

Section

4



Section 4

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Business Strategy

The "K" LINE Group has been strengthening portfolio management as a business strategy in the medium-term management plan. Management has drawn up strategic directions based on five categories of roles, including the three roles for its own existing businesses, namely the "role of driving growth," "role of supporting smooth energy source conversion and taking on new business opportunities," and "role of contributing by enhancing profitability," and the two roles for the containership business and new business domains. Management has laid out specific measures and clarified priority issues along with targeted markets and customers.

<p>Role of driving growth</p>	Coal & Iron Ore Carriers	Through customer-oriented and environmental sales, we are maintaining and strengthening relationships with Japanese and Korean steel mills and strengthening relationships with growing Indian and Middle Eastern steel mills and major resource companies.
	Car Carriers	Against a backdrop of robust demand, we have perceived environmental measures and high-and-heavy cargo* to be opportunities, and we are realizing sustained business management through medium- to long-term contracts.
	LNG Carriers	We are expanding long-term contracts by meeting customer needs through "K" Line's strength of providing support that combines maritime technology and sales, and by building strong relationships of trust with influential partners.
<p>Role of supporting smooth energy source conversion and taking on new business opportunities</p>	Thermal Coal	While meeting transportation demand for necessary fossil fuels, we will also propose solutions that contribute to low-carbon and decarbonization efforts of our customers.
	Tankers	
	LPG Carriers	
<p>Role of contributing by enhancing profitability</p>	Bulk Carriers	In addition to increasing vessel deployment efficiency and maintaining and expanding our customer base in Japan and the rest of Asia, we are improving and developing our sales outside Japan and increase profitability by raising the proportion of light assets in our fleet.
	Short Sea and Coastal Port/Logistics	Along with improving earning power in the business areas of Short Sea and Coastal, Ports, and Logistics, we are promoting synergies between these areas by leveraging the knowledge of the relevant Group companies. Logistics Business aims for further growth by promoting collaboration with partner companies through the established holding company.
<p>Role of supporting the business as a shareholder and stabilizing the earning base</p>	Containerships	We aim to maximize corporate value through involvement in management governance and continuous support for human resources from a shareholder perspective.
<p>Expansion of new business in fields where "K" LINE can utilize its strengths</p>	Projects for emissions reduction and decarbonization	We are participating in new business areas that contribute to a low-carbon and decarbonized world by utilizing our strengths, namely, liquefied CO ₂ transport and offshore wind power support vessel businesses etc.

* High-and-heavy cargo: Oversized cargo such as construction and agricultural machinery, and rail vehicles

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Three Businesses That Will Drive Growth and New Business Areas: Growth Strategy Progress

Coal & Iron Ore Carriers

Leveraging safe operation, high-quality ship management, and environmentally focused sales aligned with customers' shift toward low-carbon and decarbonization initiatives, "K" Line will further strengthen relationships with existing customers in Japan and abroad. At the same time, we will expand our customer base by capturing growing demand in emerging markets such as India and the Middle East.

- "CAPE HAYATE," our first LNG-fueled Capesize bulk carrier, was delivered in 2024. A series of deliveries are scheduled for cutting-edge Capesize bulk carriers with excellent fuel efficiency, including LNG-fueled vessels.
- "K" Line will continue to promote the shift to environmentally friendly vessels in line with customers' decarbonization efforts while also responding to transitional demand.
- Planning an operating fleet of 100 to 110 vessels by FY2030-35.



Car Carriers

Through the introduction of environmentally friendly vessels and the restructuring of our route network, we will strengthen our earnings base and competitiveness by better meeting customer needs. Additionally, as we make progress in shifting to long-term contracts and increasing high-and-heavy cargo, we are contributing to the stabilization of our business environment, including our financial structure.

- We are enhancing strong relationships with shippers by providing reliable and sustainable transport services.
- Strengthening the foundation for stable service provision by encouraging cargo owners to switch to medium- to long-term contracts.
- We aim to bolster fleet competitiveness through emissions reduction and decarbonization initiatives, as well as by building larger vessel types. A total of 12 LNG-fueled car carriers*1 have already been delivered, and the number of environmentally friendly vessels is planned to reach 30 by FY2030.
- Promoting the implementation of next-generation zero-emission vessels and new technologies toward FY2030 target achievement.



LNG Carriers

We are gearing up efforts in new markets such as Southeast Asia and India, and plan to expand our fleet from 47 vessels to 65 vessels by FY2026.

- Of the 16 new LNG carriers ordered for QatarEnergy, 4 have been delivered.
- Signed long-term time charter and shipbuilding contracts for LNG carriers with state-owned GAIL, India's largest natural gas supplier.
- As demand for transitional fuels such as LNG increases, our fleet of 65 vessels planned for FY2026 is nearly confirmed, and we plan to expand our fleet to 75 vessels or more by FY2030, mainly through long-term charter contracts.



New Business Areas

In the liquefied CO₂ transport business, the Northern Lights project in Norway has become fully operational, and we are managing 3 liquefied CO₂ carriers. A Japanese-registered geological survey vessel has begun operations to support offshore wind power.

- Liquefied CO₂ transport business: Signed a charter contract with NL*2 for 3 liquefied CO₂ vessels. The first 2 vessels have completed their voyage to the project site and began transport operations for the world's first CCS*3 project this year. The third vessel is scheduled to be engaged in overseas transportation from 2026 onward. In September, a memorandum was signed with HANS*4 for joint development of a CCS value chain utilizing FSU*5.
- Offshore wind power support vessel business: KWS*6 and EGS*7 have established a joint venture for marine geological survey operations. We have been steadily building up our track record, starting with the geotechnical survey vessel "EK HAYATE." In August, KWS entered a capital alliance with SN Marine, a company engaged in the ownership and operation of offshore support vessels.



*1. As of November 5, 2025 *2. NL: Northern Lights JV DA
 *3. CCS: Carbon Capture and Storage
 *4. HANS:Havstjerne ANS, an unlimited liability incorporated partnership of Harbour Energy's Norwegian subsidiary and a wholly owned subsidiary of Yinson Production
 *5. FSU: Floating Storage and Injection Unit. An offshore facility for storing and injecting liquefied CO₂
 *6. KWS: "K" Line Wind Service, Ltd. *7. EGS: EGS Survey Pte Ltd

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Employee Roundtable Discussion

Special Feature

Tackling an Unprecedented Project to Create New Value

—Contributing to Society's Decarbonization—

In 2022, "K" LINE became the first shipping company to participate in the full-scale carbon capture and storage (CCS) project, Northern Lights. Of the three vessels initially contracted, two were delivered in 2024, and the third is under preparation for start of operations in 2026. Our London-based subsidiary, "K" LINE ENERGY SHIPPING (UK) LIMITED, will manage these three vessels, transporting CO₂ collected from customers based in Norway, Denmark, and the Netherlands to Northern Lights' CO₂ receiving terminal in Øygarden, Norway. We interviewed four employees involved in the project about their collaboration in promoting the project, what they gained from it, and their outlook for the future.



Shinichiro Saigusa
 "K" LINE ENERGY SHIPPING (UK) LIMITED
 Joined as a new graduate in 2001
 (25th year with the Company as of 2025)

Kiyoshi Sekiya
 "K" LINE ENERGY SHIPPING (UK) LIMITED
 Joined mid-career in 2010
 (16th year with the Company as of 2025)

Yutaro Miyoshi
 Liquefied Gas Business Group, CCS Business Team
 Joined as a new graduate in 2008
 (18th year with the Company as of 2025)

Tomoya Hamaoka
 Liquefied Gas Business Group, CCS Business Team
 Joined mid-career in 2022
 (4th year with the Company as of 2025)

— To begin with, could you each please begin by introducing yourselves, explaining your roles in this project, and how you've been involved?

Sekiya As Manager of the Renewable Green Business Team, I led the project team back in 2022. After signing the time charter contracts for liquefied CO₂ carriers, I was assigned to London in April 2023, where I joined my current department and have been engaged in this project.

Saigusa After lengthy business trips to Oslo to prepare for the establishment of a renewable energy-related organization in Europe, I was assigned to London in June 2022, where I joined my current department and have been engaged in this project.

Miyoshi Since 2020, I have been the primary person in charge of CCS in the Renewable Green Business Team, and from the project's inception, I have been involved in all aspects, from bidding to contract negotiations. After the conclusion of the time charter contracts for liquefied CO₂ carriers, I have been responsible for operational support from Tokyo, as well as managing the Norwegian subsidiary.

Hamaoka Having joined the Company in 2022 from another industry, I was immediately assigned to this project alongside Miyoshi. Starting from bidding to contract negotiations, we have worked together and continue our efforts in Tokyo today.

— The challenge of an unknown project. What were your thoughts when the bid was announced?

Sekiya As Manager of the Renewable Green Business Team at that time, I was involved in developing a marine transportation business for CCS (Carbon dioxide Capture and Storage). Since 2021, we have been participating in Japan's New Energy and Industrial Technology Development Organization (NEDO) research, development, and demonstration project on liquefied CO₂ maritime transport, working to stay ahead of other companies and accumulating know-how. When the opportunity came to bid for long-term contracts for liquefied CO₂ carriers for Northern Lights, I was excited by this major opportunity, thinking, "We can't let this chance slip by."

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Miyoshi At the time, CO₂ transport in CCS had only been conducted via pipelines. Northern Lights was the first in the world to undertake CCS involving liquefied CO₂ maritime transport. We were determined to be chosen as their partner and seize the chance to engage in the "world's first full-scale CCS project."

Hamaoka To be honest, I could not hide my wonderment. Having only just joined from another industry in 2022, I had no knowledge of the shipping business when I was assigned to this project, which was also the first of its kind for the Company. As I learned more about the general shipping business, I began to understand how a CCS project utilizing ships could be successful.

— Bidding for a new project. How did you approach the preparations?

Saigusa At the time, I was making repeated and lengthy business trips to Europe in preparation for setting up a renewable energy-related organization there. I visited Northern Lights in Norway in early 2022. We emphasized not only our existing efforts in CCS, but also our long-standing involvement in ship management of LNG carriers, which share a lot of technological DNA with liquefied CO₂ carriers, and our extensive track record in operating LNG carriers in Europe. We also conveyed that we had already been engaged in LNG transport for Norway's first Snøhvit project since 2006, earning recognition from Equinor, a shareholder of Northern Lights, which was helpful.

As a result, we received a favorable response and continued communication with Northern Lights. Later, Saigusa was assigned to London in June 2022. Based on the information he gathered locally on Northern Lights, the Tokyo team advanced preparations for the bid.

Miyoshi Accurate information is essential for bidding—what kind of bidding will be conducted, and what Northern Lights was looking for. Through close collaboration between the London and Tokyo teams, we were able to proceed smoothly with preparations.



— What challenges did you face in moving the project forward?

Sekiya While the project team worked hard on negotiations with Northern Lights and preparation of bidding documents, we also had to obtain internal approval, which was equally difficult. Liquefied CO₂ carriers were a new type of vessel for "K" LINE. Given the limited public understanding of CCS in 2022, the project initially faced some skepticism.



The project team conducted both qualitative and quantitative analyses, including forecasts for the European market for liquefied CO₂ carriers, "K" LINE's strengths in liquefied CO₂ transport, and countermeasures against potential risks.

Along with efforts to obtain internal approval, the project team was also staying in communication with Northern Lights, working on project economics estimates, and examining crew deployment plans requested by the customer.

Miyoshi We finalized and submitted the bid documents and pricing in July. At the start of preparations, there were around 10 competitors with LNG carrier and other liquefied gas vessel experience. By the following month, August, the shortlist had been narrowed to a few strong candidates, with us remaining among them. It was from this point that full-scale negotiations with Northern Lights began.

— What was important and what did you focus on during contract negotiations?

Saigusa The negotiations lasted about four months, from September to December. During this time, the project team held two online meetings per week, along with monthly in-person meetings at Northern Lights in Norway. After each meeting, we always made an effort to further talk with Northern Lights, discern what they really meant, and shared this additional information with the Tokyo team.

Sekiya In contract negotiations, the project team focused on making every effort to meet customer requests as thoroughly as possible, while also drawing a clear line between "what we can do" and "what we can't do." Even for demands that competitors would immediately refuse, we thoroughly discussed how we might meet them, translated this into realistic proposals, and carefully explained, "We can do this much, but not more."

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Employee Roundtable Discussion

Miyoshi At first, we doubted whether there was really any room for a Japanese shipping company to participate in a Norwegian project. But as we sincerely engaged with the customer, we felt their trust in us steadily growing.

As a result of our dedicated efforts, in December 2022, we finally signed long-term contracts with Northern Lights for two liquefied CO₂ carriers to begin operations in 2024.

— What challenges did you face after signing the contracts?

Sekiya When we signed the long-term contracts for two liquefied CO₂ carriers, we felt a sense of excitement but also tightened our resolve. From the start, the contracts required flexibility, with the customer agreeing that “as this is a new project, we should build the procedures for operation and cargo handling together.” We knew then the preparation phase for actual operations would become a real partnership. There will always be so many things that do not go as expected. We have to think long and hard about how to solve them.

Hamaoka From January 2023, the project team began working on issues that had not been finalized at the contract stage or that had not been originally anticipated. One example was arranging insurance for the vessels. As this project is subsidized by the Norwegian government, the arrangements differed significantly from the usual approach. We proceeded through trial and error, consulting Norwegian lawyers and insurers along the way.



In April 2023, Sekiya was transferred to “K” LINE ENERGY SHIPPING (UK) LIMITED in London. There, together with Saigusa, he took on responsibility for the project on the London side.

Sekiya The greatest difficulty in starting operations of the two liquefied CO₂ carriers was finding skilled crew members. These are new vessel types, so prospective crew were cautious not knowing what kind of ships they would be working on and how operations may differ from past experience. In the end, we recruited crew by educating them individually.

— What is your outlook for the project going forward?

Sekiya In November and December 2024, two vessels were delivered in succession. The third vessel is scheduled for delivery in 2025. The full-scale CCS project is finally about to begin, but this is where the true value of our Company will be tested. Our immediate goal is to get this project on track. I believe that the experience gained from launch to execution will be applicable to other new business opportunities in the future.

Saigusa This project is the world’s first CO₂ maritime transport undertaken for CCS, and it is attracting worldwide attention. By ensuring a solid start-up, we hope to further strengthen the trust of our customers and partners and connect this to securing subsequent liquefied CO₂ carrier projects.

Miyoshi Taking this project as the starting point, we intend to expand our fleet of liquefied CO₂ carriers and make the marine transportation business for CCS one of our core businesses.

Hamaoka Going forward, as projects other than Northern Lights are also anticipated, we aim to leverage the experience gained here to increase the number of vessels we engage with worldwide.



Image provided by Northern Lights JV/Tom Haga

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Dry Bulk

Coal & Iron Ore Carrier Business



Takeshi Mikami
 Corporate Officer
 In charge of Coal & Iron Ore Carrier Business, Coal & Iron Ore Carrier Planning & Operation, General Manager of Coal & Iron Ore Carrier Business Group



Cape-size Bulk Carrier CAPE SUZURAN



Cape-size Bulk Carrier CAPE HAYATE

Strengths

- A strong and enduring relationships with key customers built over many years of transactions.
- Sales structure and customer base in the broader Asian regions, where transport demand is expected to grow.
- Attentive services through high safety standards, advanced environmental technology, and customer-oriented operations.

Risks

- The risk of slowing growth in raw material demand due to a decline in steel demand from the global economic slowdown and the peaking of China's crude steel production.
- The risk of declining transport demand for cape-size vessels as the use of electric arc furnaces and direct reduced iron expands as part of decarbonization measures in the steelmaking process, changing trade patterns of raw materials.
- The risk of limited flexibility in renewing cape-size bulkers due to rising building costs from inflation and labor shortages, as well as fully booked shipyard's slipways for several years ahead.

Opportunities

- Increased vessel demand on a ton-mile basis due to the commencement of shipments from newly developed mines and strong demand for bauxite, particularly from long-distance sources such as West Africa.
- Improvement in the supply-demand balance in the medium term as speculative orders for new ships are limited on the back of environmental regulations, and a generation of vessels built in large numbers in the past is now nearing retirement.
- Differentiation through the expected fuel transition toward decarbonization and advancement of ship management and operation management.

Overview of Fiscal 2024

In the market for cape-size bulkers, transport demand for iron ore and bauxite remained firm from the beginning of the fiscal year. However, in the second half, iron ore demand bound for China slowed, and shipments declined due to heavy rainfall and cyclones at load ports, causing the market to temporarily soften. Toward the end of the fiscal year, as shipment volumes recovered, the market picked up again and overall remained firm throughout the year, despite some fluctuations.

To maintain and expand a stable revenue base, we strived to strengthen relationships with cargo owners, including efforts towards decarbonization, appropriately managed market exposure, and worked to reduce operating costs and increase the efficiency of fleet allocation.

Market Environment and Future Strategy

Through our commitment to safe operation, we will continue to provide high-quality transportation services to our long-standing customers, while maintaining and expanding strong business relationships.

In addition, we will steadily capture customer needs during the transition period leading up to the introduction of environmentally friendly vessels, including demand for the transition to zero-emission fuel vessels, such as LNG, as well as ammonia and methanol fueled vessels, to expand our market share in steel raw material transportation.

Additionally, the demand for the transportation of direct reduced iron, which supplements iron ore and coking coal in the steelmaking process to reduce greenhouse gas emissions, is expected to rise. We will establish the technology necessary for the safety in long-distance marine transportation of these materials and accumulate the necessary expertise. We will steadily expand our business activities in the broader Asian regions, such as India and the Middle East, where there is growing demand for raw materials for steel-making. By increasing the efficiency of vessel allocation, we will strengthen our earning power and competitiveness, thereby expanding earnings and growing the business. To systematically expand sales activities in the broader Asian region, we will enhance overseas bases such as Singapore, India, Dubai and other locations, further enhancing our ability to respond swiftly to customer needs and market changes.

Capesize Fleet Ranking

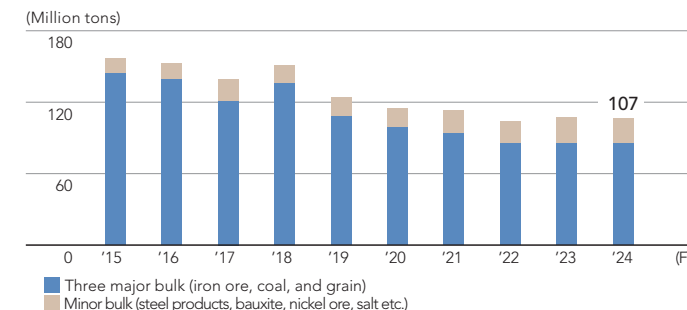
(As of June 2025)

Ranking	Operator	100,000 DWT	Vessels
1	China COSCO Shipping	227.8	91
2	CMB	149.0	77
3	Berge Bulk	134.2	61
4	ICBC	104.3	31
5	Winning Intl	101.9	53
6	Pan Ocean	92.4	36
7	China Merchants	82.8	29
8	Angelicooussis Group	82.1	44
9	H-Line Shipping	75.0	36
10	"K" LINE	71.5	36

* Includes owned vessels and a portion of chartered vessels

Source: Clarksons

"K" LINE Cargo Tonnage Carried by Dry Bulk Carriers



* The figures from FY2017 exclude the volume carried by the Electricity Business.

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Dry Bulk

Bulk Carrier Business



Kenichiro Matsui
 Corporate Officer
 In charge of Bulk Carriers,
 Dry bulk Planning



KAMSARMAX Bulk Carrier ROYAL STELLAR



Supramax Bulk Carrier SPRING AURA

Strengths

- Existing customer base and connecting cargo, enabling efficient fleet allocation.
- Sales structure and customer base in the broader Asian regions, where transport demand is expected to grow.
- Track record and accumulated know-how in direct reduced iron transport.

Risks

- Uncertainty of the economic outlook of China, a major consumer of bulk cargo, and the rising geopolitical risks and their potential impact on transport demand.
- Changes in transport demand and trade patterns due to U.S. tariff measures, additional port charges, and rising geopolitical risks.
- Decline in thermal coal transport demand as countries advance decarbonization policies.

Opportunities

- A steady increase in transport demand for dry bulk cargo such as grain, fertilizer, construction materials, and other goods, driven by the expansion of the global economy and population growth in emerging countries.
- The expansion of new transport demand, such as direct reduced iron, biomass, and other materials required for raw material and fuel conversion by existing customers.
- Improvement in the supply-demand balance in the medium term as speculative orders for new ships are limited on the back of environmental regulations, and a generation of vessels built in large numbers in the past is now nearing retirement.

Overview of Fiscal 2024

In the market for Panamax and Sub-Panamax vessels, demand for South American grain and coal in the Pacific region remained firm at the beginning of the fiscal year, sustaining a strong market. However, the market softened due to decreased shipments during the inter-harvest period for grains, and eased vessel supply-demand balance caused by the recovery of water levels in the Panama Canal. In the second half, available tonnage increased, and the market declined due to reduced grain imports by China following a bumper harvest, but toward the end of the fiscal year, the market picked up again with a recovery in South American grain transport demand and an increase in vessel congestion.

We aimed to optimize the structure of the fleet by taking an asset-light approach to the core fleet. At the same time, we worked to maximize our earning power by maintaining and expanding our stable earning base, and increasing efficiency in fleet allocation.

Market Environment and Future Strategy

"K" LINE is building a fleet with strong market resilience and a sustainable earning structure. In addition to Japan, we are strengthening our customer base in regions where we have a strong presence, such as India, the Middle East, and Southeast Asia. We will also strive to acquire new environmentally friendly cargoes such as direct reduced iron and biomass, while further enhancing our efficiency in fleet allocation. To enhance asset management and expand our operational capabilities, we have transferred some of the vessels owned by the Group to Singapore, reorganized our sales and fleet allocation operations and strengthened our access to growing markets across the broader Asian regions. We aim to further strengthen and expand our business overseas to maximize our earning power and improve profitability.

Dry Bulk (All Types) Fleet Ranking

(As of June 2025)

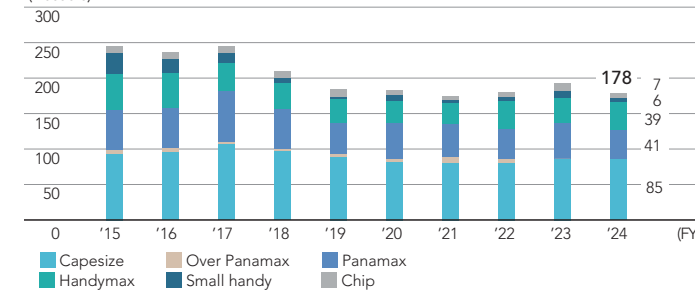
Ranking	Operator	100,000 DWT	Vessels
1	China COSCO Shipping	356.0	314
2	CMB	176.1	111
3	Star Bulk Carriers	143.3	146
4	Berge Bulk	139.5	74
5	NYK	136.6	147
6	MOL	126.5	127
7	China Merchants	120.5	101
8	Pan Ocean	117.5	76
9	China Dev Bulk (CDB)	114.3	131
10	"K" LINE	112.6	93

* Includes owned vessels and a portion of chartered vessels

Source: Clarksons

"K" LINE Dry Bulk Fleet

(Vessels)



* Capesize includes the number of Over Panamax vessels in FY2023 and FY2024.

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Energy Resource Transport

LNG Carrier Business



Satoshi Kanamori
Senior Managing Corporate Officer
Responsible for Technical Unit,
Supervising Liquefied Gas Business,
In charge of LNG



LNG Carrier ENSHU MARU



LNG Carrier LAGENDA SETIA

Strengths

- "Industry-leading ship management track record" based on know-how and networks accumulated since the early stages of the LNG carrier business.
- "Capability to respond to and propose solutions for customer needs" utilizing technology and expertise.

Risks

- Stagnation of new LNG projects due to U.S. energy policies.
- Decline in LNG demand caused by global economic slowdown and accelerated transition to renewable energy.

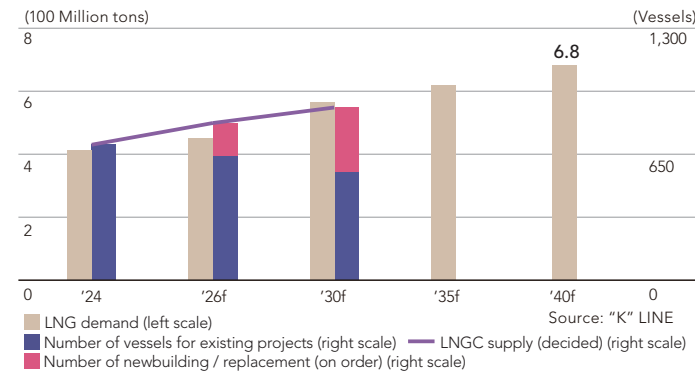
Opportunities

- Increased energy consumption in AI and data centers.
- Reevaluation of LNG's importance in energy policies of various countries.

Overview of Fiscal 2024

The LNG career business contributed to the stable earnings, with the existing fleet operating smoothly under medium- to long-term time charter contracts. For new projects, we are moving forward with the construction of newbuilding vessels scheduled for delivery from the next fiscal year onward. In addition, we have addressed long-term charter demand, which is our main target. This includes fleet replacement and expansion plans by existing customers, as well as future business in emerging regions such as South Asia, Southeast Asia, and China (hereinafter referred to as "Greater Asia"), where demand is expected to grow. Specifically, following the acquisition of a total of 12 vessels in Phase 1 of the expansion plan with QatarEnergy, Qatar's state-owned energy company, in fiscal 2022, we signed long-term time charter and shipbuilding contracts for an additional 4 vessels in Phase 2. Additionally, we signed a long-term time charter contract with GAIL, a major energy company in India.

LNG Demand and Fleet Supply Trends



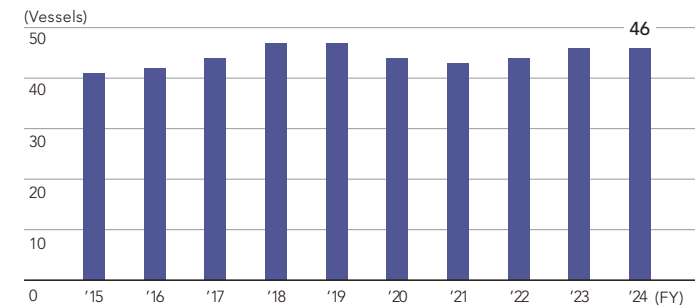
Market Environment and Future Strategy

With the steady increase in LNG demand, the demand for long-term and stable LNG carrier transport is also forecasted to expand steadily towards 2040. The LNG carrier business is positioned to grow in parallel with market expansion.

In this growing market, we aim to expand our long-term stable earnings base as part of "K" LINE's business portfolio by increasing the scale of investments. The number of fleets will increase from the current 46 to 65 by 2026, and to over 75 by 2030. As a longer-term goal, we are targeting 100 vessels.

To achieve the target, we will focus on "maintaining and increasing "K" LINE's share with existing customers" and "capturing share with new customers." Specifically, we will work to secure target projects related to the replacement of existing fleets with state-of-the-art vessels and expansion demand planned by existing customers, as well as the demand in emerging regions of Greater Asia, where demand is expected to grow, and for cargo originating from North America, which is set to become the world's largest exporter.

"K" LINE LNG Carrier Fleet (Including Co-Owned)



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Energy Resource Transport

Liquefied Gas Business



Kei Onishi
Corporate Officer
In charge of Electricity Business,
Liquefied Gas Business



Liquefied CO₂ Carrier, NORTHERN PIONEER
(Image provided by Northern Lights JV DA)



LPG and Ammonia Carrier AXIS RIVER

Strengths

- Accumulated expertise and know-how in liquefied gas transport.
- Stable business management through sharing know-how with partners.

Risks

- Trends in government regulations related to low and zero-carbon in various countries.
- Project delays or reviews due to changes in the socio-economic environment, such as the above trends and inflation.

Opportunities

- Improvement in the business environment due to policy progress and increased social awareness aimed at realizing a low and zero-carbon society.
- Increased demand for further CCS projects.
- Market expansion for liquefied gases (LPG and ammonia) that contribute to decarbonization.

Overview of Fiscal 2024

In the CCS (Carbon dioxide Capture and Storage) field, two of the three liquefied CO₂ transport vessels engaged in the Northern Lights project—the world's first CCS value chain business, which captures, transports, and stores CO₂—were delivered in 2024 and began operation. These vessels transport liquefied CO₂ from CO₂ capture facilities in Norway to a receiving terminal in Øygarden in western Norway.

Considerations for projects with CCS operators progressed further in various regions around the world, including Malaysia, Australia, and Alaska.

In the LPG transport business, we accumulated operating experience with LPG-fueled LPG carriers, contributing to reductions of environmental impact from vessel operations.

Market Environment and Future Strategy

In the field of liquefied CO₂ carriers, we aim to gain insights and expand our presence through the Northern Lights project and through commercialization studies with various customers. We will focus on European CCS development projects through around 2030 and expand our business in the Asia-Pacific region from 2030 onward.

Even in Japan, the public and private sectors are increasing efforts towards the commercialization of CCS, with the establishment of relevant laws, including governmental support for its spread and expansion and a licensing system for operators. To this end, we will actively contribute from the perspective of maritime transportation of liquefied CO₂.

We will also focus on liquefied gas transport (LPG and ammonia), which is expected to become a growth market as society continues the path of decarbonization.

COLUMN

"K" LINE Enters Bare Boat Charter and Time Charter with Northern Lights JV DA in Norway for Liquefied CO₂ transport vessels.

"K" LINE and Northern Lights JV DA in Norway have signed Bare Boat Charter and Time Charter contracts for three 7,500 m² liquefied CO₂ transport vessels. Of these, two vessels were delivered in 2024 and engaged in the world's first full-scale CCS project. The London-based subsidiary "K" LINE ENERGY SHIPPING (UK) LIMITED undertakes the ship management of three vessels transporting liquefied CO₂ from industrial emitters, including the Heidelberg Materials and Hafslund Oslo Celsio carbon capture facilities, to the Northern Lights CO₂ receiving terminal in Øygarden, Norway. We aim to become a front runner in the industry by leveraging the track record and know-how from the world's first Northern Lights project.

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Energy Resource Transport

Electricity Business



Kei Onishi
Corporate Officer
In charge of Electricity Business,
Liquified Gas Business



Thermal Coal Carrier CORONA ACE



Thermal Coal Carrier CORONA CITRUS

Strengths

- Coal carrier fleet composed of vessels optimally designed for coal transport to domestic power plants, where operating conditions and environmental regulations are strict, with high-level vessel management, and the capability to respond to customer requests using this fleet.
- Strong customer base of power utility companies throughout Japan.

Risks

- A sharp decline in coal demand due to the transition to a decarbonized society.
- Further fleet concentration during periods of peak power demand as coal-fired power plants increasingly serve as Middle-Load power source, and adjustments during off-peak periods. Long-term vessel delays caused by sudden fluctuations in coal demand.
- A rise in new shipbuilding costs due to soaring energy, labor, and material costs.

Opportunities

- While long-term coal demand is expected to decline, if technological innovation and cost reductions do not progress as expected, substantial coal transport demand may remain. Conversely, if the existing coal carrier fleet ages, vessel supply may become insufficient, tightening the vessel supply-demand balance.
- An expansion of new transport demand driven by the introduction of alternative fuels such as ammonia and hydrogen, as well as CCUS (Carbon Capture, Utilization, and Storage).

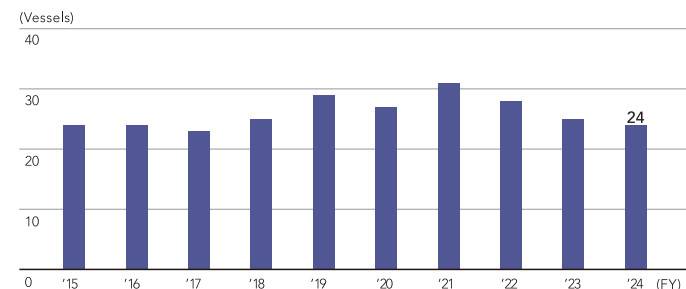
Overview of Fiscal 2024

With continued limited restarts of nuclear power plants in Japan, coal-fired power plants remained an important part of electricity generation on par with LNG-fired power plants. On the other hand, as the introduction of renewable energy sources such as solar and wind power expanded, with significant fluctuations in supply volume, coal-fired power plants increasingly served as Middle-Load power source to adjust for renewable fluctuations, resulting in significant variability in plant utilization rates. As flexibility in procuring power generation fuel became increasingly important in responding to such variability, we contributed to a stable power supply by leveraging our fleet scale to flexibly respond to the needs of power companies. Furthermore, by setting transport contracts on a medium- to long-term basis, we reduced exposure to shipping market volatility and contributed to our stable earnings.

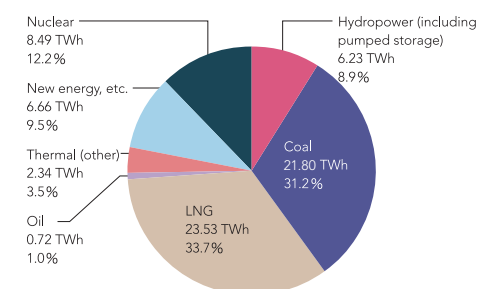
Market Environment and Future Strategy

In the 7th Strategic Energy Plan approved by the Cabinet in February 2025, thermal power generation was once again recognized as playing an important role in stable power supply, despite the challenge of greenhouse gas emissions. In the context of a carbon-free society, although coal-fired power generation is being phased out, starting with inefficient power plants, we believe coal will continue to be used at high-efficiency power plants in order to ensure a reliable supply of electricity, while efforts are made to cut greenhouse gas emissions. We will maintain high-quality transport services that meet the coal transport needs of power utility companies, promote the introduction of new environmentally friendly vessels, and also work to reduce environmental impact through the use of technologies such as wind-assisted propulsion systems. In the future, the introduction of carbon-neutral fuels such as ammonia and hydrogen for power generation, as well as CCUS (Carbon Capture, Utilization, and Storage), is expected to progress, we will also respond to transport demand in these areas.

"K" LINE Thermal Coal Carrier Fleet (Including Co-Owned)



Composition of Power Generation Output



Source: Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry, FY2024 Statistical Tables

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Energy Resource Transport

Crude Oil and Product Business



Hisashi Nakayama
 Managing Corporate Officer
 In charge of Crude Oil, Products, and Energy Business Strategy



Tanker KISOGAWA



FPSO John Agyekum Kufuor
 (Image provided by Yinson Holdings Berhad)

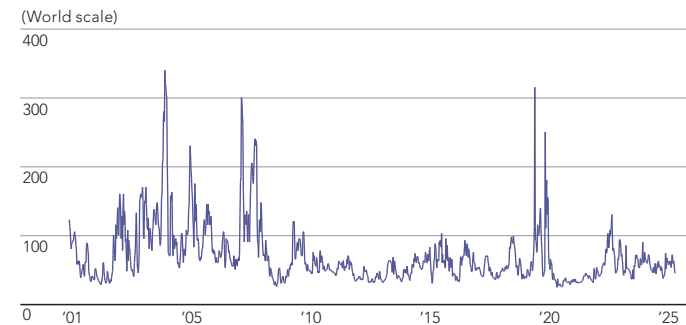
Overview of Fiscal 2024

Under the safe operation of very large crude carriers (VLCCs), we worked on the renewal of medium- and long-term charter contracts, achieving stable earnings, while contributing to the stable supply of crude oil. Our subsidiary in Singapore, which operates AFRAMAX crude oil carriers, also generates earnings while contributing to the stable supply of crude oil centered around contracts of affreightment (COA) under safe operations.

In the floating production storage and offloading system (FPSO) business, crude oil production continued offshore Ghana and Brazil under long-term charter contracts, maintaining high utilization rates and stable earnings. Similarly, in the drillship business, operations proceeded smoothly in Brazil's pre-salt layer zone, contributing to stable earnings.

In the fuel procurement for "K" LINE vessels, in addition to supplying conventional heavy oil and lubricants, we advanced the stable procurement of next-generation fuels, including LNG and biofuels, and conducted trial use of bio-LNG. Looking ahead, we will continue to explore the future introduction of next-generation fuels such as ammonia, methanol, and synthetic fuels.

Tanker Freight Index (World Scale)



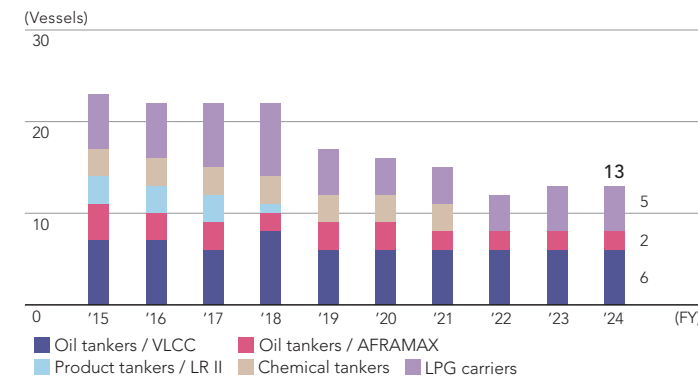
Source: Clarksons

Market Environment and Future Strategy

Demand for transporting crude oil is likely to remain robust. Amid this stable cargo movement, while ensuring safe operations, we view supporting the transition to environmentally compliant vessels for VLCCs and AFRAMAX crude carriers as a new business opportunity.

The global efforts toward low-carbon and carbon-free are changing the demand structure for energy. In collaboration with oil-related customers conducting business on a large scale, we will continue to support today's energy supply while also preparing for the maritime transport of next-generation energy. We will work to capture future demand for new energy transport and utilize it as vessel fuel.

"K" LINE Tanker Fleet Scale



Strengths

- Robust maritime transport demand for crude oil.
- Customer base engaged in large-scale, stable oil-related business.
- Seamanship enabling the continued provision of safe operations.

Risks

- Decline in maritime transport due to heightened geopolitical risks, such as a blockade of Hormuz.
- Decline in maritime transport demand due to expanded OPEC production cuts.
- Slowdown in maritime transport demand growth due to delays in oil and natural gas exploration investments.
- Decline in demand for crude oil due to a global economic downturn.
- Reduction in demand for crude oil due to the accelerated transition to renewable energy.

Opportunities

- Increase in ton-miles and vessel demand due to heightened geopolitical risks.
- Growth in maritime transport demand due to increased U.S. shale production.

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Energy Resource Transport

Energy Business



Hisashi Nakayama
 Managing Corporate Officer
 In charge of Crude Oil, Products,
 and Energy Business Strategy



Geo-Survey Vessel EK HAYATE



LNG Bunkering Vessel KAGUYA
 (Image provided by Kawasaki Heavy Industries, Ltd.)

Strengths

- Experience in LNG fuel supply business in Japan (Chubu region, supply vessel "Kaguya") and Singapore (supply vessel "FUELNG BELLINA").
- Involvement in the world's first maritime hydrogen transport business.
- Knowledge and track record in offshore support vessel operations as the foundation for the offshore wind power support vessel business.

Risks

- Rising costs stemming from global inflation, expanded geopolitical risks, trade issues, and other socio-economic changes, as well as the cooling of new investment related to next-generation fuels, and project delays or reviews.
- Trends in each national institutional design (policies and rules) related to low and zero-carbon.
- Delays in transitioning to next-generation fuels due to the above impacts.

Opportunities

- Improvement of the business environment through policy progress and increased social awareness aimed at realizing a low and zero-carbon society.
- Heightened global momentum toward the introduction of next-generation fuels and market expansion, associated with strengthening and materialization of GHG emission regulations by the IMO.
- Acceleration of fuel transition through technological innovation and development.

Overview of Fiscal 2024

In the fuel supply business, we supplied LNG fuel for LNG-fueled car carriers in the Chubu region, and in Singapore, through the ship management of FueLNG's LNG bunkering vessel "FUELNG BELLINA," we were also engaged in LNG fuel supply. With the global increase in LNG-fueled vessels, supply opportunities have grown year by year, contributing to the stable supply of LNG as a clean energy source.

In the hydrogen business, we invested in JSE Ocean, LTD., a subsidiary of Japan Suiso Energy, Ltd. (JSE). Through JSE Ocean, we cooperated in establishing maritime transport in the commercial-scale international hydrogen supply chain.

In the offshore wind power support vessel, centered on our Group company "K" Line Wind Service, Ltd. (KWS), we worked on both domestic and international projects.

Market Environment and Future Strategy

To steadily address decarbonization of both the Company and society, while continuing our LNG fuel supply business, we will leverage this experience to actively engage in the supply chain for next-generation fuels, including establishing ammonia bunkering bases and participating in related businesses.

In the hydrogen business, based on Japan's Basic Hydrogen Strategy, we are working on the demonstration of liquefied hydrogen transport through JSE Ocean, aiming to secure transport technology ahead of the world.

In the offshore wind power support vessel, starting with marine surveys by the geo-survey vessel "EK HAYATE" launched last year, we will strengthen initiatives such as securing long-term contracts in construction and maintenance fields, and expanding into the field of support vessels for floating offshore wind power, where we can leverage the strengths of a shipping company. In addition, in collaboration with our Group companies, each with its own strengths, we aim to expand profit opportunities and achieve Groupwide growth, leveraging the development of the offshore wind power industry.

COLUMN

Offshore wind project support vessel business

"K" Line Wind Service (KWS), a joint venture between "K" LINE and Kawasaki Kinkai Kisen Kaisha, Ltd., and EGS Survey (EGS) have established a joint venture company, EK Geotechnical Survey LLC (EKGS) to service the offshore geo-survey sector. EKGS is determined to provide various offshore survey services to meet growing demand with the development of offshore wind power in Japan. In September 2024, the geo-survey vessel EK HAYATE, owned by EKGS, entered into service as a Japanese-flagged vessel capable of providing offshore drilling, sampling and in-situ testing. "K" LINE will contribute to the development of offshore wind power industry in Japan and internationally in pursuit of a carbon-neutral society.

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Product Logistics

Car Carrier Business



Haruhiko Sugimoto
 Managing Corporate Officer
 Responsible for Product Logistics Business Unit (Car Carriers)



LNG-fueled Car Carrier POSEIDON HIGHWAY



LNG-fueled Car Carrier OCEANUS HIGHWAY

Strengths

- High-quality shipping services realized through safe and optimal operation.
- Solid customer base and partnerships built through long-standing trust relationships.
- Global trade network supported by overseas offices and global networks.
- Fleet scale of environmentally friendly vessels in anticipation of future environmental regulations and decarbonization of transport sectors.

Risks

- Constraints on safe operations and disruption of vessel supply-demand balance due to heightened geopolitical risks.
- Concerns about global economic slowdown triggered by U.S. tariff policies, global trade frictions, decoupling, and accelerating inflation.
- The potential changes in transport routes and patterns due to the advancement of local BEV production.

Opportunities

- The promotion of customers' low-carbon and decarbonization through the development of green vessels and the creation of new business models.
- Expansion of business scale by capturing the increasing demand in new growth markets, such as exports from China, India, and Mexico.
- Capturing high and heavy cargoes by improving transport technology and vessel capacity in car carriers.

Overview of Fiscal 2024

The global automobile sales market recovered, as semiconductor and auto parts supply shortages were largely resolved, with sales reaching approximately 88 million units, up about 2% year on year. Global ocean cargo movement for the "deep sea" reached about 16 million vehicles. Within this context, the number of vehicles transported by the "K" LINE Group, including intra-European transport, increased by about 3%, from 3.25 million vehicles in the previous fiscal year to 3.36 million vehicles. In addition, we continued to improve the efficiency of fleet allocation and operation, while restoring freight rates and optimizing cargo portfolio. As a result of these efforts and initiatives to improve our earnings capacity and cost-competitiveness, both sales and profits increased year on year. In line with realizing carbon neutrality, we continued to introduce new environmentally friendly vessels as planned, with seven LNG-fueled vessels delivered by the end of FY2024.

Market Environment and Future Strategy

In the short term, while there are concerns about declining demand for

automobiles due to global trade friction and decoupling, production and shipments are fundamentally expected to remain firm. While the pace of growth in battery electric vehicle (BEV) sales has slowed slightly recently, the global share of BEV sales is expected to reach approximately 36% by 2030. The expansion of BEV sales may affect both the reduction of maritime transport demand due to local production and the creation of new transport demand. However, in the base scenario, global maritime transport demand is expected to grow by approximately 7% from 2024 to 2030.

Under these circumstances, we will implement three key measures—environmental considerations, trade network restructuring, and cargo portfolio optimization—to achieve business sustainability and growth, as well as customer satisfaction. In particular, regarding environmental considerations, by 2028, we plan to operate 17 LNG-fueled new ships, while also accelerating consideration of introducing zero-emission vessels in parallel. Going forward, while responding to global environmental regulations and customer decarbonization needs, we plan to enhance loading capacity and strengthen fleet competitiveness through measures such as upsizing vessels.

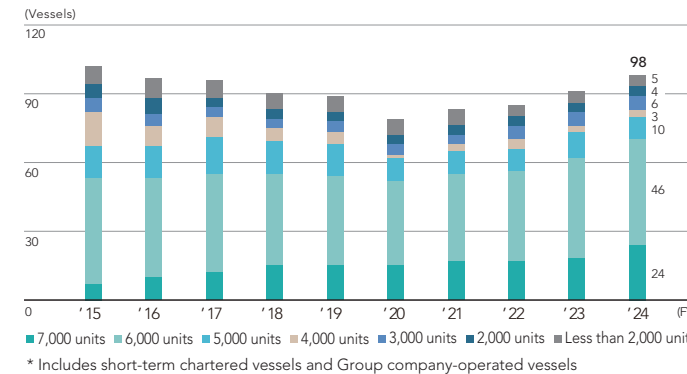
Car Carrier Fleet Ranking

(As of May 2025)

Ranking	Operator	Vessels	Vessels Share	Capacity (units)	Share of capacity
1	WWO AS	114	15.0%	779,912	16.9%
2	NYK	113	14.9%	701,006	15.2%
3	MOL	94	12.4%	570,959	12.4%
4	"K" LINE	87	11.4%	535,175	11.6%
5	GLOVIS	78	10.3%	516,240	11.2%
6	GRIMALDI	58	7.6%	284,668	6.2%
7	HOEGH	41	5.4%	292,615	6.3%
8	COSCO	19	2.5%	125,180	2.7%
9	ZIM	16	2.1%	81,340	1.8%
10	TOYOFUJI	14	1.8%	62,860	1.4%
	Others	126	16.6%	665,023	14.4%
	Total	760	100%	4,614,978	100%

Based on Hennes Shipping "AS Year Report"

"K" LINE Car Carrier Fleet



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Product Logistics

Logistics and Port Business



Keiji Kubo
Senior Managing Corporate Officer
Responsible for Product Logistics Business Unit (Logistics, Port, Short Sea and Coastal Business and Affiliated Business), Containerships Business Unit



Hofu Steel Center
(Image provided by: Seagate Corporation)



Electric Tugboat
(Image provided by: Daito Corporation)

Overview of Fiscal 2024

In the international logistics business, in the forwarding operation, revenue increased year on year due to the recovery of semiconductor cargo volumes, which had declined in the previous fiscal year, as well as higher shipping freight rates driven by the normalization of the Cape of Good Hope route and concerns about strikes on the U.S. East Coast.

In the automobile logistics business, new car sales volumes, which affect volumes handled at Australian ports, remained high, and the impact of reduced port calls due to quarantine issues that had persisted since the second quarter improved, resulting in a recovery of volumes handled beginning in early 2025.

In the domestic logistics and port business, total handling volume across our five major domestic container terminals remained stable, exceeding the level of the same period of the previous year.

In the tugboat business, the number of operations for containerships and car carriers remained firm, and warehouse business volumes also continued at stable levels.

Market Environment and Future Strategy

In the international logistics business, through the holding company jointly established with Kamigumi Co., Ltd. on April 1, 2025, we will leverage the abundant logistics know-how and sales assets of both companies. We aim to strengthen the functions of contract logistics, not only in "K" Line Logistics' forwarding business, and provide high-quality, diverse logistics services, aiming for further growth.

In the tugboat and warehouse businesses, we are working to continue improving profitability and expanding our customer base. We also plan to build and deploy electric tugboats at Yokohama Port, in line with environmental considerations.

In the domestic logistics and port business, we are preparing to move the container terminal at Kobe Port from Rokko Island to Port Island to enhance profitability and accommodate larger vessels.

Strengths

- Offering optimal solutions for the changing logistics needs of our customers around the world by leveraging our global network and abundant knowledge and experience.
- Moving the container terminal at Kobe Port from Rokko Island to Port Island, which can accommodate larger vessels.
- Introduction of fuel-efficient near-zero-emission rubber-tired gantry cranes (RTGs) at the Tokyo Port container terminal.

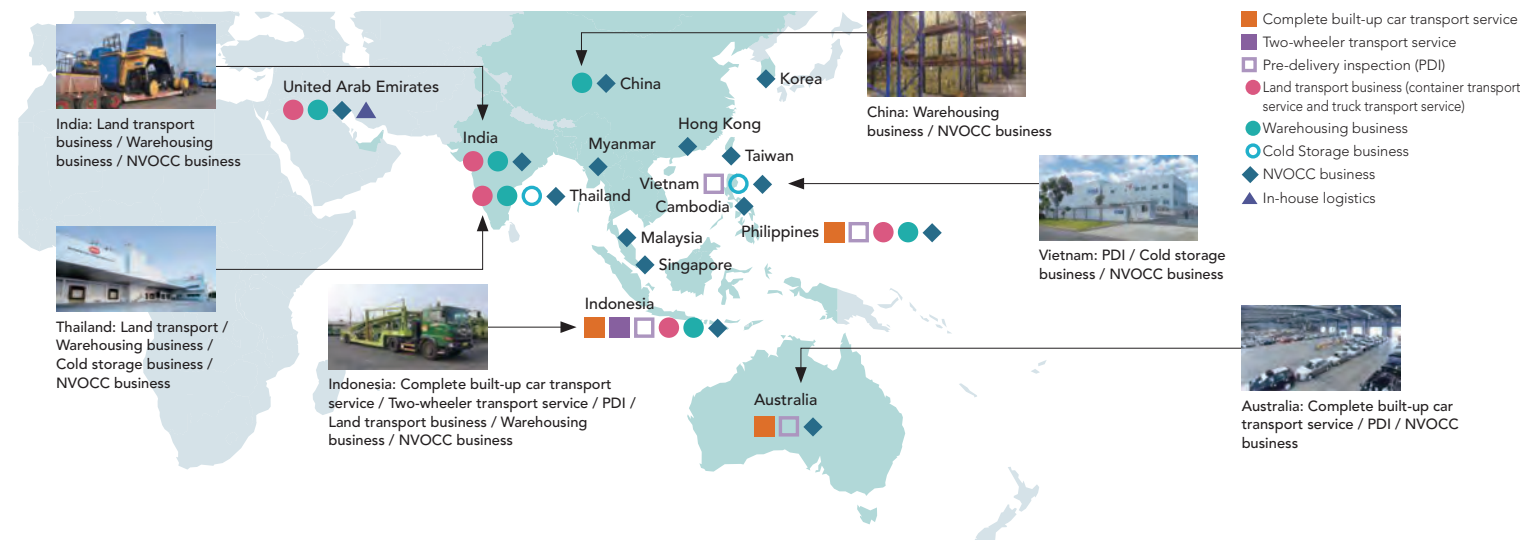
Risks

- Cost increases due to environmental measures requested by society and the passing of these costs.
- Performance fluctuations caused by supply chain disruptions due to instability in regions like the Gulf of Aden or U.S. tariff policies.
- Changes in behavior of export/import companies due to prolonged inflation and yen depreciation, and economic downturn.

Opportunities

- Entry into new logistics businesses related to carbon neutrality, such as offshore wind power generation.
- Modal shift of domestic logistics cargo to coastal shipping triggered by the "2024 problem."
- Increased demand in the automobile logistics business, driven by growth in emerging markets and expansion of the electric vehicle market.

"K" LINE Group's Locally Oriented Comprehensive Logistics Services in Asia



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Product Logistics

Short Sea and Coastal Business



Keiji Kubo

Senior Managing Corporate Officer
Responsible for Product Logistics Business Unit (Logistics, Port, Short Sea and Coastal Business and Affiliated Business), Containerships Business Unit



RORO vessel operated by Kawasaki Kinkai Kisen Kaisha, Ltd. HOKKAIDO MARU



Ferry operated by Kawasaki Kinkai Kisen Kaisha, Ltd. SILVER TIARA

Overview of Fiscal 2024

In the short sea business, steel transport volumes exceeded the previous year due to the acquisition of new contracts. Biomass fuel transport volumes increased significantly due to rising demand for wood pellets associated with the commencement of operations at large-scale power plants. On the other hand, although bulk transport volumes declined, overall short sea transport volumes increased.

In the coastal business of ferry transport, truck volumes declined year on year, but passenger car and passenger transport remained firm at the previous year's level. On our liner shipping route to Kushiro, transport volumes increased year on year due to a good harvest. On our Tomakomai route, transport volumes also increased year on year due to redevelopment projects and frozen food cargoes. On our Kyushu route, transport volumes declined due to a reduction in the number of sailings, but utilization improved due to securing cargo on sailings departing from Oita. Tramp shipping volumes increased year on year.

In the OSV business, the number of rescue and spot marine survey support projects declined, resulting in lower utilization year on year.

Market Environment and Future Strategy

In the short sea business, despite risks of market fluctuations depending on global affairs, we expect to secure stable earnings backed by long-term contracts for biomass fuel transport, with transport volumes exceeding the previous year.

In the coastal business, ferry transport volumes are expected to be on par with the previous year. For our liner shipping route to Kushiro and Tomakomai, while the downward trend in paper-related cargo volumes continues, we aim to improve earnings by securing redevelopment-related and frozen food cargoes, raising freight rates, and improving load ratios. In tramp shipping, while demand for steel-related cargo is expected to remain sluggish, overall transport volumes are expected to be on par with the previous year.

In the OSV business, through Offshore Operation Co., Ltd. and "K" Line Wind Service, Ltd. (KWS), we will continue efforts to secure new projects and earnings.

Strengths

- Proactive initiatives in renewable energy, including maritime transport of biomass fuel as well as investment in biomass power plants.
- A structure capable of responding to diverse transport needs and modes, from international and short-sea to coastal shipping.
- Stable earnings secured through competitive ferry routes and liner and tramp services based on close customer relationships.
- Customer contact through B-to-C via ferry transport.
- Active initiatives addressing the demands arising from offshore wind power generation and offshore support vessel (OSV) operations.

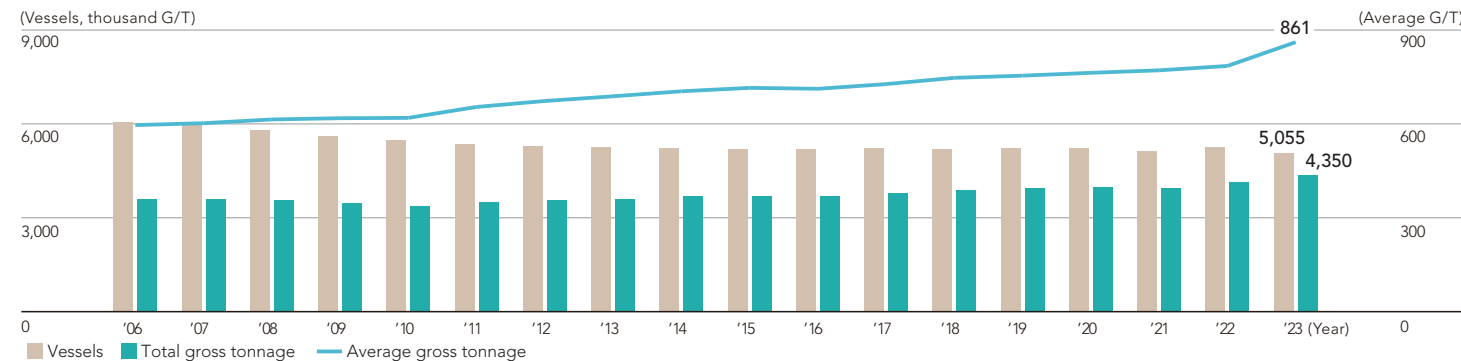
Risks

- In the short sea business, we will continue to properly manage exposure to respond to market fluctuations, while also working on improving operational efficiency and cost reduction.
- In the coastal business, continued efforts are required to address changes in transport modes and shortage of crew members driven by changes in domestic industrial structure, labor shortages, and population decline.
- Appropriate responses are required to address decrease in transport demand for key cargoes such as thermal power plants and steel manufacturers' transition to electric arc furnaces, in line with customer decarbonization and environmental considerations.
- In the OSV business, while delays in the commercialization of offshore wind power generation are expected, we will engage broadly in surrounding businesses.

Opportunities

- In the short sea business, we will continue to maintain an appropriate scaled fleet in response to biomass fuel transport demand trends, while also expanding business areas in line with changes in transport demand driven by environmental measures and global affairs.
- In the coastal business, we will respond to new transport demand driven by strengthened environmental regulations and stricter working hour regulations for truck drivers, as well as increases in parcel deliveries from the expansion of the e-commerce market and customer environmental considerations.

Number of Domestic Vessels and Upsizing of Ships



Source: Maritime Bureau-Ministry of Land, Infrastructure, Transport and Tourism

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Product Logistics

Containership Business



Keiji Kubo

Senior Managing Corporate Officer
Responsible for Product Logistics Business Unit (Logistics, Port, Short Sea and Coastal Business and Affiliated Business), Containerships Business Unit



Container Ship ONE HANOI



Container Ship ONE MINATO

Strengths

- Extensive and global customer network.
- Stable and reliable services delivered through an extensive route network.
- Provision of high-quality, competitive services capable of responding quickly to changes in the trade environment.
- Diverse values, knowledge, and know-how of the three Japanese shipping companies brought together in ONE.

Risks

- Impact on international trade from the worsening situation in the Red Sea and the prolonged war in Ukraine.
- Impact on the global economy of U.S. tariff policies under the new administration.
- Slowdown in China's economy and the impact of tariff increases due to U.S.-China trade friction.
- Increase in vessel supply due to the large-scale completion of new ships.
- Potential supply chain disruptions due to labor disputes on the U.S. East Coast and in Europe.

Opportunities

- Business opportunities in economically developing regions such as India, South America, Africa, and Asia.
- Matching customer needs with advanced initiatives towards achieving net-zero decarbonization.
- Further operational efficiency through the promotion of digitalization.
- Opportunities to build value chains supporting the containership business, such as container terminals.

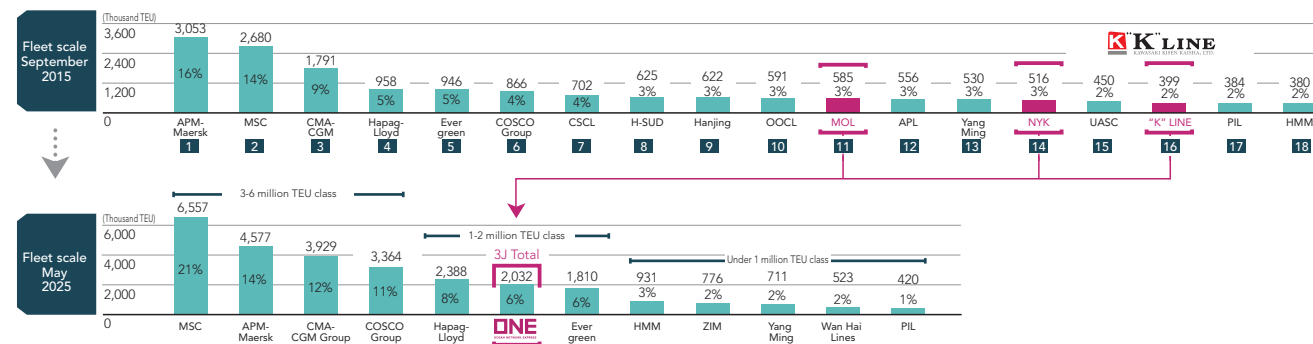
Overview of Fiscal 2024

In 2024, the business environment for OCEAN NETWORK EXPRESS PTE. LTD (ONE) saw freight rates decline after the Lunar New Year due to delayed recovery in demand and a sense of vessel oversupply. However, robust cargo movements throughout the year supported stable freight market conditions. In the first half, strong consumer demand driven by steady personal consumption in North America and recovery in consumption in Europe, supported by easing inflation, combined with rerouting around the Cape of Good Hope in response to Middle East instability and worsening port congestion, tightened vessel supply-demand balance and boosted short-term freight rates. In the third quarter, as consumption slowed and demand decreased with the arrival of the slack season, along with increased supply pressure from new vessel deliveries, short-term freight rates remained low, and this declining trend continued through the fourth quarter, further affected by the Lunar New Year in Asia. By flexibly managing vessel capacity and transport equipment in line with cargo movements, ONE worked to maximize operational efficiency, achieving significant year-on-year increases in both revenue and profit.

Market Environment and Future Strategy

Within just five years since its establishment, ONE has achieved world-class profitability, and in March 2024, announced its medium-term management plan ONE2030 as Phase 2 of its growth strategy toward becoming one of the world's leading container shipping companies. This plan is built on five pillars: Green Strategy, Digital Strategy, Talent Strategy, Financial Strategy, and Global Strategy, aiming to achieve sustainable growth. Currently, geopolitical risks, including U.S. tariff policies, the worsening situation in the Red Sea, and the prolonged war in Ukraine, as well as the impact of large-scale completion of new ships, are creating uncertainty in the market. ONE will continue to closely monitor changes in the environment, ensuring agile and efficient operations while supporting customers' transport needs. As a shareholder, we will continue to support and strengthen ONE's business, playing a crucial role in stabilizing our earnings base. We will continue to strengthen our support for ONE's business through management with a focus on capital efficiency, financing, and ROE, as well as through talent development and governance enhancements.

Change in Number of Containerships by Company and Capacity Scale



* % figures indicate TEU share.

Source: Compiled by "K" LINE, based on Alphaliner

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