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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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of NetDragon Websoft Holdings Limited (the “**Company**”) will be held at Boardroom 3-4, M/F, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 6 June 2024 at 3:00 p.m. for considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY BUSINESS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2023 and the reports of the directors of the Company (the “**Directors**”) and independent auditor’s of the Company for the year ended 31 December 2023.
2. To approve the recommended final dividend for the year ended 31 December 2023.
3. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company and to authorise the board of Directors (the “**Board**”) to fix their remuneration.
4. To re-elect each of the retiring Directors of the Company as follows by way of a separate resolution:
 - A. To re-elect Liu Dejian as executive Director;
 - B. To re-elect Liu Luyuan as executive Director;
 - C. To re-elect Lee Kwan Hung, Eddie, who has served more than nine years since October 2007 as independent non-executive Director;
 - D. To authorise the Board to fix the remuneration of the Directors for the year ending 31 December 2024.

SPECIAL BUSINESS

As special business, to consider and if thought fit, pass the following resolutions with or without amendments as ordinary resolutions:

5. A. **“THAT**

- (a) subject to paragraph (c) of this Resolution, pursuant to the Rules (the **“Listing Rules”**) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) the exercise by the Directors during the Relevant Period (as hereinafter defined) to allot, issue and deal with the new shares in the capital of the Company (including any sale or transfer of treasury shares of the Company out of treasury), and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Right Issue (as hereinafter defined); or (ii) the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and its subsidiaries and/or other eligible persons of shares or rights to acquire shares of the Company; (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the articles of association of the Company; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares, shall not (aa) exceed 20% of the aggregate number of shares of the Company in issue (excluding any treasury shares of the Company) as at the date of this Resolution; and (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of shares of the Company bought back by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate number of shares of the Company (excluding any treasury shares of the Company) in issue on the date of passing of Resolution no. 5B) and the said approval shall be limited accordingly;
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Right Issue**” means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China).”

B. “THAT

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to buy back its own shares on the Stock Exchange, subject to and in accordance with all applicable laws and the requirements of the Listing Rules or of any other stock exchange as amended from time to time, and all applicable law in this regard to be held be and is hereby generally and unconditionally approved and authorised;
- (b) the aggregate number of shares of the Company to be bought back by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate number of shares of the Company in issue (excluding any treasury shares of the Company) as at the date of passing this Resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- C. “**THAT** conditional upon Resolutions 5A and 5B being passed, the aggregate number of shares of the Company which are bought back by the Company under the authority granted to the Directors as mentioned in Resolution 5B shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to Resolution 5A above.”
- D. “**THAT** the 2018 share option scheme of the Company adopted on 24 May 2018 (the “**2018 Share Option Scheme**”) be and is hereby terminated and shall cease to have with any further effect save and except that the 2018 Share Option Scheme will remain in force to the extent necessary to give effect to the exercise of the options granted thereunder prior to termination thereof.”
- E. “**THAT** subject to and conditional upon the passing of ordinary resolution D, the 2024 share option scheme of the Company as described in the circular of the Company dated 24 April 2024 (the “**2024 Share Option Scheme**”), a copy of which is included in the Appendix II to the circular, be approved and adopted and that the Directors be authorised to grant options thereunder and (subject to the Listing Committee of Stock Exchange granting approval of the listing of, and permission to deal in the shares of the Company to be allotted) to allot and issue shares of the Company (including any sale or transfer of treasury shares of the Company out of treasury) pursuant to the 2024 Share Option Scheme and take all such steps as may be necessary or desirable to implement the 2024 Share Option Scheme.”
- F. “**THAT** the 2008 share award scheme of the Company adopted on 2 September 2008 which was amended by a resolution passed on 31 August 2018 (the “**2008 Share Award Scheme**”) be and is hereby terminated and shall cease to have with any further effect save and except that the 2008 Share Award Scheme will remain in force to the extent necessary to give effect to the vesting of the awards granted thereunder prior to termination thereof.”
- G. “**THAT** subject to and conditional upon the passing of ordinary resolution F, the 2024 share award scheme of the Company as described in the circular of the Company dated 24 April 2024 (the “**2024 Share Award Scheme**”), a copy of which is included in the Appendix III to the circular, be approved and adopted and that the Directors be authorised to grant shares thereunder and (subject to the Listing Committee of Stock Exchange granting approval of the listing of, and permission to deal in the shares of the Company to be allotted) to allot and issue shares of the Company (including any sale or transfer of treasury shares of the Company out of treasury) pursuant to the 2024 Share Award Scheme and take all such steps as may be necessary or desirable to implement the 2024 Share Award Scheme.”
- H. “**THAT** subject to and conditional upon the passing of ordinary resolution E and resolution G, the Scheme Mandate Limit as defined in the circular (being 10% of the total number of Shares in issue as at the date of adoption of the New Share Schemes) be and is hereby approved and adopted and that any Director be and is hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as he/she may consider necessary, desirable or expedient to effect and implement the Scheme Mandate Limit.”

- I. “**THAT** subject to and conditional upon the passing of ordinary resolution E and resolution G, the Service Provider Sublimit (as defined in the New Share Schemes) on the total number of Shares that may be issued in respect of all share options or share awards to be granted to Service Providers (as defined in the New Scheme) under the New Share Schemes or all other share option schemes or share award schemes of the Company (i.e. 1% of the shares of the Company in issue as at the date of passing of this resolution) be and is hereby approved and adopted and the Directors be and are hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the Directors may consider necessary, desirable or expedient to effect and implement the Service Provider Sublimit.”

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

Hong Kong, 24 April 2024

As at the date of this notice, the executive Directors of the Company are Liu Dejian, Leung Lim Kin Simon, Liu Luyuan and Chen Hongzhan; the non-executive Director of the Company is Lin Dongliang; and the independent non-executive Directors of the Company are Li Sing Chung Matthias, Lee Kwan Hung, Eddie, and Liu Sai Keung, Thomas.

Notes:

- (1) A member of the Company entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint another person as his proxy to attend and, on a poll, vote on his behalf. A proxy need not be a member of the Company but must attend the annual general meeting to represent the member.
- (2) In order to be valid, the form of proxy must be deposited with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited of 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong together with any power of attorney or other authority, under which it is signed, or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the annual general meeting or any adjournment thereof.
- (3) In the case of joint holders of any shares in the Company, any one of such joint holders may vote at the annual general meeting, either in person or by proxy, in respect of such shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting, either personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such shares shall be accepted to the exclusion of the votes of the other joint registered holders.
- (4) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorised.
- (5) Delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting convened and in such event, the form of proxy shall be deemed to be revoked.
- (6) For determining the entitlement to attend and vote at the AGM, the Company's register of members will be closed from Monday, 3 June 2024 to Thursday, 6 June 2024, both days inclusive, during which time no transfer of shares will be registered. In order to ensure that the shareholders are entitled to attend and vote at the AGM, the shareholders must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on Friday, 31 May 2024 for registration of the relevant transfer.
- (7) The Board has recommended the payment of a final dividend of HKD0.40 per share for the year ended 31 December 2023 to shareholders whose names appear on the register of members of the Company on Friday, 14 June 2024 subject to the approval of the shareholders of the Company at the annual general meeting. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Friday, 14 June 2024 to Monday, 17 June 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 13 June 2024.
- (8) An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against the ordinary resolution no. 5B as set out in this notice is enclosed.
- (9) Any voting of the annual general meeting shall be taken by poll.