

Financial Results Meeting Materials

for the Six Months Ended December 31, 2024 (Interim)

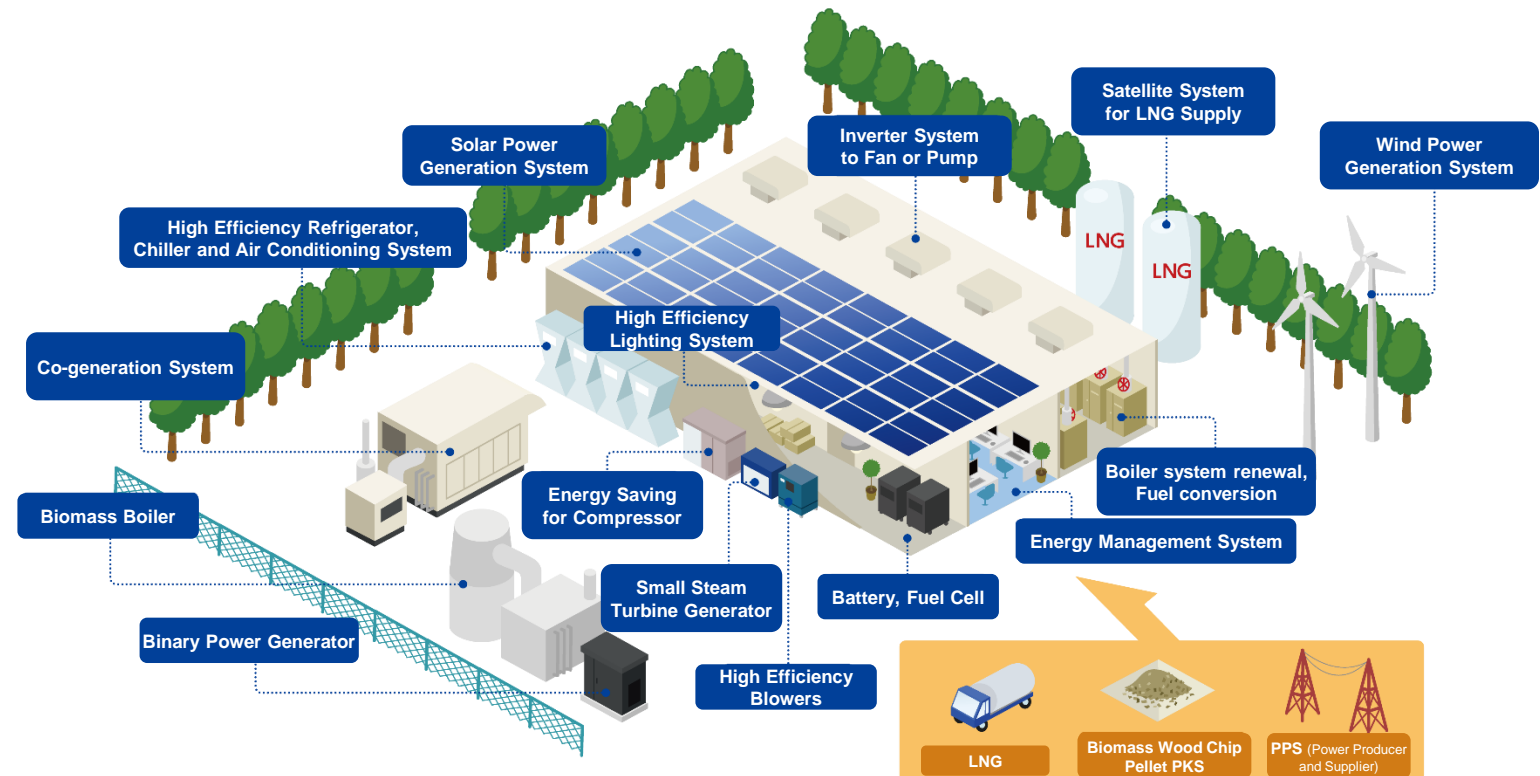


February 14, 2025
TESS Holdings Co., Ltd.
Securities code: 5074

A leading company in decarbonization

A company that realizes Total Energy Savings & Solutions for customers

Items handled by
the TESS Group



Executive Summary

FYE 06/2025 Q2 Consolidated Results

Net sales	Gross profit	Operating profit	Ordinary profit	Profit attributable to owners of parent	ROE
18,013 million yen (+19.5% YoY)	4,730 million yen (+25.5% YoY)	2,409 million yen (+36.5% YoY)	240 million yen (-83.5% YoY)	597 million yen (-31.0% YoY)	1.4%

Entire Business

- Consolidated financial results for the six months ended December 31, 2024 for operating profit and above show year-on-year **increases in both revenue and profit**.

Engineering Segment

- Both energy conservation EPC (commissioned) and renewable energy EPC (development) projects were strong, resulting in year-on-year **increases in both revenue and profit**.
- Inquiries from customers are also increasing due to growing needs related to decarbonization, etc.

Energy Supply Segment

- Increased revenue and profit** year-on-year owing to higher revenues from electricity sales from renewable energy power generation and favorable sales of biomass fuels.
- Total renewable energy power plant generation capacity** is approximately 327.7 MW. Approximately 7.7 MW is new and supplied by on-site PPA.

Consolidated Results Forecast and Dividend Forecast FYE 06/2025

Net sales	Gross profit	Operating profit	Ordinary profit	Profit attributable to owners of parent	ROE	Dividend per share
38,000 million yen (+24.0% YoY)	8,000 million yen (+22.1% YoY)	2,700 million yen (+13.9% YoY)	400 million yen (-94.8% YoY)	700 million yen (-41.0% YoY)	1.7%	7.66 yen

Entire Business

- No change from the consolidated financial results forecast announced on November 5, 2024.
- Although the Kyoto Prefecture development project is making steady progress, the schedule has not been finalized as of the announcement date of the financial results for the six months ending December 31, 2024. This is not included in the consolidated financial results forecast for the fiscal year ending June 30, 2025.

1. Summary of Consolidated Financial Results for the Six Months Ended December 31, 2024

Consolidated Financial Results

- Consolidated financial results for the six months ended December 31, 2024 (from July 1, 2024 to December 31, 2024) showed year-on-year increases in both revenue and profit for operating profit and above.

	FYE 06/2024 Q2	FYE 06/2025 Q2	FYE 06/2025 Full-year target *	Year-on-year changes	Percentage of full-year target achieved
(Millions of yen)					
Net sales	15,068	18,013	38,000	+19.5%	47.4%
Gross profit	3,768	4,730	8,000	+25.5%	59.1%
(Profit margin)	(25.0%)	(26.3%)	(21.1%)		
Operating profit	1,765	2,409	2,700	+36.5%	89.2%
(Profit margin)	(11.7%)	(13.4%)	(7.1%)		
Ordinary profit	1,458	240	400	-83.5%	60.1%
(Profit margin)	(9.7%)	(1.3%)	(1.1%)		
Profit attributable to owners of parent	865	597	700	-31.0%	85.3%
(Profit margin)	(5.7%)	(3.3%)	(1.8%)		

* No changes from the consolidated financial results forecast announced on November 5, 2024.

Reference: Scenario Excluding Derivative Valuation Gains or Losses

- Excluding derivative valuation gains and losses, the consolidated financial results for Q2 of June 2025, the consolidated financial results forecasts for FYE June 2025, and the percentage of the full-year target achieved are as shown below.

(Millions of yen)	FYE 06/2025 Q2 * Excluding derivative valuation gains/losses	FYE 06/2025 Full-year target Excluding derivative valuation gains/losses	Percentage of full-year target achieved
Net sales	18,013	38,000	47.4%
Gross profit	4,730	8,000	59.1%
(Profit margin)	(26.3%)	(21.1%)	
Operating profit	2,409	2,700	89.2%
(Profit margin)	(13.4%)	(7.1%)	
Ordinary profit	2,056	2,200	93.5%
(Profit margin)	(11.4%)	(5.8%)	
Profit attributable to owners of parent	1,790	1,800	99.5%
(Profit margin)	(9.9%)	(4.7%)	

* Scenarios excluding derivative valuation gains or losses have not been audited.

Consolidated Balance Sheet

	FYE 06/2024 Full-year	FYE 06/2025 Q2	Change	Main factors behind change
(Millions of yen)				
Current assets	36,022	37,024	1,002	Increase in cash and deposits/accounts receivable due to the conversion of the Miyako silent partnership ^{*1} into a consolidated subsidiary, and a decrease in commissioned EPC-related contract assets in the Engineering Segment.
Non-current assets	83,106	105,992	22,886	Acquisition of the Fukuoka-Miyako Mega Solar power plant through the conversion of the Miyako silent partnership into a consolidated subsidiary, and an increase in construction in progress for the Saga Imari Biomass Power Plant.
Total assets	119,128	143,017	23,889	
Current liabilities	23,249	26,202	2,953	Increase in long-term borrowings scheduled to be paid within one year due to an increase in short-term borrowings and the conversion of the Miyako silent partnership into a consolidated subsidiary. ^{*2}
Non-current liabilities	54,082	74,057	19,975	Increase in long-term borrowings due to the conversion of the Miyako silent partnership into a consolidated subsidiary. ^{*2}
Total liabilities	77,332	100,260	22,928	
Shareholders' equity	41,083	40,538	(545)	Payment of dividends.
Accumulated other comprehensive income	429	1,864	1,435	Increase in deferred gains (losses) on hedges related to long-term forward exchange contracts.
Non-controlling interests	283	353	70	
Total net assets	41,796	42,756	960	
Total liabilities and net assets	119,128	143,017	23,889	

^{*1} A silent partnership operated by Fukuoka-Miyako Solar Power LLC. ^{*2} The increase is mainly due to the consolidation of the Miyako silent partnership's current and non-current liabilities related to its conversion into a consolidated subsidiary; not due to new borrowings during the six months ended December 31, 2024.

Consolidated Statements of Cash Flows

	FYE June 2024	FYE June 2025	Main contents of cash flow
(Millions of yen)	Q2	Q2	
Cash flows from operating activities	1,324	5,001	Revenue from commissioned EPC and renewable energy power generation projects in the Engineering Segment.
Cash flows from investing activities	(3,413)	(6,266)	Property, plant, and equipment acquisition expenditures.
Cash flows from financing activities	13,308	2,736	Proceeds from long-term borrowings.
Effect of exchange rate changes on cash and cash equivalents	195	(30)	
Cash and cash equivalents at beginning of period	11,026	14,098	
Cash and cash equivalents at end of period	22,440	15,539	

Recording of Non-operating Income/Losses and Extraordinary Income/Losses (1)

Recording of loss on valuation of derivatives (non-operating expense) and income tax (gain) adjustment

- In the six months ended December 31, 2024, a loss on the valuation of derivatives of 1,816 million yen was recorded as a non-operating expense.
- The situation arose from the fair market valuation of a forward exchange contract entered by our consolidated subsidiary, Imari Green Power Co., Ltd., to hedge against currency fluctuation risks associated with procuring PKS fuel. This fuel is intended for use at a major biomass power plant, with a generation capacity of approximately 46.0 MW, currently under development in Imari City, Saga Prefecture.
- Adjustment (profit) to corporate taxes, etc., of 622 million yen due to the reversal of deferred tax liabilities accompanying the recording of the above-mentioned valuation loss on derivatives.
- Hedge accounting is applied to long-term forward exchange contracts from the six months ended December 31, 2024. Derivative receivables incurred prior to the application of hedge accounting are recorded in non-operating income/loss according to the execution of forward exchange contracts.

Recording of Non-operating Income/Losses and Extraordinary Income/Losses (2)

Recording of silent partnership investment income (non-operating income), gains on bargain purchases (extraordinary income), and loss on step acquisition (extraordinary loss) due to the conversion of a silent partnership operated by Fukuoka-Miyako Solar Power LLC into a consolidated subsidiary

- In the six months ended December 31, 2024, 328 million yen in silent partnership investment income was recorded as non-operating income, 471 million yen in gains on bargain purchases were recorded as extraordinary income, and 292 million yen in losses on step acquisitions was recorded as extraordinary losses.
- On August 1, 2024, TESS Engineering Co., Ltd., a wholly-owned subsidiary of the Company, acquired all of the equity interests in a silent partnership operated by Fukuoka-Miyako Solar Power LLC, a limited liability company engaged in the solar power generation business (location: Miyako-machi, Miyako-gun, Fukuoka Prefecture; power generation capacity: approx. 67.0 MW), and the silent partnership was made a consolidated subsidiary of the Company.

Recording of gain on sales of investment securities (extraordinary income)

- Recorded a 513 million yen gain on sales of investment securities as extraordinary income for the six months ended December 31, 2024.
- This resulted from the sale of one unlisted security held by our consolidated subsidiary, TESS Engineering Co., Ltd.

2 . Financial Results by Segment, Etc.

Engineering Segment

Flow-type

EPC for energy conservation-related facilities



EPC for renewable energy-related facilities



✓ Differences in business formats

Commissioned-type

The segment consists of **EPC commissioned** by customers (Generally, the same format as when a construction company undertakes contract work on facilities)

Development-type

A format in which **a project is developed from scratch**, rights are bought and sold, and EPC are provided to client companies

※EPC: Engineering, Procurement, and Construction

Energy Supply Segment

Stock-type

Renewable energy power generation (FIT, FIP/PPA)



Operation and maintenance (O&M)



Electricity retailing



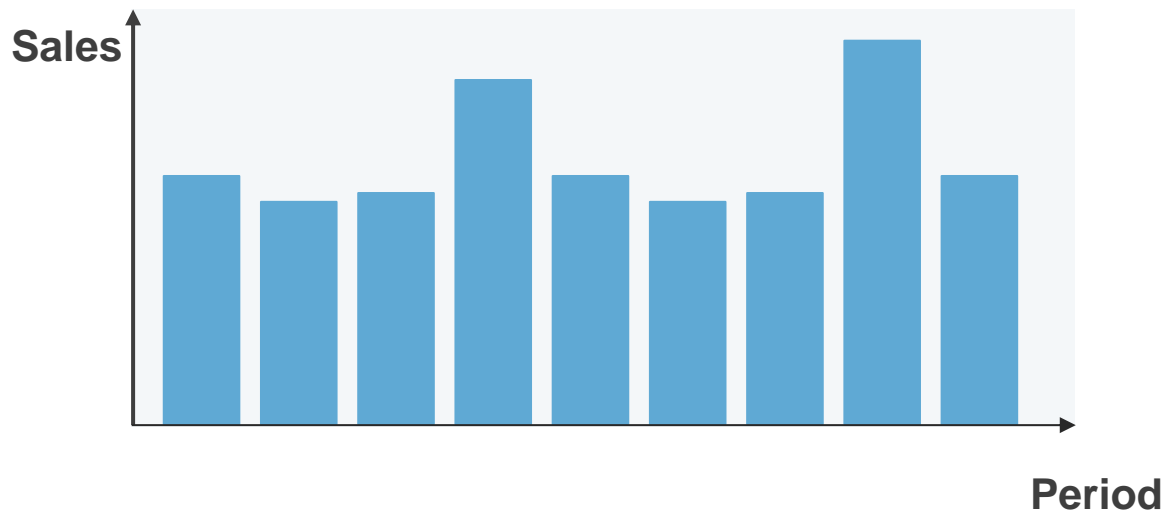
Biomass fuel supply



Engineering Segment

Flow-type

Business that receives orders from client companies on a case-by-case basis.
The scale of sales for each project tends to be large.



<Image of period recording sales>

- EPC for energy conservation-related facilities: 1–2 years
- EPC for renewable energy-related facilities: Half–2 years

Energy Supply Segment

Stock-type

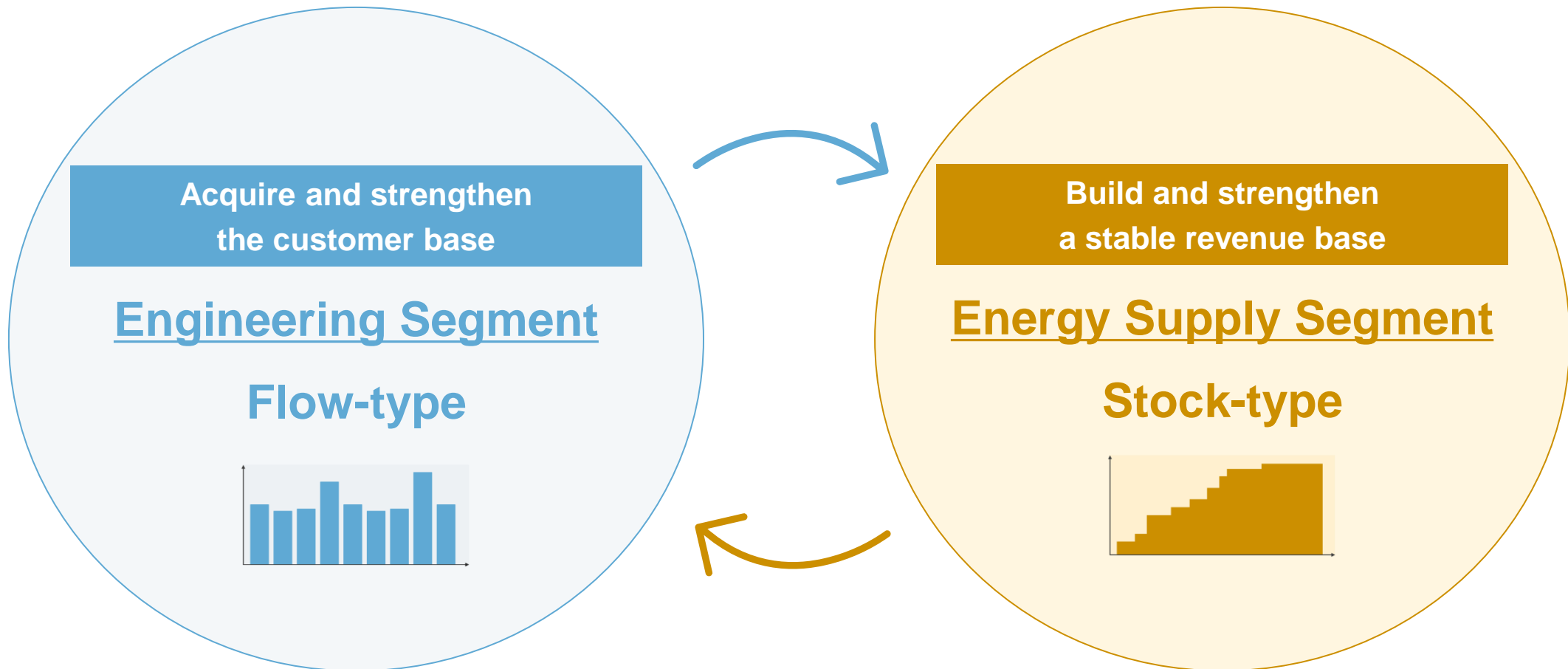
Business that earns steady streams of income.
Stable revenue by accumulating income streams one by one.



<Image of period recording sales>

- Renewable energy power generation: 15–20 years
- O&M: 15–20 years

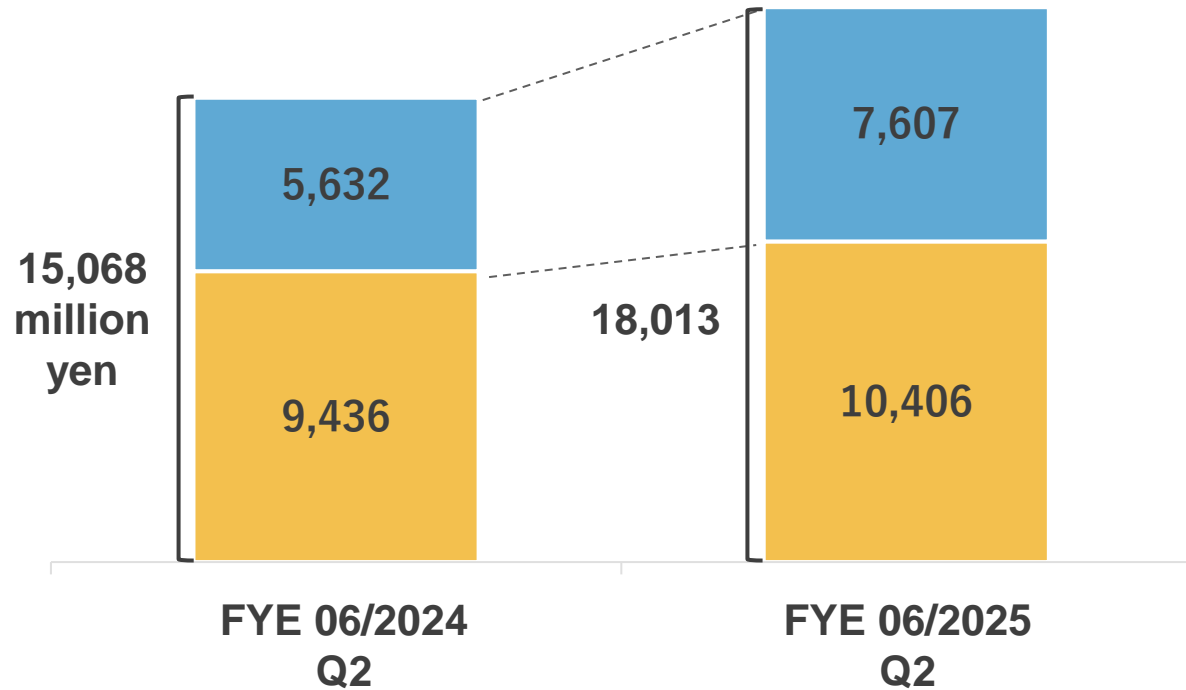
- ▶ **Circular business model linking flow-type and stock-type business.**
- ▶ **Secure both flow and stock revenue opportunities.**
(For example, after completing EPC in the Engineering Segment, it will lead to O&M orders for the Energy Supply Segment)



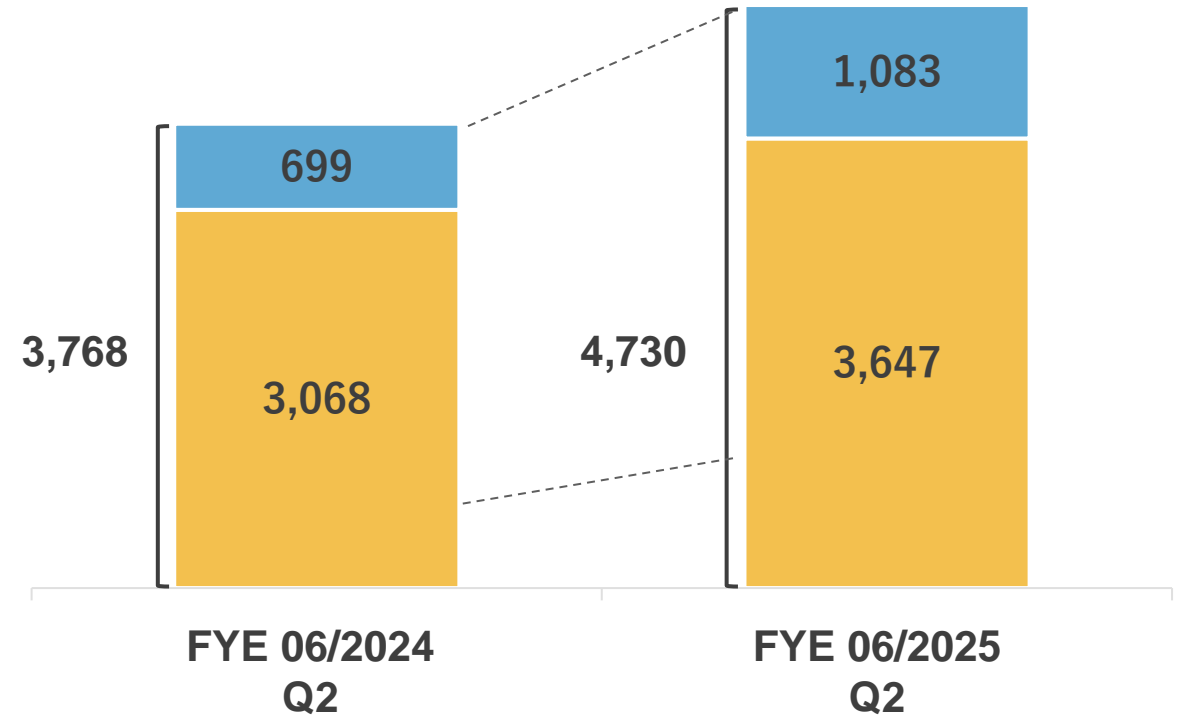
Breakdown of Net Sales and Gross Profit by Segment (Year-on-year)

- ▶ Net sales and gross profit for the six months ended December 31, 2024 show year-on-year increases in both revenue and profit.

Consolidated net sales



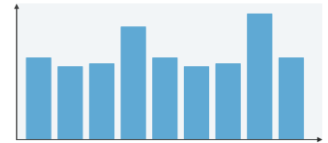
Consolidated gross profit



■ Engineering Segment ■ Energy Supply Segment

* Figures are after inter-segment elimination.

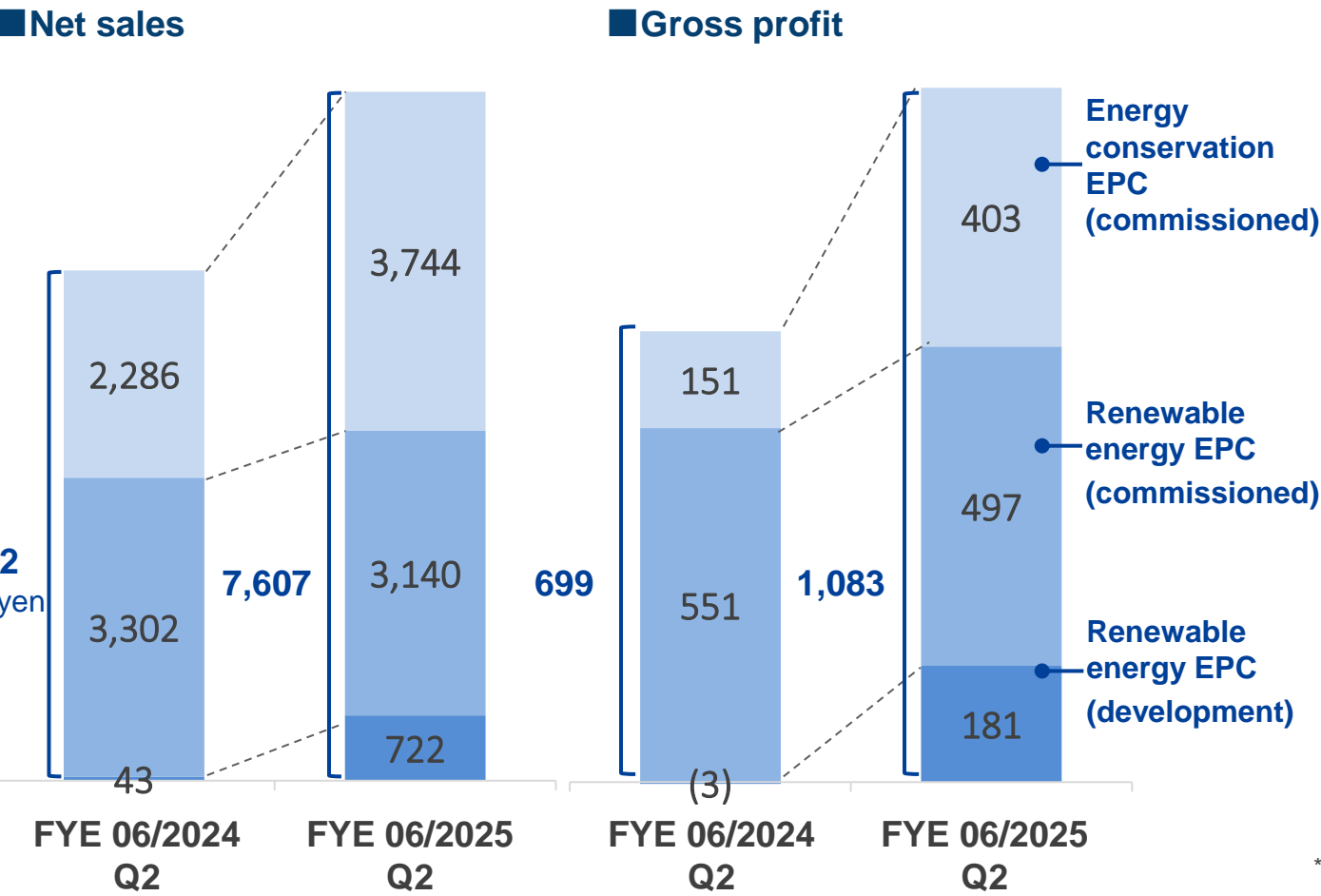
Flow-type



Engineering Segment

- ▶ Engineering Segment increased both net sales and gross profit year-on-year.
- ▶ The main reasons for this were strong performance in energy conservation EPC (commissioned) and renewable energy EPC (development).

Engineering Segment Highlights

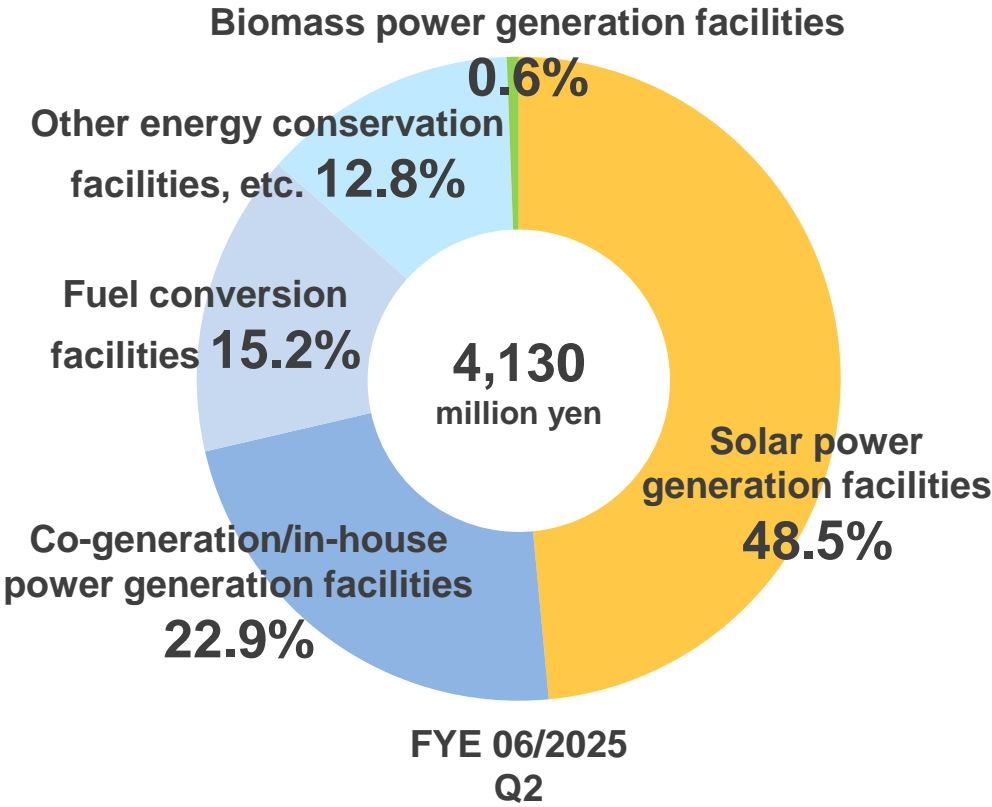


- Energy conservation EPC (commissioned) saw year-on-year growth in both revenue and profit owing to a higher number of co-generation and other projects, as well as favorable progress in EPC projects.
- In the renewable energy EPC (commissioned) business, although the scale of rooftop solar projects for logistics warehouses and factories expanded, both revenue and profit declined year-on-year due to a decrease in the number of projects.
- In the renewable energy EPC (development), in contrast to there being no new EPC projects in the corresponding period of the previous fiscal year, revenue and profit were recorded during the six months ended December 31, 2024 for EPC of a solar power plant (generating capacity of approx. 8.0 MW, utilizing the FIT system) that has been under development in Kagoshima Prefecture, resulting in year-on-year growth in both revenue and profit.

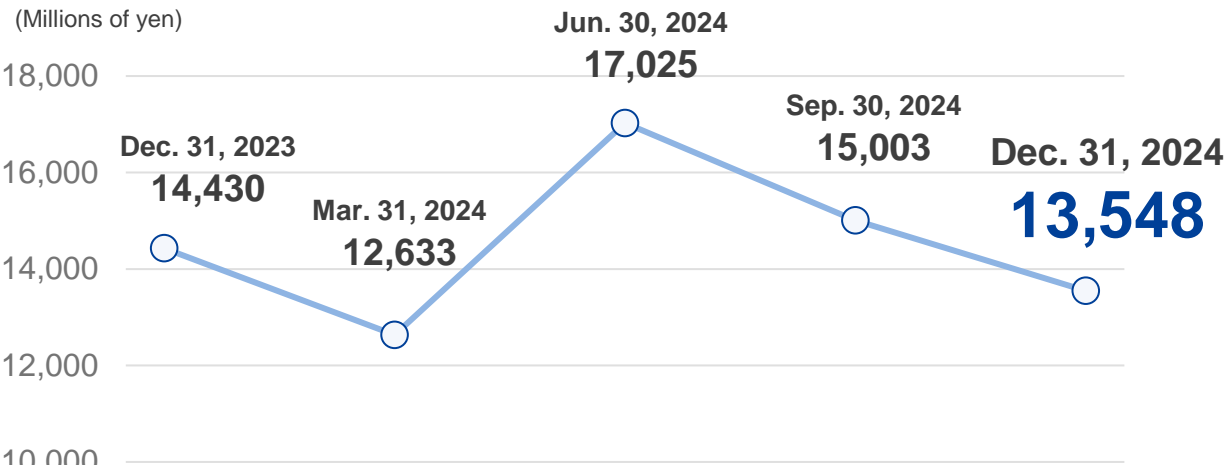
* The breakdown of net sales and gross profit by reportable segment has not been audited.
* Figures are after inter-segment elimination.

- ▶ Orders received totaled 4,130 million yen (37.6% year-on-year), mainly driven by commissioned EPC for solar power generation facilities.
- ▶ Order backlog was 13,548 million yen (93.9% year-on-year). Approximately 80% was for co-generation, in-house power generation facilities, and biomass power generation facilities.

Breakdown of orders received



Trends in order backlog over the most recent year



Breakdown of order backlog (major factors) (As of Dec. 31, 2024)	Co-generation/in-house power generation facilities	48.1%
	Biomass power generation facilities	30.4%
	Solar power generation facilities (commissioned)	9.3%
	Solar power generation facilities (development)	8.2%
	Fuel conversion facilities	3.9%
	Other energy conservation facilities	0.1%

- ▶ We received an informal offer for a large order for power storage plant EPC projects on January 31, 2025.
- ▶ The order is expected to be formally confirmed with the conclusion of the construction contract scheduled at a later date and recorded as orders received.

(1) Order received from	Japanese domestic companies*
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(2) Orders received	Co-location power storage plant EPC projects for solar power plants operated by Japanese domestic companies (5 projects in total)
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(3) Amount of orders received	5,579 million yen (planned)
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(4) Delivery date	January 2026 (planned)
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* Of the five co-location power storage plant EPC projects for solar power plants operated by Japanese domestic companies, four are expected to be awarded to Japanese domestic leasing companies under lease contracts between Japanese domestic leasing companies and Japanese domestic companies that will be the leaseholders.

- ▶ The major EPC projects listed below were completed in Q2 of FYE June 2025.
Providing EPC for energy conservation-related facilities, solar power generation systems, etc., for factories and other facilities of high energy consumption.



Co-generation systems

2 projects
(approx. 8.1 MW)

LNG satellite facilities and other
fuel conversion equipment,
utility equipment

2 projects

Energy management systems

1 project

Solar power generation systems

12 projects
(approx. 21.8 MW)

Facilities completed in Q2 of FYE June 2025

Stock-type

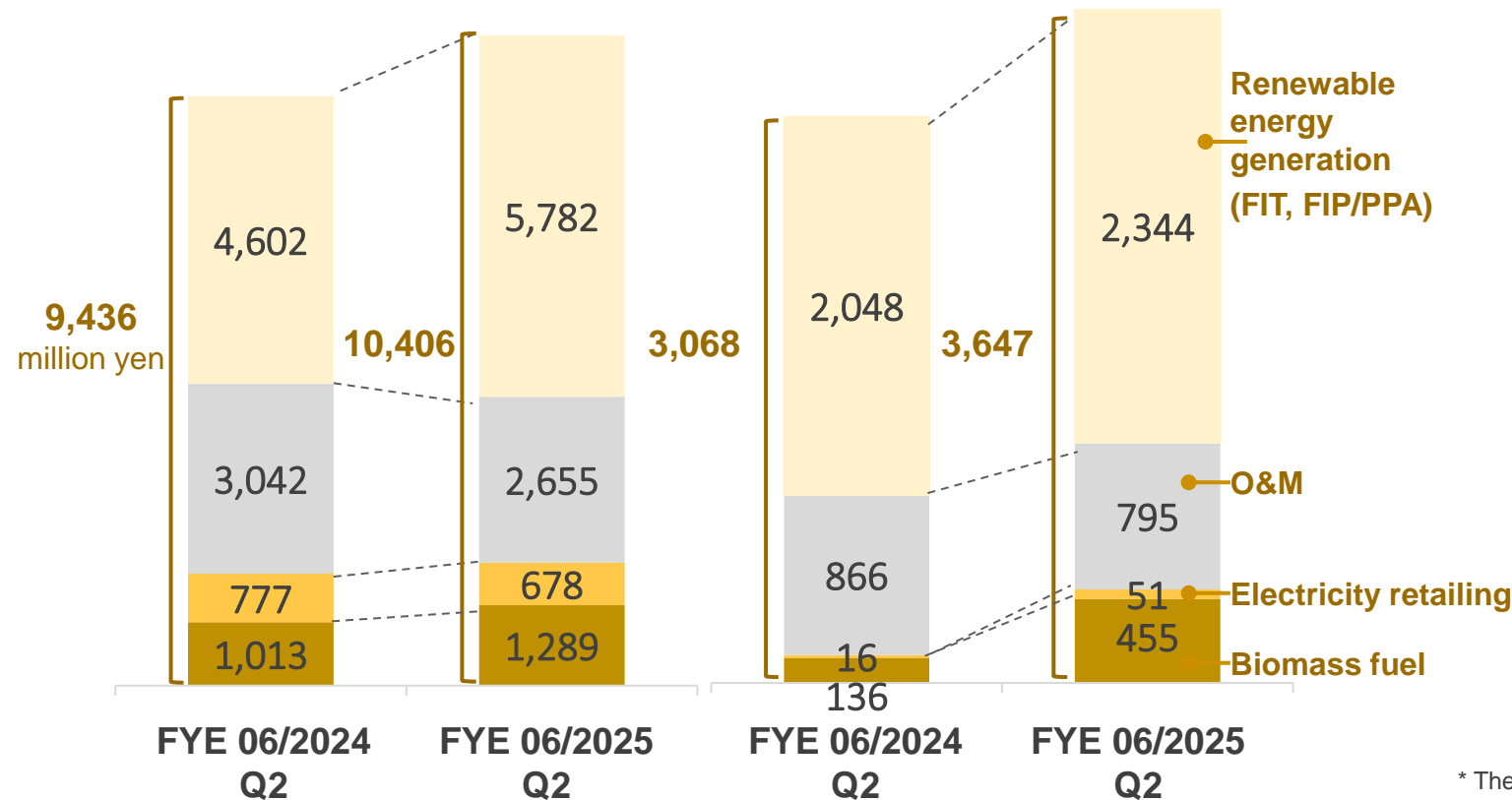


Energy Supply Segment

- ▶ Both revenue and profit in the Energy Supply Segment climbed year-on-year.
- ▶ This results mainly from increased revenue and profit in renewable energy generation and biomass fuels.

Net sales

Gross profit



Energy Supply Segment Highlights

- Revenue and profit grew year-on-year because of an increased number of projects and expanded power generation capacity held by consolidated subsidiaries, including the conversion of a silent partnership operated by Fukuoka-Miyako Mega Solar power plant (power generation capacity of approx. 67.0 MW) into a consolidated subsidiary.
- O&M revenue and profit decreased year-on-year due to a decrease in irregular maintenance work.
- Electricity retailing saw decreased revenue and increased profit year-on-year, resulting from the termination of transactions with large-volume customers under the conventional electricity supply menu and a decline in purchasing costs through market-linked menus.
- Biomass fuel revenue and profit increased year-on-year owing to a rise in shipment volumes and PKS selling prices.

* The breakdown of net sales and gross profit by reportable segment has not been audited.

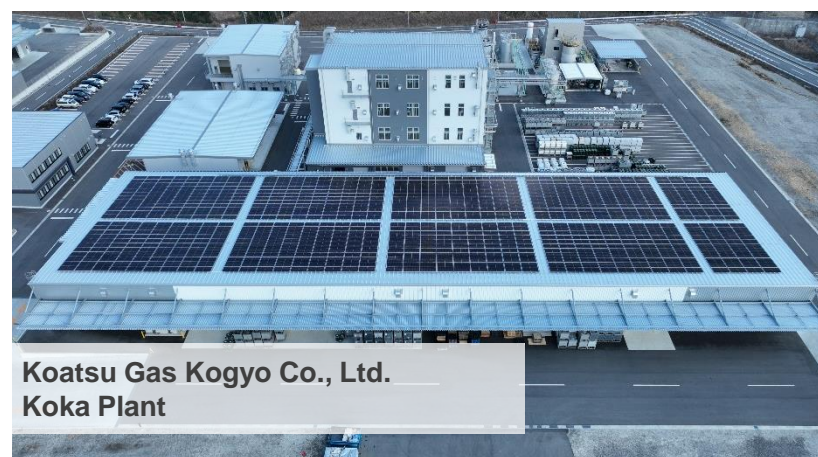
* Figures are after inter-segment elimination.

- ▶ In Q2 of FYE June 2025, started supplying a total of approximately 7.7 MW of electricity to eight locations generated by renewable energy using solar power generation systems for self-consumption employing an on-site PPA model.



Supplied to	Power generation capacity	Date of supply launch
Not disclosed	Approx. 2,736 kW	Jul. 2024
Miyazakiken Nokyo Kajyu Co., LTD. Head Office Factory	Approx. 501 kW	Aug. 2024
SOSiLA Logistics REIT, Inc., SOSiLA Kasukabe	Approx. 1,532 kW	Sep. 2024
Maniwa City, Okayama Prefecture Maniwa City Hokubo Elementary School and four other locations	Total approx. 345 kW	Sep. 2024
Not disclosed	Approx. 2,613 kW	Nov. 2024

- ▶ A total supply of approximately 7.5 MW to six locations has been started in Q2 of FYE June 2025 and onward. Supply launches for a total of approximately 12.5 MW are planned moving forward for eleven locations.



Supply initiation status	Supplied to	Power generation capacity	Scheduled date* of supply launch <small>*Tentative schedule at the time of release</small>
Initiated	Koatsu Gas Kogyo Co., Ltd. Koka Plant	Approx. 543 kW	Feb. 2025
Initiated	Oita Prefecture Livestock Industry Corporation	Approx. 579 kW	Feb. 2025
Initiated	Minami Nihon Rakuno Kyodo Co., Ltd., Miyakonojo Factory	Approx. 957 kW	Feb. 2025
Initiated	Not disclosed (Total of 3 supply destinations)	Total approx. 5,427 kW	Jan-Feb. 2025
Scheduled	ULVAC, Inc., Kyushu Plant	825 kW	Feb. 2025
Scheduled	MANEKIYA GLASS Co., LTD., Iga Factory	Approx. 740 kW	Feb. 2025
Scheduled	Suminoe Development Special Purpose Company, Logicross Osaka Suminoe	Approx. 794 kW	Apr. 2025
Scheduled	York-Benimaru Co., Ltd., Koriyama Plant	Approx. 1,014 kW	May 2025
Scheduled	Kracie, Ltd., Kyoto Factory	Approx. 1,012 kW	Aug. 2025

* Other plans for upcoming supply launches: Supply launch for six projects (approx. 8.1 MW).

- ▶ Successful power generation at the Saga Imari Biomass Power Plant during PKS combustion testing (Feb. 13, 2025)
- ▶ Trial operations will continue with a priority on safety toward starting operations in May 2025.



Left: PKS being fed into the fuel feed hopper
Right: Steam turbine power generator



Location	Imari City, Saga Prefecture
Business operator	Imari Green Power Co., Ltd.
Power generation capacity	Approx. 46.0 MW
Feed-in tariff	24 yen/kWh
Estimated annual electricity sales amount	Approx. 312,000,000 kWh/year (1st year estimate)

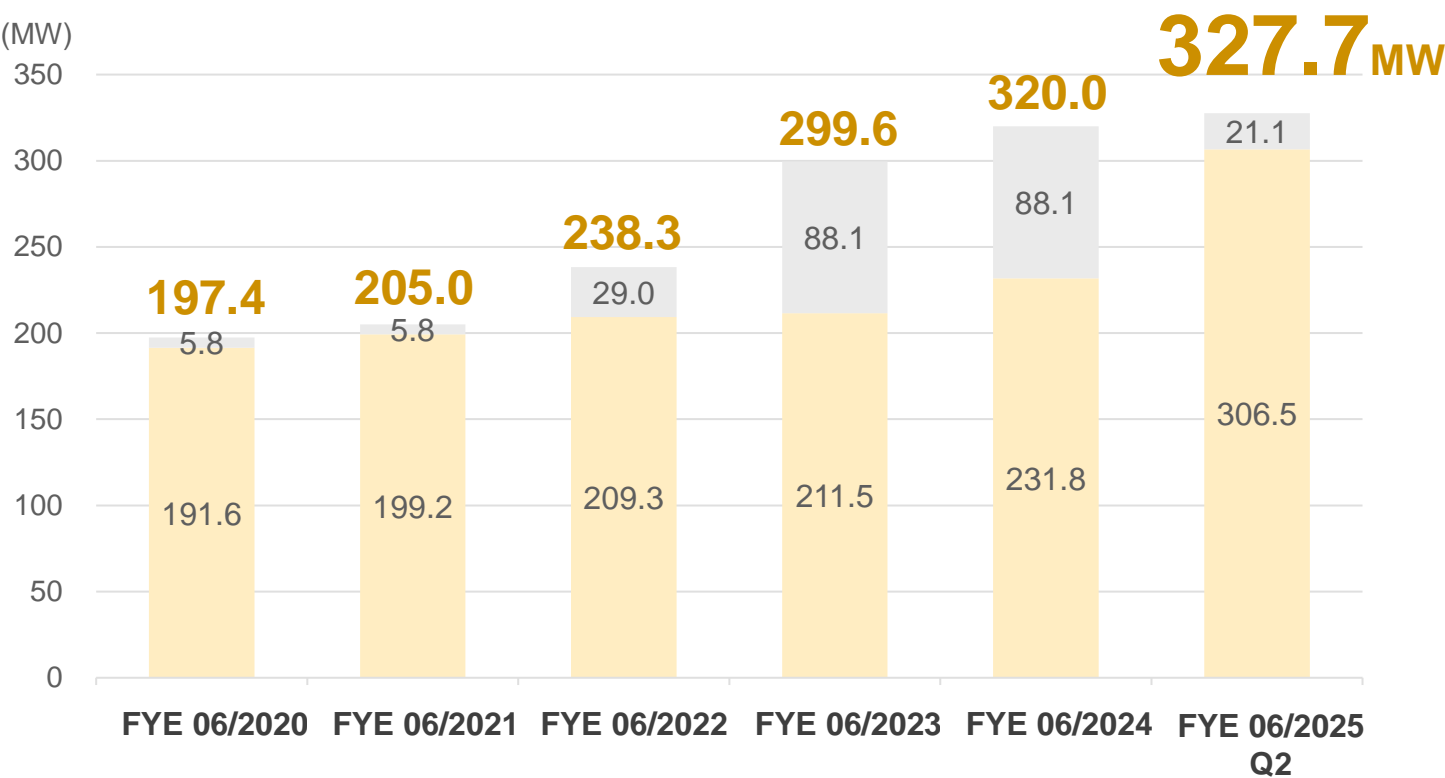
The Imari Green Power Co., Ltd. website (Japanese)





▶ We seek to obtain stable long-term income from FIT and FIP systems and on-site PPA models for in-house consumption.

Trends in total capacity of renewable energy power generation facilities *

* Solar power plants (including on-site PPA for in-house consumption), biomass power plants, and small-scale wind power plants in operation.



 Portion owned by consolidated subsidiaries

 Portion owned by companies in which the Group has invested

(Companies accounted for by the equity method and a silent partnership where a limited liability company investing in the silent partnership is the operator)

Topics for Q2 of FYE June 2025

- Started supplying a total of approximately 7.7 MW of electricity to eight locations using on-site PPA.
- Since we acquired all the silent partnership investment equity interests in the Miyako silent partnership in August 2024, the approximately 67.0 MW of the solar power plants in the silent partnership were transferred from the portion held by the companies in which the Group has invested to the portion held by our consolidated subsidiary (there was no change in the total capacity of renewable energy power generation facilities).

Solar

111 projects, approx. 319.9 MW
including 37 on-site PPA projects, approx. 42.9 MW

Biomass

2 projects, approx. 7.8 MW

* As of December 31, 2024.

► Forming a capital and business alliance with Tokyo Century Corporation

Purpose of the Capital and Business Alliance

We found that the synergy between our Group and Tokyo Century Corporation would contribute to the expansion of our key business areas as set out in our Medium-term Management Plan, titled “TX2030,” and to the improvement in the corporate value of both groups. Based on these findings, we decided to enter a capital and business alliance with Tokyo Century Corporation.

TESS Holdings

- **Development capabilities** for renewable energy power plants and power storage plants
- **Ability to provide a variety of solutions**, such as EPC and O&M for energy conservation and renewable energy, and retail electricity supply



Tokyo Century

- Abundant domestic and international **customer base** centered on the leasing business
- **Track record as a business operator** of renewable energy power plants and energy storage plants.

Business Alliance Details

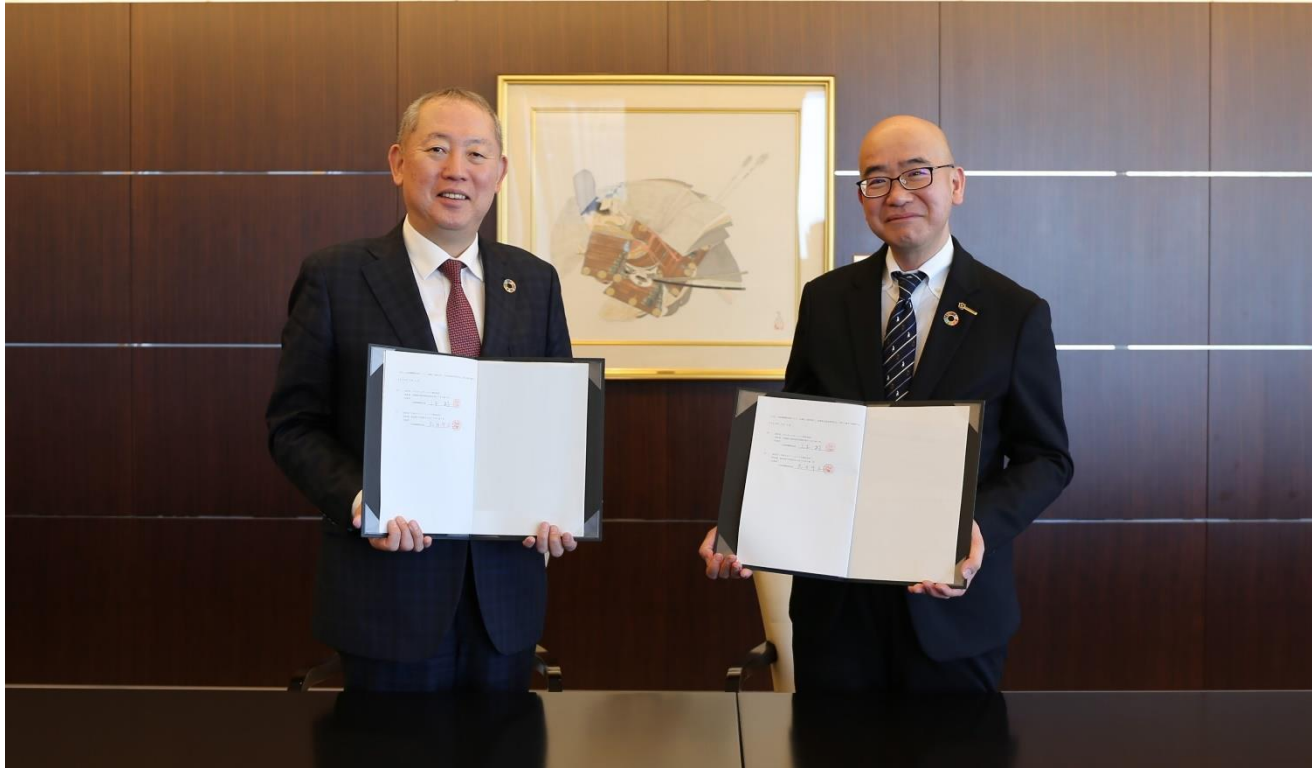
- Collaboration in the development of power storage plants for power grids
- Collaboration in solutions for energy conservation and renewable energy
- Collaboration in retail supply of electricity and supply-demand management
- Collaboration in the resource-recycling biomass fuel business
- Human resource exchange to create synergies between the two groups

Capital Alliance Details

Tokyo Century Corporation holds 3,532,200 shares of TESS Holdings' common stock (5.00% of the total number of shares issued and outstanding (excluding treasury stock)).

*As of December 31, 2024

- ▶ Memorandum of understanding on collaboration signed with Daiwa Energy & Infrastructure Co. Ltd. to commercialize grid storage battery projects.
- ▶ TESS Holdings aims to commercialize a total of 2 GWh of grid storage battery projects in Japan in cooperation with Daiwa Energy & Infrastructure.



Signing Ceremony (February 6, 2025)

Left: Kazuki Yamamoto, Representative Director and President of TESS Holdings Co., Ltd.
Right: Morimasa Matsuda, President, Daiwa Energy & Infrastructure Co. Ltd.

Company Roles in the Collaboration

TESS Holdings Co., Ltd.

- Searching for candidate project sites and development for projects (grid linkage applications, securing land rights, handling permits and approvals, etc.)
- Project Engineering, Procurement, and Construction (EPC contracting)
- Maintenance operations

Daiwa Energy & Infrastructure Co. Ltd.

- Introduction of candidate project sites
- Economic feasibility study and due diligence of each project
- Study of schemes for each project, including project finance procurement
- Investment in each project

- ▶ TESS Group issues its First Integrated Report.
- ▶ We are actively promoting the creation of systems and frameworks that are both easy to work with and rewarding.

Publication of Integrated Report 2024

Our Integrated Report aims to provide all stakeholders with easy-to-understand information about the Group's value creation story, business model, and initiatives to enhance corporate value, covering both financial and non-financial information.



Integrated Report 2024 (Japanese)

https://ssl4.eir-parts.net/doc/5074/ir_material_for_fiscal_yr2/169982/00.pdf

Promotion of various systems and mechanisms

Establishment of a new specialist career course

A new specialist career course was created as a career path to enable employees to contribute to our company as a specialist, rather than aiming for management positions, by utilizing the knowledge and abilities they have in their own specialized fields and receiving recognition for their contributions as specialists.

Initiatives to promote higher paid leave utilization rates

In addition to the existing ongoing education on paid leave utilization, we are promoting initiatives to raise the paid leave utilization rate, such as by encouraging managers — who currently tend to have lower utilization rates — to plan and set aside quarterly paid leave days in advance.

Review of the telework system

The telework system underwent review and revisions to enable all executives and employees to work more flexibly.

3 . Appendix

- ▶ Focus growth investments and management resources on key business areas while sustaining existing operations as the earnings base.
- ▶ Aim to achieve high profitability and increase ROE and ROIC through business restructuring.

Key Metrics

Period	Gross profit	Operating profit	ROE	ROIC	In-house FIP conversion renewable energy cap.	Cumulative installed cap. (Grid power storage plants)	Cumulative installed cap. (Non-grid power storage plants)	Biomass fuel supply	Renewable energy generation cap. *
FY06/2030 Forecast	21.5 bn yen	13.4 bn yen	11.7%	5.7%	113 MW	700 MW	150 MW	500,000 tons/year	470 MW
FY06/2027 Forecast	13.2 bn yen	6.4 bn yen	5.8%	3.0%	75 MW	100 MW	120 MW	350,000 tons/year	380 MW
FY06/2024 Actual	6.5 bn yen	2.3 bn yen	3.4%	1.6%	0 MW	0 MW	0 MW	104,000 tons/year	231.8 MW

- Expanding business as an engineering company consistently working on energy conservation and environmental measures since its establishment.
- In the engineering business, we have been acquiring large-scale development EPC projects in addition to commissioned projects in response to the rapid expansion of the renewable energy market following the launch of Japan's FIT system in 2012. In the energy supply business, we have established a medium- to long-term earnings base by increasing revenues from the sale of electricity from our own renewable energy power plants.
- Moving forward, the market for FIT solar power plant FIP conversion and storage battery co-location is expected to grow rapidly from the perspective of effectively utilizing grid power storage plants and existing FIT solar power plants in order to stabilize power grids.
- In addition to existing business for energy-conservation and renewable energy solutions (solar power, CGS, and other existing fields), we will prioritize investments in the power storage system-related business and resource-recycling biomass fuel business sectors, focusing growth investment and management resources on these growth areas through 2030.
- We will increase corporate value and promote stable shareholder returns by emphasizing ROE and ROIC and promoting ESG management.

Consolidated Statement of Income (Four Fiscal Years)

	FYE 06/2022	FYE 06/2023	FYE 06/2024	FYE 06/2025
(Millions of yen)	Q2	Q2	Q2	Q2
Net sales	18,310	16,610	15,068	18,013
Cost of sales	12,513	11,893	11,300	13,282
Gross profit	5,797	4,716	3,768	4,730
Selling, general, and administrative expenses	1,615	1,793	2,002	2,321
Operating profit	4,181	2,923	1,765	2,409
Non-operating income	205	127	365	676
Non-operating expenses	590	549	672	2,845
Ordinary profit	3,797	2,501	1,458	240
Extraordinary income	-	-	-	985
Extraordinary losses	-	-	-	292
Profit before income taxes	3,797	2,501	1,458	934
Profit	2,472	1,685	946	674
Profit attributable to owners of parent	2,420	1,560	865	597

Quarterly Consolidated Statements of Income - Reportable Segment Details (Two Periods)

	(Millions of yen)	FYE 06/2024 Q1	FYE 06/2024 Q2	FYE 06/2024 Q3	FYE 06/2024 Q4	FYE 06/2025 Q1	FYE 06/2025 Q2
Net sales		6,221	8,847	7,789	7,784	8,308	9,705
Engineering Segment		1,535	4,096	3,705	3,825	3,710	3,897
Commissioned EPC (energy conservation)		563	1,723	1,362	793	2,011	1,733
Commissioned EPC (renewable energy)		972	2,330	2,332	1,568	1,298	1,841
Development EPC (renewable energy)		0	43	10	1,464	400	322
Energy Supply Segment		4,685	4,751	4,084	3,958	4,598	5,807
Renewable energy power generation		2,202	2,399	1,840	1,994	2,421	3,361
O&M		1,445	1,596	1,401	1,423	1,358	1,296
Electricity retailing		426	350	301	182	343	334
Biomass fuel		610	403	539	358	475	814
Gross profit		1,733	2,034	1,282	1,502	2,103	2,627
Engineering Segment		203	496	464	733	592	491
Commissioned EPC (energy conservation)		31	120	38	92	205	198
Commissioned EPC (renewable energy)		163	388	442	130	260	237
Development EPC (renewable energy)		9	(12)	(15)	510	127	54
Energy Supply Segment		1,529	1,538	818	768	1,510	2,136
Renewable energy power generation		889	1,159	309	615	894	1,450
O&M		497	369	323	166	482	313
Electricity retailing		27	(10)	32	(37)	4	47
Biomass fuel		116	20	153	24	129	325
Operating profit		714	1,050	307	297	944	1,464
Engineering Segment		(23)	228	198	404	260	171
Energy Supply Segment		1,053	1,151	428	332	1,076	1,686
Elimination or company-wide		(315)	(329)	(319)	(439)	(392)	(393)

Operating Results by Segment

	(Millions of yen)	Actual		Forecast
		FYE 06/2023	FYE 06/2024	FYE 06/2025
Net sales		34,415	30,643	38,000
Engineering Segment		10,422	13,163	15,000
Commissioned EPC (energy conservation)		2,711	4,442	8,100
Commissioned EPC (renewable energy)		5,018	7,202	5,100
Development EPC (renewable energy)		2,692	1,518	1,800
Energy Supply Segment		23,992	17,479	23,000
Renewable energy power generation		14,060	8,437	10,500
O&M		5,229	5,867	5,600
Electricity retailing		3,209	1,262	3,900
Biomass fuel		1,493	1,912	3,000
Gross profit		10,611	6,553	8,000
Engineering Segment		1,780	1,897	1,900
Commissioned EPC (energy conservation)		307	282	850
Commissioned EPC (renewable energy)		704	1,124	650
Development EPC (renewable energy)		768	491	400
Energy Supply Segment		8,830	4,655	6,100
Renewable energy power generation		6,664	2,972	3,800
O&M		1,169	1,356	1,300
Electricity retailing		541	11	150
Biomass fuel		455	314	850
Operating profit		6,864	2,370	2,700
Engineering Segment		728	808	300
Energy Supply Segment		7,292	2,966	3,800
Elimination or company-wide		(1,156)	(1,404)	(1,400)

Explanations of Terms

Term	Explanation
Energy conservation	Reducing the amount of energy consumed through the efficient use of resources and energy.
Co-generation system	A type of distributed energy resource consisting of a combined heat and electricity supply system that uses the heat emitted during power generation for air conditioning and heating or in production processes. It may also be referred to as CHP (Combined Heat & Power).
Renewable energy	Energy, such as solar power, wind, and geothermal, that can be used repeatedly without depleting resources, unlike fossil fuels derived from finite resources.
Solar power generation system	A power generation system that uses a photovoltaic panel to absorb light energy from the sun and convert it to electricity for use.
Biomass power generation system	A power generation system that obtains energy through the rotation of a turbine using steam or gas generated by the combustion or gasification of biomass resources (resources derived from biological matter).
On-site PPA (Power Purchase Agreement)	A form of contract in which the Group acts as a power generation company, owning, maintaining, and managing solar power generation plants for in-house consumption, and providing the electricity generated by these plants to customers.
EPC	An abbreviation for Engineering, Procurement, and Construction.
FIT (Feed-in Tariff)	A system, based on the Act on Special Measures Concerning Promotion of Utilization of Electricity from Renewable Energy Sources, under which the national government promises that electricity utilities will purchase electricity generated from renewable energy, such as solar, wind, or biomass, at a set price and for a set period of time.
FIP(Feed-in Premium)	A system where the amount equivalent to the difference between the standard price (FIP price) and market price shall be paid as a premium in the case that electricity produced by renewable energy electricity utilities is sold on the wholesale electricity market or in direct dealings.
PKS (Palm Kernel Shell)	The shell that remains after palm oil has been extracted from palm kernels.
Grid storage battery	A large industrial storage battery connected to a power grid (transmission and distribution network), where it recharges and discharges. The purpose is to stabilize the power grid by storing electricity when there is a surplus and discharging it when there is a shortage.

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