



June 25, 2025

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## Notice Concerning Disposal of Treasury Shares as Restricted Stock-Based Remuneration

BUFFALO INC. (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held today, to dispose of treasury shares as restricted stock-based remuneration (hereinafter the "Disposal of Treasury Shares") as described below.

### 1. Overview of the Disposal of Treasury Shares

#### <For Directors>

(1) Allotment date	July 25, 2025
(2) Class and number of shares to be disposed of	Common shares of the Company: 14,300 shares
(3) Disposal price	The Disposal of Treasury Shares is for the purpose of disposing of the Company's common shares as remuneration, etc. for Directors of the Company, and no cash payment or delivery of property in exchange for such common shares is required. * The fair value of the common shares is ¥2,321 per share, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on June 24, 2025, the business day immediately preceding the Board of Directors meeting held today, and the total amount is ¥33,190,300.
(4) Planned allottees	Two Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors): 8,600 shares Two Directors who are full-time Audit and Supervisory Committee Members: 5,700 shares

#### <For Executive Officers>

(1) Payment date	July 25, 2025
(2) Class and number of shares to be disposed of	Common shares of the Company: 3,600 shares
(3) Disposal price	¥2,321 per share
(4) Total disposal amount	¥8,355,600
(5) Planned allottees	Two Executive Officers: 3,600 shares

### 2. Purpose and Reasons for the Disposal

At the Board of Directors meeting held on May 7, 2025, the Company resolved to introduce a restricted stock-based remuneration plan (hereinafter the "Plan") as a new remuneration plan for the Company's Directors

(including Directors who are Audit and Supervisory Committee Members; the same applies hereinafter) with the aim of sustainably improving the Company's corporate value and further promoting sharing of value with shareholders.

Additionally, at the 39th Annual General Meeting of Shareholders held on June 25, 2025, the Company received approval for the following proposals: (1) To grant restricted stock as remuneration, etc. or pay monetary remuneration claims for the grant of restricted stock as remuneration to Directors under the Plan, with the transfer restriction period to be determined by the Board of Directors of the Company within a period of three to five years; (2) The grant of restricted stock shall be made either by issuing or disposing of the Company's common stock without requiring any cash payment or other consideration as remuneration, etc. for Directors, or by issuing or disposing of the Company's common stock in exchange for the entire amount of monetary remuneration claims granted to Directors as a contribution in kind, and (3) The total number of the Company's common shares to be issued or disposed of based on the Plan shall be 25,000 shares or lower per year for Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors), and 20,000 shares or lower per year for Directors who are Audit and Supervisory Committee Members (excluding part-time Directors who are Audit and Supervisory Committee Members). The amount is separated from the existing monetary remuneration framework, with ¥50 million or lower per year for Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) and ¥40 million or lower per year for Directors who are Audit and Supervisory Committee Members (excluding part-time Directors who are Audit and Supervisory Committee Members).

Also, with the aim of sustainably improving the Company's corporate value and further promoting sharing of value with shareholders, the Company has granted restricted shares to Executive Officers of the Company in advance of this.

In connection with the above, at the Board of Directors meeting held today, the Company resolved to dispose of common shares of the Company as restricted stock to two of its Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) and two Directors who are full-time Audit and Supervisory Committee Members (collectively, the "Eligible Directors"), as well as two Executive Officers of the Company (the "Eligible Executive Officers," and together with the "Eligible Directors," collectively the "Eligible Officers"). Taking into consideration the purpose of the Plan, the scope of responsibilities of each Eligible Officer, and other various circumstances, the Company has resolved to dispose of 14,300 common shares of the Company as restricted stock to the Eligible Directors, and to dispose of 3,600 common shares of the Company as restricted stock to the Eligible Executive Officers by having them pay monetary remuneration claims as a contribution in kind.

#### <Overview of Agreement on Allotment of Restricted Stock>

In connection with the Disposal of Treasury Shares, the Company and the Eligible Officers will individually enter into an agreement on allotment of restricted stock (hereinafter the "Allotment Agreement"), the summary of which is as follows:

##### (1) Transfer restriction period

<For Directors (including Directors who are full-time Audit and Supervisory Committee Members)>

The Eligible Directors may not transfer, pledge security interests on, or otherwise dispose of the Company's common shares allotted pursuant to the Allotment Agreement (hereinafter the "Allotted Shares (Directors)") from July 25, 2025 (allotment date) through the date of the Company's Annual General Meeting of Shareholders to be held in 2028.

<For Executive Officers>

The Eligible Executive Officers may not transfer, pledge security interests on, or otherwise dispose of the Company's common shares allotted pursuant to the Allotment Agreement (hereinafter the "Allotted Shares (Executive Officers)") from July 25, 2025 (allotment date) through March 31, 2028.

## (2) Conditions for lifting transfer restrictions

<For Directors (including Directors who are full-time Audit and Supervisory Committee Members)>

On the condition that the Eligible Director continues to serve as a Director of the Company from the date of the Company's Annual General Meeting of Shareholders immediately preceding the allotment date to the date of the Company's Annual General Meeting of Shareholders to be held in 2028 (hereinafter the "Service Period (Director)"), the transfer restrictions shall be lifted for all of the Allotted Shares (Director) at the time of expiration of the transfer restriction period. However, if an Eligible Director resigns from his or her position as a Director of the Company during the Service Period (Director) due to death, expiration of term of office, or any other reason that the Board of Directors deems valid, the transfer restrictions will be lifted on the day following the date of such resignation for the number of the Allotted Shares (Director) calculated by dividing the number of months, from the month following the month in which the Service Period (Director) begins to the month including the date of such resignation, by 36 (however, if the result of the calculation is greater than 1, it shall be 1), and multiplied by the original number of the Allotted Shares (Director) (however, if the calculation results in a fraction less than one share, such fraction will be rounded down).

<For Executive Officers>

On the condition that the Eligible Executive Officer continues to serve as an Executive Officer of the Company from April 1, 2025 to March 31, 2028 (hereinafter the "Service Period (Executive Officer)"), the transfer restrictions shall be lifted for all of the Allotted Shares (Executive Officer) at the time of expiration of the transfer restriction period. However, if an Eligible Executive Officer resigns from his or her position as an Executive Officer of the Company during the Service Period (Executive Officer) due to death or any other reason that the Company deems valid, the transfer restrictions will be lifted on the day following the date of such resignation for the number of the Allotted Shares (Executive Officer) calculated by dividing the number of months, from April 2025 to the month including the date of such resignation, by 36 (however, if the result of the calculation is greater than 1, it shall be 1), and multiplied by the original number of the Allotted Shares (Executive Officer) (however, if the calculation results in a fraction less than one share, such fraction shall be rounded down).

## (3) Acquisition by the Company without consideration

<For Directors (including Directors who are full-time Audit and Supervisory Committee Members)>

The Company shall automatically acquire, without consideration, the Allotted Shares (Director) that are subject to transfer restrictions and for which such restrictions have not been lifted as of the date on which the transfer restriction period expires, or as of the day following the date on which the Eligible Director resigns from his or her position as a Director of the Company during the transfer restriction period.

<For Executive Officers>

The Company shall automatically acquire, without consideration, the Allotted Shares (Executive Officer) that are subject to transfer restrictions and for which such restrictions have not been lifted as of the date on which the transfer restriction period expires, or on the day following the date on which the Eligible Executive Officer resigns from his or her position as an Executive Officer of the Company during the transfer restriction period.

## (4) Management of shares

The Allotted Shares (Director) and the Allotted Shares (Executive Officer) may not be transferred, pledged security interests on, or otherwise disposed of during the transfer restriction period, and to that end, the shares shall be managed in a dedicated account for restricted stock opened by the Eligible Officer at Daiwa Securities Co. Ltd.

## (5) Treatment in the event of organizational restructuring, etc.

<For Directors (including Directors who are full-time Audit and Supervisory Committee Members)>

During the restriction period, if matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of

Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.), the number of the Allotted Shares (Director) for which the transfer restriction is to be lifted is calculated as the number of months obtained by dividing the number of months, from the month following the month in which the Service Period (Director) begins to the month in which the organizational restructuring, etc. is approved, by 36 (however, if the result of the calculation is greater than 1, it shall be 1), multiplied by the number of the Allotted Shares (Director) held at such time (however, if the calculation results in a fraction less than one share, such fraction shall be rounded down), and the transfer restriction shall be lifted by resolution of the Company's Board of Directors immediately before the business day preceding the effective date of the organizational restructuring, etc.

<For Executive Officers>

During the restriction period, if matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.) the number of the Allotted Shares (Executive Officer) for which the transfer restriction is to be lifted is calculated as the number of months obtained by dividing the number of months, from April 2025 to the month in which the organizational restructuring, etc. is approved, by 36 (however, if the result of the calculation exceeds 1, it shall be 1), multiplied by the number of the Allotted Shares (Executive Officer) held at such time (however, if the calculation results in a fraction less than one share, such fraction shall be rounded down), and the transfer restriction shall be lifted by resolution of the Company's Board of Directors immediately before the business day preceding the effective date of the organizational restructuring, etc.

### 3. Basis for Calculation of Payment Amount and Details Thereof

The Disposal of Treasury Shares related to restricted stock-based remuneration granted to the Eligible Directors under the Plan is made as part of their remuneration, etc., and no cash payment or contribution of assets in kind is required in exchange for the offered shares. The fair value of the Company's common shares is set at ¥2,321 per share, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on June 24, 2025, the business day immediately preceding the Board of Directors meeting held today.

The Disposal of Treasury Shares related to restricted stock-based remuneration granted to the Eligible Executive Officers shall be made using the monetary remuneration claims paid to the Eligible Executive Officers as contributed assets, and the payment amount will be set at ¥2,321 per share, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on June 24, 2025, the business day immediately preceding the Board of Directors meeting held today, in order to eliminate arbitrariness. This represents the market price immediately prior to the date of the Board of Directors resolution, and in the absence of any special circumstances indicating that the most recent share price cannot be relied upon, the Company believes that this is a reasonable amount that appropriately reflects the corporate value of the Company and is not particularly favorable to the Eligible Executive Officers.

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