



June 23, 2025

Company Name: RHYTHM CO., LTD.  
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(Securities code: 7769 TSE Prime Market)  
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## Plan for Compliance with Continued Listing Criteria (Beginning of Improvement Period)

RHYTHM CO., LTD. (the “Company”) hereby announces that it is not in compliance with the Continued Listing Criteria of the Tokyo Stock Exchange Prime Market as of March 31, 2025. The Company notifies its actions and outlook to comply with the Criteria.

### 1. Status of Compliance with the Continued Listing Criteria, Plans, and an Improvement Period

The Company has already announced the possibility of non-compliance with the Continued Listing Criteria of TSE Prime Market in the "Notice Concerning Changes in Major Shareholders" dated April 1, 2025, and the "(Update on disclosed matter) Notice Concerning Change of Major Shareholders and Largest Major Shareholders" dated April 8, 2025. Subsequently, on the notice of the Tokyo Stock Exchange's confirmation of the status, it is confirmed that the Company is not in compliance with the Criteria, as of March 31, 2025, with the respect to its tradable share ratio and tradable share market capitalization as shown below.

If the Company is not confirmed to meet the Continued Listing Criteria, in terms of tradable share ratio and tradable share market capitalization, during the improvement period until March 31, 2026, the Tokyo Stock Exchange will designate its stocks as Securities Under Supervision (under confirmation). Thereafter, in the result of the Tokyo Stock Exchange's review based on the stock distribution status as of March 31, 2026, submitted by the Company, if it is confirmed that the Criteria are not met, the Company's securities shall be designated as Securities to be Delisted, and be delisted on October 1, 2026.

	Number of Shareholders	Number of Tradable Shares	Tradable Share Market Capitalization	Tradable Share Ratio	Daily Average Trading Value
Company's status (as of the reference date)	3,962	23,821 (Unit)	9.2 billion yen	28.4%	0.07 billion yen
Continued Listing Criteria	800	20,000 (Unit)	10 billion yen	35.0%	0.02 billion yen
Compliance status As of the end of Mar. 2025	Compliant	Compliant	Non-compliant	Non-compliant	Compliant
Planning period (Improvement period)	-	-	End of Mar. 2026	End of Mar. 2026	-

※The Company's compliance status has been calculated by the Tokyo Stock Exchange based on the distribution of the Company's shares and other relevant information as of the reference date.

### 2. Policy for Compliance with Continued Listing Criteria

As stated in the "Notice Concerning Measures to Expand Shareholder Returns, Dividend Forecast for Fiscal

Year Ending March 31, 2026, and Conclusion of an Agreement with Major Shareholders" disclosed today, the Company has agreed with Mr. Kankuro Ueshima who is a major shareholder and the largest major shareholder, UESHIMA, Inc., DOE 5% Co., Ltd. which are major shareholders and joint owners of the largest major shareholder, and other 2 companies, to take the required measures to make their owned shares applied to tradable shares. Herewith, it is expected that both the ratio of tradable shares and the tradable market capitalization will increase and be in compliance with the Continued Listing Criteria. When the Company status fulfills the Criteria, or in case any events occur to differ from the content of this disclosure, appropriate disclosure will be made promptly.

The Company continues to work on, in accordance with Medium-Term Management Plan 2027, improving its performance, as well as implementing the management that is conscious of capital cost and stock price, and achieving sustainable growth and enhancement of corporate value.