

October 11, 2024

Company name: MELCO HOLDINGS INC.  
Name of representative: Hiroyuki Maki, President and CEO  
(Securities code: 6676)  
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## **Notice Concerning the Absorption-type Merger of a Wholly Owned Subsidiary (Simplified and Short-form Merger), Change of the Company Trade Name, and Partial Amendment to the Articles of Incorporation**

MELCO HOLDINGS INC. (the "Company") hereby announces that the Company at its meeting of the Board of Directors held today has resolved to conduct an absorption-type merger with the Company's wholly owned subsidiary Buffalo Inc. on the effective date of April 1, 2025 (the "Absorption-type Merger"), and furthermore to change the Company trade name (the "Change of Trade Name") and to partially amend the Articles of Incorporation including the Change of Trade Name (the "Amendment to Articles of Incorporation") accompanying the Absorption-type Merger. The details are described below.

The Change of Trade Name and the Amendment to Articles of Incorporation are to be carried out subject to approval of a proposal for partial amendment to the Articles of Incorporation at the extraordinary general meeting of shareholders scheduled to be held on December 18, 2024, and also subject to the Absorption-type Merger taking effect.

In addition, some disclosure items and descriptions have been omitted given that the Absorption-type Merger is an absorption-type merger carried out with the Company's wholly owned subsidiary.

### 1. Purpose of the Absorption-type Merger

In 2003, the Company shifted to a pure holding company structure and has been practicing *mori no keiei* or "forest-like management," which refers to the Company's management style as a group of combined, long-term growth companies. Since the transition, the Group has steadily strengthened its management base and expanded its business fields, but at the same time, various problems have emerged due to the overly broad scope of its business fields. The Company has come to the conclusion that it is essential to implement a reorganization entailing the spin-off listing of Shimadaya Corporation, which engages in the food business (completed on October 1, 2024), and also entailing the Absorption-type Merger, in order to resolve these issues and maximize shareholder value over the long term upon having taken into account current circumstances with drastic changes with respect to the business environment and society.

The Absorption-type Merger is being carried out for the purpose of maximizing long-term shareholder value by executing an agile business strategy and further promoting growth in the IT-related sector.

### 2. Outline of the Absorption-type Merger

#### (1) Schedule

Board of Directors resolution on the Absorption-type Merger	October 11, 2024
Conclusion of agreement on the Absorption-type Merger	October 11, 2024
Effective date of the Absorption-type Merger	April 1, 2025 (planned)

The Absorption-type Merger constitutes a simplified merger pursuant to the main clause of Article 796, paragraph (2) of the Companies Act for the Company and a short-form merger pursuant to the main clause of Article 784, paragraph (1) of the Companies Act for Buffalo Inc., both accordingly carried out without obtaining approval for the merger agreement from a shareholders meeting of either company.

#### (2) Method of the Absorption-type Merger

An absorption-type merger where the Company is the surviving company and Buffalo Inc. is the disappearing company to be dissolved through the Absorption-type Merger.

- (3) Description of allotment pertaining to the Absorption-type Merger  
The Absorption-type Merger will not involve any allotment of shares nor delivery of money or other property given that Buffalo Inc. is the Company's wholly owned subsidiary.  
In addition, there will be no change in amount of share capital or amount of legal capital surplus of the Company as a result of the Absorption-type Merger.
- (4) Handling of share acquisition rights and bonds with share acquisition rights accompanying the Absorption-type Merger  
Not applicable because Buffalo Inc. has not issued share acquisition rights or bonds with share acquisition rights.
- (5) Outline of companies involved in the Absorption-type Merger

	Surviving company (the Company) (As of September 30, 2024)	Disappearing company (Buffalo Inc.) (As of September 30, 2024)		
(1) Name	MELCO HOLDINGS INC.	Buffalo Inc.		
(2) Address	1-11-1 Marunouchi, Chiyoda-ku, Tokyo	3-30-20 Ohsu, Nakaku, Nagoya, Aichi		
(3) Title and name of representative	Hiroyuki Maki, President and CEO	Hiroyuki Maki, President and CEO		
(4) Business description	Pure holding company	Development, manufacture, and sales of digital home appliances and PC peripherals; data recovery services		
(5) Share capital	¥1,000 million	¥320 million		
(6) Date of establishment	July 1, 1986	August 5, 1978		
(7) Number of issued shares	15,300,000 shares	26,125,936 shares		
(8) Fiscal year-end	March 31	March 31		
(9) Major shareholders and percentage of shareholding	MELCO Group Inc.	42.54%	The Company	100%
	Hiroyuki Maki	13.76%		
	ECM MASTER FUND	10.31%		
	The Master Trust Bank of Japan, Ltd. (trust account)	5.54%		
	Maki Makoto Foundation	3.28%		
	Custody Bank of Japan, Ltd. (trust account)	1.24%		
	Taiji Iwasaki	0.96%		
	Melco Mutual Aid Association	0.76%		
	Hiromi Maki	0.52%		
	MELCO Employee Stock Ownership Association	0.49%		
(10) Relationship between companies involved, etc.				
Capital relationship	Buffalo Inc. is the Company's wholly owned subsidiary.			
Personnel relationship	There are officers who hold concurrent positions and employees seconded between the Company and Buffalo Inc.			
Business relationship	The Company leases real estate and lends funds to Buffalo Inc.			

(11) Financial position and operating results for the most recent fiscal year		
Net assets	¥63,922 million	¥(2,305) million
Total assets	¥95,936 million	¥28,957 million
Net assets per share	¥3,826.71	¥(88.23)
Net sales	¥145,773 million	¥64,267 million
Operating profit	¥2,597 million	¥(3,767) million
Ordinary profit	¥2,575 million	¥(4,166) million
Profit attributable to owners of parent	¥3,012 million	¥(3,140) million
Earnings per share	¥179.66	¥(120.21)

(6) Conditions subsequent to the Absorption-type Merger

Subsequent to the Absorption-type Merger, the Company will assume the business engaged in by Buffalo Inc., transition from a pure holding company to a business holding company, and lead the Group as the core operating company of the Group. In addition, the Company plans to change its trade name to “BUFFALO INC.” accompanying the transition to a business holding company. (Please refer to, “3. Change of Trade Name and Amendment to Articles of Incorporation,” below.) The Absorption-type Merger will not result in any changes to the Company’s head office location, title or name of representative, share capital, or fiscal year-end.

(7) Outlook for the future

The impact of the Absorption-type Merger on consolidated financial results will be negligible given that it constitutes an absorption-type merger of a wholly owned subsidiary by the Company.

3. Change of Trade Name and Amendment to Articles of Incorporation

(1) Reason for the Change of Trade Name and Amendment to Articles of Incorporation

As a result of the Absorption-type Merger, the Company will transition from a pure holding company to a business holding company, and will accordingly carry out the Change of Trade Name and the Amendment to Articles of Incorporation for the change in the Purpose.

(2) New trade name subsequent to the Change of Trade Name

BUFFALO INC.

(3) Details of amendments of Articles of Incorporation

(Underlined portions represent amendments)

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">Chapter I General Provisions</p> <p>(Trade Name)</p> <p>Article 1</p> <p>The name of the Company shall be “<u>MELCO HOLDINGS Kabushiki Kaisha</u>” and in English it shall be “<u>MELCO HOLDINGS INC.</u>”</p>	<p style="text-align: center;">Chapter I General Provisions</p> <p>(Trade Name)</p> <p>Article 1</p> <p>The name of the Company shall be “<u>Kabushiki Kaisha BUFFALO</u>” and in English it shall be “<u>BUFFALO INC.</u>”</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Purpose) Article 2</p> <p>The purpose of the Company shall be to engage in the following business activities:</p> <p>1. <u>Ownership of shares or interests in companies (including foreign companies), associations (including those equivalent to associations in foreign countries), and other similar entities that engage in the following businesses, thereby controlling and managing their business activities</u></p> <p>(1) <u>Development, manufacture, sales of digital home appliances and PC peripherals, and provision of related services</u></p> <p>(2) <u>Investment management business, investment advisory and agency business, and financial product brokerage business</u></p> <p>(3) <u>Manufacture and sales of food products</u></p> <p>(4) <u>Any and all other businesses incidental or related to any of the foregoing items</u></p>	<p>(Purpose) Article 2</p> <p>The purpose of the Company shall be to engage in the following business activities:</p> <p>1. <u>Development, manufacture, sales, import and export, rental and leasing of electrical finished goods, computers, peripherals, residential equipment, and miscellaneous goods, as well as provision of related services including operational support, planning and creation of industrial design, and consulting for project planning, etc.</u></p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>
<p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>2. <u>Development, sales, import and export, maintenance of software, and provision of related services including leasing and consulting</u></p> <p>3. <u>Advertising and promotion, advertising agency, and advertising media purchase and sales, planning and implementation of events, publishing business and consulting services related to publishing</u></p> <p>4. <u>Telecommunications, information processing, information provision services, market research, market analysis and advertising research, as well as various information collection businesses and consulting services</u></p> <p>5. <u>Computer data protection and recovery services, online computer data maintenance and storage services, as well as support and consulting services related to personal data protection</u></p>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	6. <u>Telecommunications business, telecommunications installation business, electrical installation business, and machinery and equipment installation business, as well as provision and intermediation of investigation, installation, maintenance, initial setup services for telecommunications equipment, household electric products, and commercial electric products</u>
(Newly established)	7. <u>Mail order business, fulfillment business, and warehousing business</u>
(Newly established)	8. <u>Secondhand goods purchase and sales business</u>
(Newly established)	9. <u>Worker dispatch business</u>
(Newly established)	10. <u>Pipe installation business</u>
(Newly established)	11. <u>Non-life insurance agency business as well as low-cost, short-term insurance agency business</u>
(Newly established)	12. <u>Ownership of shares or interests in companies (including foreign companies), associations (including those equivalent to associations in foreign countries), and other similar entities that engage in the businesses set forth in item 1 through item 11, thereby controlling and managing their business activities</u>
2. <u>Management guidance and management services outsourcing of accounting, human resources, etc. with respect to companies, etc. of the preceding paragraph</u>	13. <u>Management guidance and management services outsourcing of accounting, human resources, etc. with respect to companies, etc. of the preceding item</u>
3. <u>Acquisition, lending <u>as well as</u> purchase and sales of patent rights, trademark rights, utility model rights, design rights, and copyrights</u>	14. <u>Acquisition, lending, purchase and sales, <u>and</u> licensing of patent rights, trademark rights, utility model rights, design rights, and copyrights</u>
4. <u>Real estate lease <u>and</u> purchase and sales, <u>as well as</u> brokerage</u>	15. <u>Real estate lease, purchase and sales, brokerage, <u>and management services</u></u>
5. <u>Money lending, agency thereof, and intermediary in lending and borrowing, as well as guarantee</u>	16. <u>Money lending, agency thereof, and intermediary in lending and borrowing, as well as guarantee</u>
6. <u>Any and all other businesses incidental or related to any of the foregoing items</u>	17. <u>Any and all other businesses incidental or related to any of the foregoing items</u>

(4) Schedule

The Change of Trade Name and the Amendment to Articles of Incorporation shall take effect on the Absorption-type Merger effective date of April 1, 2025 (planned), subject to approval of a proposal for partial amendment to the Articles of Incorporation at the extraordinary general meeting of shareholders scheduled to be held on December 18, 2024, and also subject to the Absorption-type Merger taking effect.

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