

Monthly Return of Equity Issuer on Movements in Securities

For the month ended
(dd/mm/yyyy) :

31/01/2017

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer

NetDragon Websoft Holdings Limited

Date Submitted

06/02/2017

I. Movements in Authorised Share Capital

1. Ordinary Shares

(1) Stock code : 777

Description : --

| | No. of ordinary shares | Par value (State currency) | Authorised share capital (State currency) |
|-------------------------------------|------------------------|----------------------------------|---|
| Balance at close of preceding month | <u>1,000,000,000</u> | <u>USD0.01</u> | <u>USD10,000,000.00</u> |
| Increase/(decrease) | <u>--</u> | | <u>--</u> |
| Balance at close of the month | <u>1,000,000,000</u> | <u>USD0.01</u> | <u>USD10,000,000.00</u> |

(2) Stock code : --

Description : --

| | No. of ordinary shares | Par value (State currency) | Authorised share capital (State currency) |
|-------------------------------------|------------------------|----------------------------------|---|
| Balance at close of preceding month | <u>--</u> | <u>--</u> | <u>--</u> |
| Increase/(decrease) | <u>--</u> | | <u>--</u> |
| Balance at close of the month | <u>--</u> | <u>--</u> | <u>--</u> |

2. Preference Shares

| Stock code : -- | Description : -- | | | |
|-------------------------------------|------------------|--------------------------|----------------------------|---|
| | | No. of preference shares | Par value (State currency) | Authorised share capital (State currency) |
| Balance at close of preceding month | -- | -- | -- | -- |
| Increase/(decrease) | -- | -- | -- | -- |
| Balance at close of the month | -- | -- | -- | -- |

3. Other Classes of Shares

| Stock code : -- | Description : -- | | | |
|-------------------------------------|------------------|--------------------------------|----------------------------|---|
| | | No. of other classes of shares | Par value (State currency) | Authorised share capital (State currency) |
| Balance at close of preceding month | -- | -- | -- | -- |
| Increase/(decrease) | -- | -- | -- | -- |
| Balance at close of the month | -- | -- | -- | -- |

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

II. Movements in Issued Share Capital

| | No. of ordinary shares | | No of preference shares | No. of other classes of shares |
|---------------------------------------|------------------------|-----|-------------------------|--------------------------------|
| | (1) | (2) | | |
| Balance at close of preceding month | 496,069,778 | -- | -- | -- |
| Increase/ (decrease) during the month | 2,128 | -- | -- | -- |
| Balance at close of the month | 496,071,906 | -- | -- | -- |

III. Details of Movements in Issued Share Capital

Share Options (under Share Option Schemes of the Issuer)

| Particulars of share option scheme including EGM approval date (dd/mm/yyyy) and class of shares issuable | Movement during 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 |
|--|---------------------------|-----------|-----------|--------|--|---|
| | Granted | Exercised | Cancelled | Lapsed | | |
| 1. Share Option Scheme adopted on 12/06/2008 Ordinary shares | -- | 2,128 | -- | -- | -- | 5,045,894 |
| (Note 1) | | | | | | |
| 2. (/ /) shares | -- | -- | -- | -- | -- | -- |
| (Note 1) | | | | | | |
| 3. (/ /) shares | -- | -- | -- | -- | -- | -- |
| (Note 1) | | | | | | |
| | | | | | Total A. (Ordinary shares) 2,128 (Preference shares) -- (Other class) -- | |
| Total funds raised during the month from exercise of options (State currency) | | | | | HK\$10,214.40 | |

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 | Nominal value at close of 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) _____ (/ /) | | | | | | |
| | | | | Total B. | (Ordinary shares) -- | _____ |
| | | | | | (Preference shares) -- | _____ |
| | | | | | (Other class) -- | _____ |

Convertibles (i.e. Convertible into Shares of the 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) _____ | | | | | | |
| Class of shares issuable (<i>Note 1</i>) _____ | | | | | | |
| Subscription price _____ | | | | | | |
| EGM approval date (if applicable) (dd/mm/yyyy) _____ (/ /) | | | | | | |
| 2. -- _____ _____ _____ | -- | -- | -- | -- | -- | -- |
| Stock code (if listed) _____ | | | | | | |
| Class of shares issuable (<i>Note 1</i>) _____ | | | | | | |
| Subscription price _____ | | | | | | |
| EGM approval date (if applicable) (dd/mm/yyyy) _____ (/ /) | | | | | | |
| 3. -- _____ _____ _____ | -- | -- | -- | -- | -- | -- |
| Stock code (if listed) _____ | | | | | | |
| Class of shares issuable (<i>Note 1</i>) _____ | | | | | | |
| Subscription price _____ | | | | | | |
| EGM approval date (if applicable) (dd/mm/yyyy) _____ (/ /) | | | | | | |
| 4. -- _____ _____ _____ | -- | -- | -- | -- | -- | -- |
| Stock code (if listed) _____ | | | | | | |
| Class of shares issuable (<i>Note 1</i>) _____ | | | | | | |
| Subscription price _____ | | | | | | |
| EGM approval date (if applicable) (dd/mm/yyyy) _____ (/ /) | | | | | | |
| | | | Total C. (Ordinary shares) -- | | | |
| | | | (Preference shares) -- | | | |
| | | | (Other class) -- | | | |

Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

| Full particulars including EGM approval date (dd/mm/yyyy), if applicable, and class of shares issuable: | 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. _____ _____ _____ (/ /) shares (Note 1) | -- | -- |
| 2. _____ _____ _____ (/ /) shares (Note 1) | -- | -- |
| 3. _____ _____ _____ (/ /) shares (Note 1) | -- | -- |
| Total D. (Ordinary shares) | -- | |
| (Preference shares) | -- | |
| (Other class) | -- | |

Other Movements in Issued Share Capital

| 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 |
|-----------------|------------|----------------------|---|--|---|
| 1. Rights issue | At price : | State currency _____ | Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /) | -- | -- |
| 2. Open offer | At price : | State currency _____ | Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /) | -- | -- |
| 3. Placing | At price : | State currency _____ | Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /) | -- | -- |
| 4. Bonus issue | | | Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /) | -- | -- |

| 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 |
|---------------|----------------------|---------------------------------|---|--|---|
| 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) (/ /) | -- | -- |
| 6. | Repurchase of shares | | Class of shares repurchased (<i>Note 1</i>) Ordinary shares Cancellation date : (dd/mm/yyyy) Shares repurchased but not yet cancelled EGM approval date: (dd/mm/yyyy) 19/05/2016 AGM approval date | -- | (1,237,500) (1,237,500) |
| 7. | Redemption of shares | | Class of shares redeemed (<i>Note 1</i>) _____ Redemption date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /) | -- | -- |
| 8. | Consideration issue | At price : HK\$ _____ | Class of shares issuable (<i>Note 1</i>) Ordinary shares Issue and allotment date : (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy) | -- | -- |

| 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 |
|----------------------------|--|--|---|
| 9. Capital reorganisation | Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /) | -- | -- |
| 10. Other (Please specify) | At price : State currency _____ Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /) | -- | -- |
| | | Total E. (Ordinary shares) | -- |
| | | (Preference shares) | -- |
| | | (Other class) | -- |

| | | |
|---|-----|-------|
| Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E): | (1) | 2,128 |
| | (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): | | -- |
| <i>(These figures should be the same as the relevant figures under II above ("Movements in Issued Share Capital").)</i> | | |

Remarks (if any):

Lau Hak Kin

Submitted by: _____

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.*