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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)

**(1) MAJOR TRANSACTION IN RELATION TO THE MERGER
(2) MAJOR DISPOSAL AND PROPOSED SPIN-OFF OF ELMTREE
AND
(3) DISTRIBUTION IN SPECIE**

**TRANSFER OF DISTRIBUTION ADSs AND
DESPATCH OF CHEQUES FOR CASH PAYMENT IN RESPECT OF
THE DISTRIBUTION IN SPECIE**

References are made to (i) the announcements of the Company dated 18 April 2023, 31 July 2023, 11 September 2023, 18 October 2023, 7 December 2023, 12 December 2023, 13 December 2023 and the circular of the Company dated 26 June 2023 (the “**Circular**”), in relation to, among other things, the Merger, the Proposed Spin-off and the Distribution in Specie; and (ii) the announcement of the Company dated 13 December 2023 and the circular of the Company dated 5 January 2024 (the “**Distribution in Specie Circular**”), in relation to, among other things, the Distribution in Specie. Unless stated otherwise, capitalised terms used herein shall have the same meanings as those defined in the Circular and the Distribution in Specie Circular respectively.

TRANSFER OF DISTRIBUTION ADSs AND DESPATCH OF CHEQUES FOR CASH PAYMENT IN RESPECT OF THE DISTRIBUTION IN SPECIE

As contemplated by the Distribution in Specie Circular, the Company is pleased to announce that the Distribution ADSs have been transferred to Qualifying Shareholders who were entitled, and have elected to, to receive them, on 15 February 2024 (Hong Kong time). The CUSIP number for the Distribution ADSs is “628988107”.

Also as contemplated by the Distribution in Specie Circular, the Company is pleased to announce that the cheques for cash payments in respect of the Distribution in Specie have been despatched by ordinary post on 15 February 2024 (Hong Kong time) to:

- (a) Qualifying Shareholders who have elected to receive cash in lieu of all or part of the Distribution ADSs to which they would otherwise be entitled;
- (b) Qualifying Shareholders who held less than 1,000 Shares on the Record Date in lieu of their fractional entitlement to Distribution ADSs;
- (c) Qualifying Shareholders who did not return their Forms of Election on or before 4:30 p.m. on 23 January 2024 in lieu of their entitlement to Distribution ADSs or whose Forms of Election were treated as invalid; and
- (d) Non-Qualifying Shareholders in lieu of the Distribution ADSs to which they would have been entitled in respect of the number of Shares respectively held by them, if they were Qualifying Shareholders.

The Company has paid an aggregate of approximately HK\$71,650,337.57 to Shareholders in respect of the cash payments for the Distribution in Specie.

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

Hong Kong, 16 February 2024

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Liu Dejian, Dr. Leung Lim Kin, Simon, Mr. Liu Luyuan and Mr. Chen Hongzhan; one non-executive Director, namely Mr. Lin Dongliang; and three independent non-executive Directors, namely Mr. Li Sing Chung Matthias, Mr. Lee Kwan Hung, Eddie and Mr. Liu Sai Keung, Thomas.