

April 1, 2021

Company name: Internet Initiative Japan Inc.
Company representative: Eijiro Katsu, President and Representative Director
(Stock Code Number: 3774, The First Section of the Tokyo Stock Exchange)
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Notice Regarding Acquisition of Shares in PTC SYSTEM (S) PTE LTD (as a New Subsidiary)

TOKYO - April 1, 2021 - Internet Initiative Japan Inc. (“IIJ”, TSE1: 3774) announced that IIJ acquired all the shares of PTC SYSTEM (S) PTE LTD (“PTC”), which mainly operates systems integration business in Singapore, on April 1, 2021. Although this case does not fall under the criteria for timely disclosure, it is judged as useful information and is disclosed voluntarily.

1. Reasons for acquisition of shares

IIJ Group has been exploring its global business with various IT services and systems integration in 11 major cities in 8 countries around the world to meet IT systems demands of Japanese companies heading overseas to seek business opportunities as well as local companies. As Singapore is considered as a leader in the ASEAN region in the IT field, IIJ Group has been planning to strengthen its Singapore business as the core of ASEAN business.

PTC has strong relationships with blue-chip customers and leading IT partners and provides high quality solutions such as storage and server-related systems integration in Singapore, under strong leadership of PTC’s management.

By acquiring all the shares of PTC to be a wholly owned subsidiary, IIJ Group expects to significantly expand its business and strengthen its capabilities in providing services and solutions in the ASEAN region. In addition, PTC’s management has agreed to continue to serve as they have before. Under their strong leadership, PTC shall continue to grow its business and contribute to increase the corporate value of IIJ Group.

2. Profile of the subsidiary subject to the change

(As of March 31, 2021)

(1) Name	PTC SYSTEM (S) PTE LTD
(2) Address	Jackson Design Hub 29 Tai Seng Street #04-01, Singapore
(3) Name of representative and title	Lim See Seng, Managing Director
(4) Main Business	Systems integration
(5) Capital stock	SGD2 million (Singapore dollar: “SGD”)
(6) Date of establishment	June 18, 1991
(7) Relationship of the relevant companies	Capital, Personnel and Business relationship: Not applicable
(8) Business performance in the most recent preceding fiscal year	Sales: SGD100.4 million, Profit before tax: SGD5.1 million (For the fiscal year ended December 31, 2020, preliminary and unaudited)

3. Outline of the transferors

The description about the transferors of the shares in this acquisition is omitted because they are individuals. IIJ has not had any major capital, personnel or business relationship with these individual shareholders before this transaction. In addition, these individual shareholders are not the related parties of IIJ.

4. Number of shares to be acquired, status of shares held before and after the acquisition and acquisition price

(1) Number of shares held before the change	0 shares (Number of voting rights: 0, Shareholding ratio: 0%)
(2) Number of shares to be acquired	2,000,000 shares (Number of voting rights: 2,000,000)
(3) Number of shares held after the change	2,000,000 shares (Number of voting rights: 2,000,000, Shareholding ratio: 100%)

(Note) The acquisition price is SGD44 million, which is calculated and decided based on due diligence conducted and third-party valuation report, etc.

5. Schedule

- (1) Date of board of directors meeting resolution : March 23, 2021
- (2) Date of concluding the contract : March 23, 2021
- (3) Date of share acquisition : April 1, 2021

6. Business forecasts

PTC became a consolidated subsidiary of IIJ on April 1, 2021, therefore, it will be included in IIJ's consolidated financial statements from the first quarter of the fiscal year ending March 31, 2022.

About Internet Initiative Japan Inc.

Founded in 1992, IIJ is one of Japan's leading Internet-access and comprehensive network solutions providers. IIJ and its group companies provide total network solutions that mainly cater to high-end corporate customers. IIJ's services include high-quality Internet connectivity services, mobile services, security services, cloud computing services, and systems integration. Moreover, IIJ operates one of the largest Internet backbone networks in Japan that is connected to the United States, the United Kingdom and Asia. IIJ listed on the First Section of the Tokyo Stock Exchange in 2006.

For inquiries, contact:

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