

June 2, 2026

**Notification of Progress of Share Buyback through
Off-Auction Own Share Repurchase Trading (ToSTNeT-3)**

Regarding the notification of stock repurchase disclosed on May 29, 2026, Kawasaki Kisen Kaisha, Ltd. ("K" LINE) today reported and announced the progress of the share buyback pursuant to the resolution above with the following details:

1. Purpose of stock repurchase:

Our basic policy is to enhance our earning power while improving shareholder profits over the medium and long terms by proactively promoting shareholder returns, including share buyback. This is done by taking cash flow into consideration and ensuring the investment level and financial stability necessary to improve our corporate value while being conscious of optimal capital structure and cash allocation. In addition, at the financial results announcement for fiscal year 2025 held on May 8, 2026, we stated that, in preparation for the next Medium-Term Management Plan commencing in fiscal year 2027, we will pursue both profit growth and capital efficiency improvement as twin pillars from the fiscal year 2026. As part of our capital policy, we have set a policy to optimize our capital structure in the short term with a target equity ratio, including off-balance-sheet items, of around 50%. Based on these policies, we have resolved to implement a share buyback with an upper limit of 130 billion yen. The funds for this share buyback of 130 billion yen will consist of the flexible additional shareholder return framework of at least 50 billion yen announced on May 7, 2024, together with 80 billion yen that had not yet been allocated to any specific use as management allocation. As a result, the total amount of shareholder returns in the current five-year Medium-Term Management Plan from fiscal year 2022 to fiscal year 2026 will be raised from "800 billion yen or more" to "880 billion yen or more".

We have decided to allocate the full amount of the 80 billion yen management allocation to shareholder returns in accordance with our basic policies on shareholder returns, in order to enhance shareholder value over the medium to long term. This decision was made on the basis that implementing this additional shareholder return will not impair the Company's financial soundness, even if the full 80 billion yen management allocation is used for shareholder returns, and that funds required for investments aimed at profit growth can be sufficiently secured by utilizing both cash on hand and leverage.

With regard to the method of shareholder return, we have determined that a share buyback is the most appropriate approach, taking into account the trend of the Company's share price and the perspective of improving capital efficiency.

We will continue to consider measures that contribute to profit growth and improvement of capital efficiency, including further utilization of leverage.

In light of the potential impact on the stock liquidity and market price for our shares, we

approached our major shareholders, Effissimo Capital Management Pte Ltd. (hereinafter referred to as “Effissimo”), Sampo Japan Insurance Inc. (hereinafter referred to as “SJI”), Tokio Marine & Nichido Fire Insurance Co., Ltd. (hereinafter referred to as “TMNF”), Kawasaki Heavy Industries, Ltd. (hereinafter referred to as “KHI”), The Norinchukin Bank (hereinafter referred to as “Nochu”) and Mitsui Sumitomo Insurance Company, Limited (hereinafter referred to as “MSI”), to seek their participation in the share buyback transaction. After making our request regarding “K” LINE’s plan to buy back as disclosed in the timely disclosure on May 29, 2026, we confirmed Effissimo’s, SJI’s, TMNF’s, KHI’s, Nochu’s and MSI’s intention to sell their “K” LINE stock in quantities roughly corresponding to their respective holding ratios as of May 29, 2026 (percentages of shares, etc. held) with respect to the total number of “K” LINE shares to be acquired by the Company. (In the case of Effissimo, this includes stock held through the fund it manages.)

This arrangement should mitigate the potential impact on the stock liquidity and market stock price of “K” LINE to some extent. We have also determined that it would be beneficial for us and our shareholders to give shareholders other than Effissimo, SJI, TMNF, KHI, Nochu and MSI the opportunity to sell their shares back to the Company on the stock exchange. Therefore, we also decided and implemented to acquire “K” LINE stock as follows.

2. Details of repurchase:

- (1) Class of share: Common stock of “K” LINE
- (2) Number of shares repurchased: 19,604,000 shares
(3.07% of the total number of shares of common stock outstanding excluding treasury stock)
- (3) Total amount: 50,676,340,000 yen (2,585 yen per share)
- (4) Period: June 2, 2026
- (5) Repurchase method: Purchase on the Tokyo Stock Exchange through off-auction own share repurchase trading (ToSTNeT-3)

(Note) As part of the current buyback of “K” LINE shares, the Company has received notice from shareholders Effissimo, SJI, TMNF, KHI, Nochu and MSI that they have sold us “K” LINE stock in quantities roughly corresponding to their respective holding ratios as of May 29, 2026 (percentages of shares, etc. held) with respect to the total number of “K” LINE shares to be acquired by the Company in section [Reference] as below. (In the case of Effissimo, this includes stock held through the fund it manages.)

[Reference]

Details of stock repurchase resolved at the meeting of the Board of Directors (disclosed on May 29, 2026)

- (1) Class of share: Common stock of “K” LINE
- (2) Total number of shares of common stock to be repurchased: Up to 44,429,000 shares

(6.96% of the total number of shares of common stock outstanding excluding treasury stock)

- (3) Total amount: Up to 130,000,000,000 yen
- (4) Period: From June 1, 2026 to September 30, 2026
- (5) Repurchase method: Purchase on the Tokyo Stock Exchange through off-auction own share repurchase trading (ToSTNeT-3) and Auction market on the Tokyo Stock Exchange

At the meeting of the Board of Directors held on May 29, 2026, "K" LINE resolved to purchase shares using the method described in [Reference] section as above. The transaction was executed today using the TSE's Off-Auction Own Share Repurchase Trading system (ToSTNeT-3). However, the number of shares acquired and the total acquisition value did not reach the maximum total number of shares to be acquired and the maximum total acquisition value of shares as stated in the Board of Directors' resolution. Therefore, after today, we plan to continue repurchasing our own stock on the auction market of the Tokyo Stock Exchange, up to the total maximum number and value concerned during the repurchase period described in section [Reference] as above.

For further information, please contact:

Masaya Futakuchi

General Manager, General Affairs Group

Tel: +81-3-3595-5061

Kawasaki Kisen Kaisha, Ltd. ("K" LINE)

"K" LINE's website URL: <https://www.kline.co.jp/en/index.html>

Note: The forecasts of financial results set forth in this document were calculated based on available information at the time of announcement. Actual results may differ from the forecast depending on various factors such as future developments in the business environment.