



January 28, 2026

Company Name: RHYTHM CO., LTD.  
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(Securities code: 7769 TSE Prime Market)  
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## Notice Concerning the Merger of Consolidated Subsidiaries

RHYTHM CO., LTD. (the “Company”) hereby announces that it has resolved the merger between its consolidated subsidiaries, RHYTHM HONG KONG CO., LTD. (hereinafter referred to as “RHK”) and RHYTHM INDUSTRIAL (H.K.) LTD. (hereinafter referred to as “RIHK”), at the Board of Directors meeting held today. The details are as follows. Since the Merger is between consolidated subsidiaries of the Company, some disclosure items and content have been omitted.

### 1 . Purpose of the Merger

In its Livingware business segment, while the market of clocks, its traditional main product, is contracting, the Company is focusing on expanding sales in product areas such as handy fans, circulators, and humidifiers (comfortable products). Certain achievements have been seen in domestic sales, and the business turned profitable in the first half of the fiscal year ending March 2026.

Moving forward, the Company intends to expand the sales of comfortable products not only domestically but also overseas and promote further structural reforms.

By integrating the two bases in Hong Kong, RHK and RIHK, and establishing an overseas sales system centered on China, the main production base for this business, the Company aims to strengthen its sales and improve operational efficiency, targeting the expansion of Livingware product sales overseas.

### 2 . Summary of the Merger

#### (1) Merger Schedule

Board Resolution Date (of the companies involved): January 2026 (planned)

Merger Date (Effective Date): June 2026 (planned)

#### (2) Merger Method

This is an absorption-type merger, with RHK as the surviving company and RIHK being absorbed.

#### (3) Details of Allocation Related to the Merger

Since this is a merger between wholly-owned subsidiaries of the Company, no allocation of shares or other compensation will be conducted.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights upon the Merger  
Not applicable.

### 3. Overview of Companies Involved in the Merger

(As of December 31, 2025)

	Surviving Company	Absorbed Company
(1) Company Name	RHYTHM HONG KONG CO., LTD.	RHYTHM INDUSTRIAL (H.K.) LTD.
(2) Location	Unit 1-5, 17/F., Remington Centre, 23 Hung To Road, Kwun Tong, Kowloon, HONG KONG	Unit 1-5, 17/F., Remington Centre, 23 Hung To Road, Kwun Tong, Kowloon, HONG KONG
(3) Title and name of representative	Naoya Omori, Representative Director	Fumio Sekine, Representative Director
(4) Description of business	Sales of clocks, movements, and comfortable products	Sales of clocks, precision molded parts, etc.
(5) Share Capital	HKD 26,000,000	HKD 22,000,000
(6) Date of Establishment	March 9, 1990	November 1, 1991
(7) Fiscal Year End	March 31	March 31
(8) Major shareholders and ownership ratios	RHYTHM CO., LTD. (100%)	RHYTHM CO., LTD. (100%)

### 4. Status after the Merger

	Surviving Company
(1) Company Name	RHYTHM HONG KONG CO., LTD.
(2) Location	Unit 1-5, 17/F., Remington Centre, 23 Hung To Road, Kwun Tong, Kowloon, HONG KONG
(3) Title and name of representative	To be determined
(4) Description of business	Sales of clocks, movements, comfortable products, and precision molded parts, etc.
(5) Share Capital	HKD 26,000,000

### 5. Outlook

The impact of this merger on consolidated financial results will be negligible as it is a merger between wholly-owned subsidiaries of the Company.