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To whom it may concern:

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**(Changes in Disclosed Matters) Notice Regarding Partial Changes to the Contents of
“Notice Regarding Recording of Non-operating Expense (Loss on Valuation of
Derivatives) and Income Taxes - Deferred (Gain)”**

TESS Holdings Co., Ltd. (the “Company”) hereby announces that there have been partial changes to the content of “Notice Regarding Recording of Non-operating Expense (Loss on Valuation of Derivatives) and Income Taxes - Deferred (Gain)” announced in Japanese on November 5, 2024, as described below.

1. Reasons for and details of the changes

In the six months ended December 31, 2024, the Company recorded a loss on valuation of derivatives of 1,816 million yen (loss on valuation of derivatives of 126 million yen and 1,689 million yen in the first quarter of the fiscal year ended June 30, 2025, and the second quarter of the fiscal year ended June 30, 2025, respectively) under non-operating expenses, which arose with respect to the fair market valuation of forward foreign exchange contracts entered into for the purpose of hedging foreign exchange fluctuation risks associated with the procurement of PKS fuels to be used in a large-scale biomass power generation project with generating capacity of 46.0 MW developed by its consolidated subsidiary, Imari Green Power Co., Ltd. in Imari City, Saga Prefecture. In addition to the above, following the execution of a portion of the forward foreign exchange contracts in the consolidated cumulative period ended June 30, 2025, the Company recorded derivatives incurred prior to the application of hedge accounting of 12 million yen under non-operating expenses (loss on valuation of derivatives). As a result, the recorded loss on valuation of derivatives amounted to 1,828 million yen for the consolidated cumulative period ended June 30, 2025.

Income taxes - deferred (gain) of 622 million yen (estimate) was scheduled to be recorded for the consolidated cumulative period ended June 30, 2025. However, with the start of operations of the large-scale biomass power generation project, the Company has changed the statutory effective tax rate of Imari Green Power Co., Ltd. As a result of the change in the statutory effective tax rate and subsequent review of deferred tax liabilities accompanying derivatives incurred prior to the application of hedge accounting, the recorded income taxes - deferred (gain) amounted to 831 million yen.

2. Future outlook

The impact of this matter on the financial results has already been reflected in the consolidated financial results forecast disclosed today in the “Notice Regarding Revisions to Consolidated Financial Results Forecast and Dividend Forecast and Recording of Non-operating Expense (Share of Loss of Entities Accounted for Using

Equity Method).”

Should the impact on consolidated financial results become significant in the future, the relevant information is expected to be disclosed in a timely manner.

End