	Consideration issue At price : State currency	Issue and allotment date : (dd/mm/yyyy)	(/ ,)		
		EGM approval date: (dd/mm/yyyy)	(/ ,	/)		

			F	<u>or Main Boa</u> r	d and GEM lis	sted issuers
	Type of Issue				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
			Class of shares issuable (<i>Note 1</i>)			
9.	Capital reorganisation		Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
			Class of shares issuable (Note 1)			
10.	Other (Please specify)	At price : State	Issue and allotment date : (dd/mm/yyyy)	(/ /)		
			EGM approval date: (dd/mm/yyyy)	(/ /)		
				Ordinary share eference share (Other clas	es)	-

Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E):	(1)			
	(2)			
Total increase / (decrease) in preference shares during the month (i.e. Total of A to E):				
Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E):				
(These figures should be the same as the relevant figures under II above ("Movements in Issued Share Capital").)				

Remarks (if any):
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	TAM Hon Shon Calia				
	TAM Hon Shan, Celia				
Submitted b	ру:				
	Company Secretary				
Title:					
(Director, Secretary or other duly authorised officer)					

Notes :

- 1. State the class of shares (e.g. ordinary, preference or other).
- 2. If there is insufficient space, please append the prescribed continuation sheet.