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February 27, 2026

To whom it may concern:

Company name TESS Holdings Co., Ltd.
Representative Kazuki Yamamoto,
Representative Director and President
(Code: 5074,
Prime Market, Tokyo Stock Exchange)
Inquiries Masaaki Hirakura,
Executive Officer, General Manager of the
Administration Department
(Tel: +81-6-6308-2794)

Notice Regarding Execution of Loan Agreements with Financial Covenants by a Subsidiary

TESS Engineering Co., Ltd. (the “Borrower”), a consolidated subsidiary of TESS Holdings Co., Ltd. (the “Company”), entered into a commitment line agreement dated September 30, 2024, with a syndicate of lenders for which Sumitomo Mitsui Banking Corporation acts as an arranger, for the purpose of securing working capital.

The Company has recently determined that multiple individual borrowing requests made by the Borrower under such commitment line agreement each constitute the execution of loan agreements with financial covenants. Accordingly, although this is a post-facto disclosure, the Company hereby announces the execution of loan agreements with financial covenants, as described below, and sincerely apologizes for the delay in disclosure.

1. Overview of the subsidiary

Name	TESS Engineering Co., Ltd.
Address	6-1-1 Nishinakajima, Yodogawa-ku, Osaka, Japan
Name and title of representative	Toshihiro Takasaki, Representative Director and President
Business outline	Management consultation to introduce environmental protection/energy-saving systems such as co-generation systems, engineering, procurement, construction, maintenance, 24-hour operation monitoring, supporting operation management by “Energy Management System,” energy supply services, PPS (Power Producer and Supplier) business, power generation by renewable energy
Paid-up capital	¥100,000,000

2. Reason for the execution of loan agreements with financial covenants

For the purpose of securing working capital for the Borrower

3. Details of loan agreements

(1) Counterparty attributes and agreement form

A commitment line agreement with a syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation (total commitment amount of 9,000 million yen)

(2) Details of collateral

No collateral

(3) Date of execution of loan agreements, principal of debt, and repayment due

The Borrower, for the purpose of securing optimal financing in accordance with its capital needs, has made short-term borrowing requests under the commitment line agreement, as described below, each with repayment due on the last business day of each month.

Date of resolution	April 16, 2025
Date of execution	April 18, 2025
Principal of debt	6,030 million yen
Repayment due	May 30, 2025

Date of resolution	May 16, 2025
Date of execution	May 16, 2025
Principal of debt	6,660 million yen
Repayment due	June 30, 2025

Date of resolution	June 17, 2025
Date of execution	June 18, 2025
Principal of debt	5,220 million yen
Repayment due	July 31, 2025

Date of resolution	July 18, 2025
Date of execution	July 18, 2025
Principal of debt	6,030 million yen
Repayment due	August 29, 2025

Date of resolution	August 18, 2025
Date of execution	August 18, 2025
Principal of debt	6,030 million yen
Repayment due	September 30, 2025

Date of resolution	September 17, 2025
Date of execution	September 17, 2025
Principal of debt	6,930 million yen
Repayment due	October 31, 2025

Date of resolution	October 17, 2025
Date of execution	October 17, 2025
Principal of debt	8,100 million yen
Repayment due	November 28, 2025

Date of resolution	November 19, 2025
Date of execution	November 19, 2025
Principal of debt	9,000 million yen
Repayment due	December 30, 2025

Date of resolution	December 17, 2025
Date of execution	December 19, 2025
Principal of debt	9,000 million yen
Repayment due	January 30, 2026

Date of resolution	January 16, 2026
Date of execution	January 16, 2026
Principal of debt	9,000 million yen
Repayment due	February 27, 2026

Date of resolution	February 13, 2026
Date of execution	February 18, 2026
Principal of debt	9,000 million yen
Repayment due	March 31, 2026

4. Details of financial covenants included in the loan agreements

- (1) The Borrower shall maintain the total amount of net assets in the non-consolidated balance sheet in the financial statements as of the last day of each fiscal year at an amount not less than the higher of (i) 75% of the total amount of net assets in the non-consolidated balance sheet in the financial statements as of the end of the fiscal year ended June 30, 2021, or (ii) 75% of the total amount of net assets in the non-consolidated balance sheet in the financial statements as of the end of the immediately preceding fiscal year.
- (2) The Borrower shall not incur an ordinary loss in the non-consolidated statement of income in the financial statements as of the end of each fiscal year.

5. Cause

The cause of the disclosure omission on this occasion is that, although the commitment line agreement falls under a specified commitment line agreement as specified in Article 2, paragraph (1) of the Act on Specified Commitment Line Contract and is therefore not subject to timely disclosure, the Company failed to recognize that individual borrowing requests made under such commitment line agreement constitute the execution of loan agreements with financial covenants.

Going forward, the Company will consider measures to prevent recurrence.

6. Future outlook

This matter has no impact on the consolidated financial results for the fiscal year ended June 30, 2025, and the financial forecast for the fiscal year ending June 30, 2026.

End