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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)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that based on the preliminary assessment of the Group's unaudited consolidated management accounts for the year ended 31 December 2019 and information currently available to the Board, the Group expects to record a substantial increase in profit attributable to owners of the Company for the year ended 31 December 2019 as compared to that for the year ended 31 December 2018, mainly due to solid growth in revenue and positive progress made in the execution of the Group's growth strategies.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by NetDragon Websoft Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Listing Rules.

The board (the “**Board**”) of directors of the Company (the “**Directors**”) wishes to inform the shareholders of the Company and potential investors that based on the preliminary assessment of the Group's unaudited consolidated management accounts for the year ended 31 December 2019 and information currently available to the Board, the Group expects to record a significant increase in profit attributable to owners of the Company for the year ended 31 December 2019 as compared to that for the year ended 31 December 2018, mainly due to solid growth in revenue and positive progress made in the execution of the Group's growth strategies. The extent of the profit has yet to be ascertained as at the date of this announcement.

The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and information currently available whereas such information has not been audited, confirmed and/or reviewed by the auditor of the Company. It is, therefore, subject to finalization and necessary adjustments. Shareholders of the Company and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2019 which is expected to be announced on 31 March 2020.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 18 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, Eddie and Mr. Liu Sai Keung, Thomas.