

NGSC LIMITED
(Company Registration No.196400100R)

DEMAND LETTER RECEIVED BY SUBSIDIARY

The Board of Directors of NGSC Limited ("**Company**", and together with its subsidiaries ("**Group**") wishes to announce that China UnifiedNet Holdings Limited ("**CUH**"), a wholly-owned subsidiary of the Company, has received a demand letter ("**Demand**") on 26 January 2021 from HCH Group Company Limited ("**HCH**") for the advance of its proportionate shareholders' loan of US\$1.76 million ("**Shareholders' Loan**") by 30th January 2021. HCH is the joint venture partner that owns 45% of HUH Broadband Communication Company Limited ("**HUH**"), a 55%-owned joint venture of CUH. This Demand was issued by HCH pursuant to the terms of the shareholders' agreement dated 5 March 2010 between, *inter alia*, CUH and HCH.

The Board will be seeking legal advice on the available courses of action to the Group in relation to the Demand.

The advance of Shareholders' Loan by CUH will have a material impact on the net tangible assets and earnings per share of the Group for the financial year ending 31 March 2021.

The Company will update shareholders on any material developments in respect of the Demand at the appropriate time.

By Order of the Board
NGSC Limited

Michael Kuan-Chi Sun
Executive Director

28 January 2021