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Securities Code: 5074

September 14, 2022

To our shareholders:

Hideo Ishiwaki, Representative
Director, President and Chairman
TESS Holdings Co., Ltd.
6-1-1 Nishinakajima, Yodogawa-ku,
Osaka-shi, Osaka

Notice of the 13th Annual General Meeting of Shareholders

We are pleased to announce the 13th Annual General Meeting of Shareholders of TESS Holdings Co., Ltd. (the “Company”), which will be held as indicated below.

From the perspective of preventing the spread of the novel coronavirus disease (COVID-19), the Company strongly requests you to refrain from attending the meeting in person.

You may exercise your voting rights, which are shareholders’ important rights, in writing or by the Internet, etc. Please exercise your voting rights beforehand by either of these methods (deadline for exercise of voting rights: 5:30 p.m. on Wednesday, September 28, 2022 (JST)).

[Exercise of voting rights in writing]

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it by postal mail to reach us by 5:30 p.m. on Wednesday, September 28, 2022 (JST), the end of the business hours immediately preceding the date of this meeting.

[Exercise of voting rights via the Internet, etc.]

1 Exercise of voting rights via the Internet, etc.

Please access the website for the exercise of voting rights designated by the Company and input whether you vote for or against the proposals in accordance with the on-screen instructions by 5:30 p.m. on Wednesday, September 28, 2022 (JST), the end of the business hours immediately preceding the date of this meeting.

2 Electronic Voting Platform

If nominee shareholders such as trust and custody services banks (including standing proxies) who have made prior application to use the Electronic Voting Platform that is operated by ICJ Inc., which was established by Tokyo Stock Exchange, Inc. and others, those shareholders can use this platform, in addition to the exercise of voting rights via the Internet, etc. described in 1 above, as means of exercising voting rights by electromagnetic means at General Meeting of Shareholders of the Company.

Please refer to the “Exercise of Voting Rights via the Internet, etc.” on page 4 of the Japanese version of the notice (in Japanese only) when exercising your voting rights via the Internet, etc.

1. Date and Time: Thursday, September 29, 2022, at 10:00 a.m. (JST) (Reception will open at 9:00 a.m.)

2. Venue: Grand Hall, 2F
HOTEL MYSTAYS Shin Osaka Conference Center
6-2-19 Nishinakajima, Yodogawa-ku, Osaka-shi, Osaka

3. Purpose of the Meeting:

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 13th Fiscal Year (from July 1, 2021 to June 30, 2022) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee.
2. Non-consolidated Financial Statements for the 13th Fiscal Year (from July 1, 2021 to June 30, 2022)

Matters to be resolved:

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Amendment to the Articles of Incorporation

Proposal No. 3: Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

[Notes on this Notice]

- Of the documents to be provided to shareholders with this Notice, the following items are posted on the Company's website (URL: <https://www.tess-hd.co.jp/>) in accordance with laws and regulations and Article 16 of the Company's Articles of Incorporation, and therefore are not included in the documents attached to this Notice.
 - (i) "System to Ensure the Properness of Operations and Operational Status of the System" in the Business Report
 - (ii) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - (iii) "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
- If revisions to the contents of the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements are required, such revisions will be posted on the Company's website (URL: <https://www.tess-hd.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company considers the return of profits to shareholders as one of the management top priorities. Based on its basic dividend policy of maintaining stable dividends to shareholders, the Company proposes the following year-end dividends for the 13th fiscal year taking into consideration its future business development and other factors.

<Year-end dividends>

1. Type of dividend property

To be paid in cash.

2. Allotment of dividend property and their aggregate amount

The Company proposes to pay a dividend of ¥21 per common share of the Company.

In this event, the total dividends will be ¥737,394,630.

3. Effective date of dividends of surplus

The effective date of dividends will be September 30, 2022.

Proposal No. 2: Amendment to the Articles of Incorporation

1. Reasons for the Amendment

(1) Amendment pertaining to Article 16 and establishment of supplementary provisions

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) were enforced on September 1, 2022, and the system for providing informational materials for the general meeting of shareholders in electronic format has been introduced, the Company proposes to make the following changes to its Articles of Incorporation.

- (i) Article 16, paragraph 1 in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (ii) Article 16, paragraph 2 in “Proposed amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (iii) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 16 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (iv) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions will be established.

(2) Amendment pertaining to Article 23

To further enhance the effectiveness of the Board of Directors by flexibly selecting the chairperson of the Board of Directors, the Company proposes to amend Article 23 (Convener and Chairperson of the Board of Directors) of its Articles of Incorporation to enable the Company to appoint the convener and chairperson of the Board of Directors by resolution of the Board of Directors.

2. Details of the Amendment

The details of the amendment are as follows:

(Underlines indicate amendments)

Current Articles of Incorporation	Proposed amendments
<p><u>Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements and consolidated financial statements through the Internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<p>(Newly established)</p> <p>Article 23 (Convener and Chairperson of the Board of Directors)</p> <ol style="list-style-type: none"> 1 Unless otherwise provided for by laws and regulations, <u>the Director and President</u> shall convene the Board of Directors and act as chairperson of the meetings. 2 In cases where the <u>Director and President</u> is prevented from so acting, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene the Board of Directors and act as chairperson of the meetings. 	<p><u>Article 16 (Measures, etc. for Providing Information in Electronic Format)</u></p> <ol style="list-style-type: none"> 1 <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u> 2 <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u> <p>Article 23 (Convener and Chairperson of the Board of Directors)</p> <ol style="list-style-type: none"> 1 Unless otherwise provided for by laws and regulations, <u>a Director who is determined in advance by the Board of Directors</u> shall convene the Board of Directors and act as chairperson of the meetings. 2 In cases where the <u>Director in the preceding paragraph</u> is prevented from so acting, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene the Board of Directors and act as chairperson of the meetings.
<p>(Newly established)</p>	<p><u>(Supplementary Provisions)</u></p> <ol style="list-style-type: none"> 1. <u>Article 16 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from September 1, 2022.</u> 2. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from September 1, 2022 or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Proposal No. 3: Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all three Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire. Accordingly, the Company proposes the election of five Directors, increasing the number of Directors by two in order to ensure the sustainable growth and medium- to long-term increase in corporate value of the Company.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Hideo Ishiwaki (March 21, 1948)	Apr. 1972 Joined KANAE PAINT Co., Ltd. Apr. 2002 Director and General Manager of Materials Department Sept. 2004 Joined TESS Engineering Co., Ltd. Feb. 2008 Executive Officer, General Manager of Tokyo Branch Office, and General Manager of Corporate Planning Office July 2008 Managing Director, and General Manager of Tokyo Branch Office July 2009 Representative Director and President July 2009 Director of TESS Techno Service Co., Ltd. (currently the Company) Aug. 2012 Representative Director and President of the Company Oct. 2012 Representative Director and President of KYORITSU ENGINEERING CO., LTD. July 2017 Representative Director and Chairman of TESS Engineering Co., Ltd. Sept. 2017 Director of KYORITSU ENGINEERING CO., LTD. Apr. 2018 Representative Director, President and Chairman of the Company (current position) (Significant concurrent positions outside the Company) None	5,775,300
<p>[Reasons for nomination] The Company has nominated Hideo Ishiwaki as a candidate for Director because he has engaged mainly in corporate management, overall sales and corporate planning, and has abundant business experience and knowledge. He has fulfilled his duties appropriately utilizing his experience and insight about corporate management by proactively pursuing the business strategies of the Company group (the "Group") since assuming office as Managing Director of TESS Engineering Co., Ltd. in July 2008, Representative Director and President of the said company and Director of the Company in July 2009, Representative Director and President of the Company in August 2012, and Representative Director, President and Chairman of the Company in April 2018. Therefore, the Company has judged that he is appropriate as Director of the Company and nominated him as a candidate for Director. Subject to the approval at this meeting and resolution of the Board of Directors at the meeting to be held on the day of this meeting, it is planned that he will be appointed Chairman, which is a position that does not hold representative authority.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Kazuki Yamamoto (October 30, 1970)	Apr. 1993 Joined TESS Engineering Co., Ltd. July 2009 Director, General Manager of Tokyo Branch Office, and General Manager of Eastern Japan Sales Division Apr. 2010 Director, General Manager of Tokyo Branch Office, and General Manager of Sales Division Aug. 2012 Director of TESS Techno Service Co., Ltd. (currently the Company) Jan. 2013 Representative Director of Energy and Partners Co., Ltd. July 2014 Director and General Manager of Corporate Planning Office of TESS Engineering Co., Ltd. July 2017 Director and General Manager of Planning Division Apr. 2018 Executive Managing Director and General Manager of the Administration Department of the Company (current position) (Significant concurrent positions outside the Company) None	1,050,000
<p>[Reasons for nomination]</p> <p>The Company has nominated Kazuki Yamamoto as a candidate for Director because he has engaged mainly in overall sales and corporate planning, and has abundant business experience and knowledge. He has fulfilled his duties appropriately, working in corporate management as Director of Tess Engineering Co., Ltd. from July 2009, and as Director of the Company since August 2012, then supervising and managing the Company's overall back office division as Executive Managing Director and General Manager of the Administration Department of the Company from April 2018. Therefore, the Company has judged that he is appropriate as Director of the Company and nominated him as a candidate for Director.</p> <p>Subject to the approval at this meeting and resolution of the Board of Directors at the meeting to be held on the day of this meeting, it is planned that he will be appointed Representative Director and President.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Toshihiro Takasaki (April 12, 1971)	Apr. 1995 Joined TESS Engineering Co., Ltd. July 2014 Executive Officer, General Manager of Tokyo Branch Office, and General Manager of Sales Division July 2014 Director, General Manager of Tokyo Branch Office, and General Manager of Sales Division July 2017 Representative Director and President (current position) Apr. 2018 Director of the Company (current position) (Significant concurrent positions outside the Company) Representative Director and President of TESS Engineering Co., Ltd. Audit & Supervisory Board Member of PT PTEC RESEARCH AND DEVELOPMENT	1,050,000
<p>[Reasons for nomination]</p> <p>The Company has nominated Toshihiro Takasaki as a candidate for Director because he has engaged mainly in corporate management and overall sales, and has abundant business experience and knowledge. He also has appropriately supervised and managed the Group's business division as Representative Director and President of TESS Engineering Co., Ltd. since July 2017 and appropriately fulfilled his duties in corporate management as Director of the Company since April 2018. Therefore, the Company has judged that he is appropriate as Director of the Company and nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4*	Tatsuro Minami (June 24, 1974)	Apr. 1997 Joined TESS Engineering Co., Ltd. May 2014 Acting General Manager of Engineering Division Dec. 2017 General Manager of Internal Audit Office Apr. 2018 General Manager of Internal Audit Office of the Company July 2019 Executive Officer and General Manager of Internal Audit Office July 2021 Executive Officer and General Manager of Resource Management Unit of the Administration Department (current position) (Significant concurrent positions outside the Company) None	33,000
<p>[Reasons for nomination]</p> <p>The Company has nominated Tatsuro Minami as a candidate for Director because he has been engaged mainly as an engineer, and in internal audits and supervision of the human resources, general affairs, and information systems divisions, and he has abundant business experience and knowledge. He has made a dedicated effort to set up the Group's Internal Audit Office. As an Executive Officer of the Company since July 2019, he has created a system for appropriately auditing the entire Group. In addition, from July 2021, he has supervised the human resources, general affairs, and information systems divisions as a person in charge of the Company's Resource Management Unit. He has fulfilled his duties appropriately, contributing to secure diverse human resources, including through the appointment of female managers, and promote diversity management in the Company. Therefore, the Company has judged that he is appropriate as Director of the Company and nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5*	Mayumi Yoshida (Name in family register: Mayumi Toyota) (October 9, 1971)	<p>Sept. 1994 Joined NIPPON TRAVEL AGENCY PACIFIC INC.</p> <p>Aug. 1995 Joined Right Stuff Co., Ltd.</p> <p>July 1997 Joined ChuoAoyama Audit Corporation (Translation Professional of International Division)</p> <p>Apr. 2001 Environmental Audit Department of Business Development Division</p> <p>Sept. 2003 Seconded to ChuoAoyama Sustainability Certification Co., Ltd.</p> <p>Mar. 2006 Director</p> <p>Apr. 2008 Joined Japan Smart Energy Corporation (currently Japan Smart Energy Certification Corporation)</p> <p>May 2009 Representative Director</p> <p>June 2014 Director of Japan Smart Energy Corporation</p> <p>May 2022 Joined the Company Executive Officer in charge of Promotion of ESG and Active Participation of Women (current position)</p> <p>(Significant concurrent positions outside the Company) None</p>	—
<p>[Reasons for nomination] The Company has nominated Mayumi Yoshida as a candidate for Director because she has been engaged mainly in corporate management and duties related to GHG emissions trading, and she has abundant business experience and advanced expertise. She has provided appropriate and beneficial advice and proposals for the Company's management as an Executive Officer of the Company since May 2022. Going forward, the Company expects her to aggressively promote initiatives related to the Group's sustainability from an ESG perspective and active participation of women. The Company has therefore nominated her as a candidate for Director.</p>			

- Notes:
1. New candidates for Director are indicated by an asterisk (*).
 2. There is no special interest between any of the candidates and the Company.
 3. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses incurred in cases where an insured, including a Director of the Company, receives a claim for damages, a criminal prosecution, or other litigations lodged against due to errors, breach of duty, or other reasons. If each candidate is elected and assumes the office as Director, he/she will be an insured in the policy.

(Reference)

Expertise and experience of Directors of the Company including the candidates for Director, which will be submitted for Proposal No. 3 (skills matrix)

Name	Gender	New election	External/independent officer	Current position in the Company	Tenure
Hideo Ishiwaki	Male			Representative Director, President and Chairman	13 years and 3 months
Kazuki Yamamoto	Male			Executive Managing Director	10 years and 1 month
Toshihiro Takasaki	Male			Director	4 years and 6 months
Tatsuro Minami	Male	New election		Executive Officer	–
Mayumi Yoshida	Female	New election		Executive Officer	–
Katsushige Fujii	Male			Director who is an Audit and Supervisory Committee Member	1 year
Hiroyuki Okura	Male		External Independent	Director who is an Audit and Supervisory Committee Member	4 years and 6 months
Masaki Inoue	Male		External Independent	Director who is an Audit and Supervisory Committee Member	4 years and 6 months
Akio Hamamoto	Male		External Independent	Director who is an Audit and Supervisory Committee Member	1 year

Name	Expertise and experience						
	Corporate management	Industry knowledge / experience	Global	Finance / accounting	Legal affairs / risk management	Human resource development / diversity	ESG
Hideo Ishiwaki	●	●	●			●	●
Kazuki Yamamoto	●	●		●	●	●	
Toshihiro Takasaki	●	●	●				
Tatsuro Minami		●			●	●	●
Mayumi Yoshida	●	●	●			●	●
Katsushige Fujii		●			●		
Hiroyuki Okura	●			●			
Masaki Inoue	●	●	●		●	●	
Akio Hamamoto		●	●				