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November 5, 2026

To whom it may concern:

Company name: Rengo Co., Ltd.
Representative: Yosuke Kawamoto,
Representative Director, President & COO
(Code No.: 3941; Prime Market of the Tokyo Stock Exchange)
Contact: Ichiro Takase, Executive Officer and General Manager, Corporate Planning Department
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Notice Regarding the Absorption-Type Merger (Simple Merger/Short-Form Merger) of a Wholly Owned Subsidiary

Rengo Co., Ltd. (the "Company") hereby announces that it resolved at the meeting of the Board of Directors held today to absorb its wholly owned subsidiary, Taiko Paper Mfg., Ltd. ("Taiko Paper"), in an absorption-type merger (below, the "Merger") with the effective date of October 1, 2027 (planned).

As the Merger constitutes a simplified absorption-type merger with the Company's wholly owned subsidiary as the absorbed company, certain disclosure items and details are omitted from disclosure in this announcement.

1. Purpose of the Merger

The Company made Taiko Paper a wholly owned subsidiary in 2021 after it became subject to the Corporate Reorganization Act, and the Company entered the business of manufacturing and selling kraft pulp and kraft paper, which are upstream products in the paperboard and heavy duty packaging business. Since Taiko Paper became a wholly owned subsidiary of the Company, Taiko Paper has worked on improving results in the pulp and paper business, and embarked on a demonstration project for the production of second-generation bioethanol as a new application for pulp, and the Company has advanced the business restructuring of Taiko Paper.

Through the integration of the Company and Taiko Paper, we aim to consolidate management resources and streamline operations, as well as accelerate the securing and development of personnel with expertise in each business and enhance profitability.

2. Overview of the Merger

(1) Schedule of the Merger

Date of resolution by the Board of Directors	November 5, 2026
Date of conclusion of absorption-type merger agreement	November 5, 2026
Commencement date (effective date)	October 1, 2027 (planned)

Note: The Merger constitutes a simplified merger for the Company as defined in Article 796, paragraph (2) of the Companies Act, and a short-form merger for Taiko Paper as defined in Article 784, paragraph (1) of the same Act. Accordingly, neither party will seek approval of the absorption-type merger agreement at a general meeting of shareholders.

(2) Form of the Merger

The form of the Merger will be an absorption-type merger in which the Company is the surviving company and Taiko Paper is the absorbed company, resulting in the dissolution of Taiko Paper.

(3) Allocation of investment units under the Merger

As Taiko Paper is the Company's wholly owned subsidiary, no allocation of shares or other assets will take place in connection with the Merger.

(4) Handling of stock acquisition rights and bonds with stock acquisition rights associated with the Merger

Not applicable

3. Overview of the companies involved in the Merger (as of September 30, 2026)

	Surviving company	Absorbed company
(1) Name	Rengo Co., Ltd.	Taiko Paper Mfg., Ltd.
(2) Location	4-1-186 Ohiraki, Fukushima-ku, Osaka-shi, Osaka Prefecture	10 Kamiyokowari, Fuji-shi, Shizuoka Prefecture
(3) Job title and name of representative	Yosuke Kawamoto, Representative Director, President & COO	Masayuki Kumashita, Representative Director and President
(4) Description of business	Manufacturing and sales of corrugated boxes Manufacturing and sales of paperboard and heavy duty packaging Sales of flexible packaging	Manufacturing and sale of kraft pulp, kraft paper, and specialized paper
(5) Share capital	31,066 million yen	450 million yen
(6) Date of establishment	May 2, 1920	June 22, 1950
(7) Number of issued shares	271,056,029 shares	398,000 shares
(8) Fiscal year-end	March 31	March 31
(9) Major shareholders and ownership ratios Note: Treasury shares not included in major shareholders. Treasury shares are eliminated from the total number of shares issued in calculating the percentage.	The Master Trust Bank of Japan, Ltd. (trust account) (11.2%) Custody Bank of Japan, Ltd. (trust account) (10.1%) Aya Nomura (4.1%) Sumitomo Mitsui Banking Corporation (4.0%) STATE STREET BANK AND TRUST COMPANY 505223 (3.4%) Sumitomo Life Insurance Company (2.8%) STATE STREET BANK AND TRUST COMPANY 505103 (2.4%) The Norinchukin Bank (2.2%) Rengo Employee Shareholding Association (2.0%) Yakult Honsha Co., Ltd. (1.4%)	Rengo Co., Ltd. (100%)
(10) Financial positions and operating results in the latest business year		
As of / Fiscal year ended	March 31, 2026 (Consolidated)	March 31, 2026 (Non-consolidated)
Net assets	528,554 million yen	5,603 million yen
Total assets	1,313,086 million yen	24,713 million yen
Net assets per share	1,972.64 yen	14,078.49 yen
Net sales	1,008,337 million yen	10,661 million yen
Operating profit	37,090 million yen	(5,497) million yen
Ordinary profit	37,419 million yen	(5,898) million yen
Profit attributable to owners of parent	21,005 million yen	(5,275) million yen
Basic earnings per share	84.70 yen	(22,642.56) yen

4. Status after the merger

There will be no change to the Company's name, location, job title and name of representative, description of business, share capital or fiscal year-end following the Merger.

5. Future outlook

As the Merger is an absorption-type merger between the Company and its wholly owned subsidiary, impact on the consolidated financial results for the current fiscal year is immaterial.