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February 22, 2023

To whom it may concern:

Net One Systems Co., Ltd.
(Stock Code: 7518, TSE Prime)

Notice of Change in Consolidated Subsidiary (Transfer of Shares)

The Board of Directors of Net One Systems Co. Ltd. (the "Company") resolved at a meeting held on 22 February 2023 to sell all shares held by the Company in Net One Asia Pte. Ltd ("NOA"), an overseas consolidated subsidiary in which the Company holds a 51% stake, to the founding shareholders of NOA by the end of March and have agreed to conclude a share transfer agreement with NOA's founding shareholder.

Following the share transfer, NOA will be excluded from the Company's consolidated subsidiaries.

1. Reason for Share Transfer

With the aim of strengthening its ASEAN business, the Company acquired a majority of the outstanding shares of Asiasoft Solutions Pte. Ltd. (now NOA) on April 17, 2019 to strengthen its proposal capabilities and improve maintenance and operation quality.

However, from the viewpoint of optimal allocation of management resources based on the need to respond quickly to changes in the business environment and the need to develop highly profitable services that meet customer needs in order to realize other service strategies such as our own cloud services proposed in our medium-term management plan, we have decided that the transfer of NOA shares is the best course of action.

After comprehensively reviewing multiple potential transferees, including economic rationality and business continuity, we have concluded that the founding shareholders are the most appropriate transferees and reached the decision to transfer all the shares held by the Company.

2. Overview of the subsidiary to be transferred (Net One Asia Pte. Ltd.)

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|-----|----------------------------------|---|
| (1) | Name | Net One Asia Pte. Ltd. |
| (2) | Location | 1 Irving Place #07-11/12 The Commerze, Irving, Singapore 369546 |
| (3) | Name and title of representative | Toh Kian Hong |
| (4) | Business description | ICT infrastructure integration business in Southeast Asia |
| (5) | Capital | 2.75 million Singapore dollars |
| (6) | Date of establishment | 22 November 2008 |

| | | | |
|-----|---|---|--|
| (7) | Major shareholders and shareholding ratios | NOS 51%, Toh Kian Hong 24%, Lee Chih Peng 15%, Yeo Pin Moses 10% | |
| (8) | Relationship between the listed Company and the company concerned | Shareholding relationship | 51% subsidiary of the Company. |
| | | Personnel relationship | Personnel relationship exists through delegating directors |
| | | Business relationship | There is a business outsourcing agreement. |

3. Number of shares transferred, transfer price and status of shares held before and after transfer

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|-----|---|--|
| (1) | Number of shares transferred | 182,174 (ordinary shares) |
| (2) | Counterparty of share transfer | Toh Kian Hong |
| (3) | Transfer price | We refrain from disclosing this information due to the existing confidentiality agreement. |
| (4) | Number of shares held before and after the transfer | Before transfer: 182,174 shares After transfer: 0 shares |

4. Schedule

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|-----|--|------------------------|
| (1) | Date of resolution by the Board of Directors | 22 February 2023 |
| (2) | Contract signing date | 22 February 2023 |
| (3) | Share transfer execution date | 6 March 2023 (planned) |

5. Outlook for the future

The impact of this share transfer on the Company's financial results is expected to be minimal. NOA will continue to use the trade name "Net One" for the time being, but will change it at an appropriate time. The company will continue to appoint NOA for its overseas business opportunities after the share transfer. The company will also continue to extend multi-year contracts with NOA to help support the company's domestic business.