[Translation]

January 14, 2025

To Whom it may concern:

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

Notice Concerning Cancellation of Treasury Shares

Net One Systems Co., Ltd. (the "Company") hereby announces that, at the Board of Directors meeting held today, the Company has resolved to cancel the treasury shares held by the Company pursuant to the provisions of Article 178 of the Companies Act.
The cancellation of the treasury shares is subject to the proposal concerning the share consolidation with an effective date of March 21, 2025, as stated in the "Notice Concerning Share Consolidation, Abolition of the Provision on Share Units, Partial Amendment to the Articles of Incorporation and Appointment of an Executive Director" published by the Company today, being approved as originally proposed at the extraordinary shareholders' meeting of the Company scheduled to be held on February 18, 2025.

1. Class of Shares to be Cancelled
   Common shares of the Company

2. Total Number of Shares to be Cancelled
   1,096,770 shares
   (1.37% of the total number of outstanding shares before the cancellation)
   (Note) The percentage is rounded to the second decimal place.

3. Scheduled Cancellation Date
   March 19, 2025

(Reference)
   The total number of outstanding shares of the Company after the cancellation will be 79,211,930 shares.

The above-mentioned number of shares to be cancelled is the total of the 952,570 treasury shares held by the Company as of December 26, 2024, plus 144,200 common shares of the Company granted as restricted stock remuneration to the Company's Executive Directors (excluding Outside Executive Directors and Executive Directors who are members of the Audit & Supervisory Committee) and Vice Presidents, which the Company intends to acquire without consideration on March 18, 2025.

End