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NetDragon

NetDragon Websoft Holdings Limited

網龍網絡控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 777)

CLOSING ANNOUNCEMENT

- (I) ISSUE OF SECURED CONVERTIBLE AND EXCHANGEABLE BONDS
BY A NON WHOLLY-OWNED SUBSIDIARY;
(II) DISCLOSEABLE TRANSACTION RELATING TO DEEMED DISPOSAL
OF INTEREST IN A NON WHOLLY-OWNED SUBSIDIARY; AND
(III) ISSUE OF UNLISTED WARRANTS UNDER SPECIFIC MANDATE**

Reference is made to the announcement of the Company dated 10 November 2019 in relation to the Purchase Agreement and the transactions contemplated thereunder, the update announcement dated 3 March 2020 and the circular relating to the issue of Warrant Shares under specific mandate dated 30 December 2019 (the “**Circular**”). Unless defined otherwise, capitalized terms used herein shall have the same meanings ascribed to them in the Circular.

The Board is pleased to announce that Closing took place on 9 March 2020. The Investor has provided the banking instructions to transfer to Best Assistant US\$142 million, being the total consideration of the Bonds less reimbursable expenses of the Investor and minimum amount to be maintained by Best Assistant under the DSRA Charge, while Best Assistant has issued the Bonds and the Company has issued the unlisted Warrant to the Investor, respectively. As at the date of this announcement, the Bonds can be converted to 279,510,479 ordinary shares of Best Assistant, representing 11.16% of the total outstanding share capital of Best Assistant on a fully diluted and as-converted basis, while the Warrant can be converted to 11,502,220 Warrant Shares of the Company.

By Order of the Board
NetDragon Websoft Holdings Limited
Liu Dejian
Chairman

Hong Kong, 10 March 2020

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Liu Dejian, Dr. Leung Lim Kin Simon, Mr. Liu Luyuan, Mr. Zheng Hui and Mr. Chen Hongzhan; one non-executive Director, namely Mr. Lin Dongliang; and three independent non-executive Directors, namely Mr. Chao Guowei, Charles, Mr. Lee Kwan Hung and Mr. Liu Sai Keung, Thomas.