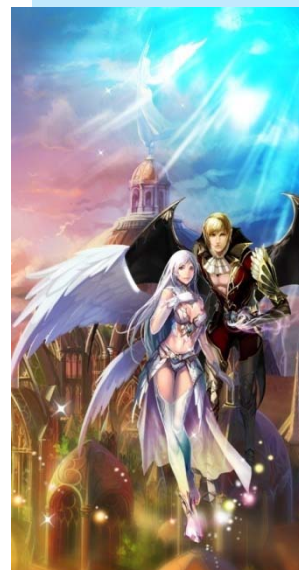


NetDragon Websoft Inc. (777.HK)

Company Profile

NetDragon Websoft Inc. is a leading innovator and creative force in the PRC's online gaming industry. Established in 1999, the Group has been operating and developing a range of MMORPGs (Massively Multiplayer Online Role-Playing Games) after launch of its first MMORPG - *Monster & Me* in 2002. Its current offerings include *Eudemons Online*, *Conquer Online*, *Zero Online*, *Tou Ming Zhuang Online*, *Heroes of Might and Magic Online*, *Era of Faith*, and *Monster & Me*. Some of these games are available in foreign languages, including English, French and Spanish. The Group also has four online games in the pipeline, namely *Way of the Five*, *Tian Yuan*, *Disney Fantasy Online* and *Dungeon Keeper Online*. NetDragon successfully transferred from GEM to the Main Board of the Stock Exchange of Hong Kong Limited on 24 June 2008 (Stock code: 777).



Competitive Strengths

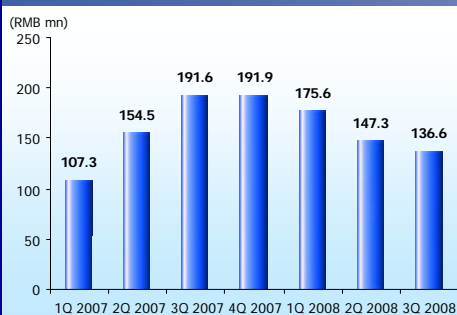
- ◆ Strong game development capabilities with a team of 1,093* game developers
- ◆ Proprietary customer information system to respond quickly to market change and demand
- ◆ Geographically diversified player base with games available in different languages
- ◆ Unique "Free to Play" operating model offering constant upgrade in game content
- ◆ Extensive and well-established game distribution and payment channels
- ◆ Experienced and seasoned management team

* As at 30 September 2008

Growth Strategies

- ◆ Portfolio Development
 - Leverage existing game assets to streamline game development
 - Develop game content via IP licensing and acquisition, co-development projects and other forms of cooperation
 - Target mass market and myriad niches with various game styles and genre
- ◆ Market Expansion
 - Continue to pursue game development and operation in existing markets
 - Pursue market expansion in a prudent manner through cooperation with internationally renowned third parties
- ◆ Strengthen core game development capabilities
 - Recruit experienced game developers to join its game development team
 - Engineer game development automation software to replace manual and repetitive tasks
 - Purchase additional computers & software to increase output
 - Provide training sessions to reinforce technical knowledge and skill of game developers
- ◆ Streamline integrated operation model
- ◆ Continue to employ necessary measures to mitigate the impact brought by private servers

Revenue



Net Profit



Basic Earnings per Share



NetDragon Websoft Inc.

Game Portfolio

Existing Games

Monster & Me

- A 2D MMORPG turn-based game features magical pets
- Launched in 7/2002



Conquer Online

- A 2.5D MMORPG targeting players interested in the ancient war era
- Launched in 9/2003



Era of Faith

- A 2.5D MMORPG with traditional western fantasy settings
- Launched in 6/2004



Eudemons Online

- A 2.5D MMORPG with background set in a western fantasy world
- Launched in 3/2006



Zero Online

- A 2.5D MMORPG under a theme of the universe and robots
- Launched in 4/2007



Tou Ming Zhuang Online

- A 2.5D MMORPG based on the theme, content and story of the movie "The Warlords"
- Launched in 12/2007



Heroes of Might and Magic Online

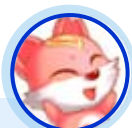
- A 2.5D MMORPG developed based on a famous PC game Heroes of Might and Magic
- Launched in 5/2008



Upcoming Games

Way of the Five

- A 2.5D MMORPG with a cartoon-version of turn-based online game
- Expected to be launched in 1Q2009



Tian Yuan

- A 2.5D MMORPG with ancient oriental legendary settings
- Expected to be launched in 1H2009



Disney Fantasy Online

- Working closely with BVIG, an online fantasy world envisioned to be a turn-based MMORPG
- Expected to be launched in 2009

Dungeon Keeper Online

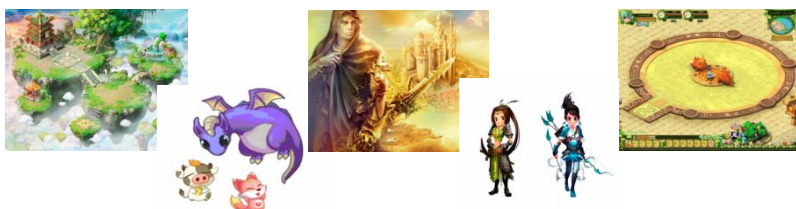
- Based on Electronic Arts' "Dungeon Keeper™" line of games - including themes, characters and other game content
- Becoming the first 3D MMORPG of the Group

PCU, ACU and ARPU

	1Q 2007	2Q 2007	3Q 2007	4Q 2007	1Q 2008	2Q 2008	3Q 2008
PCU ('000)	523	638	707	787	669	697	544
ACU ('000)	274	359	404	407	313	355	311
ARPU (RMB)	129	146	164	158	187	138	146

Note: ARPU = Revenue / no. of ACU

Online games include Conquer Online, Eudemons Online, Zero Online, Tou Ming Zhuang Online, Heroes of Might and Magic Online and other games.



Investor Relations Enquiry

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