

November 4, 2022

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

(Stock Repurchase and Share Buyback through Off-Auction Own Share Repurchase Trading (ToSTNeT-3)
in accordance with the paragraph 2 of Article 165 of the Companies Act of Japan)

At the meeting of the Board of Directors held on November 4, 2022, Kawasaki Kisen Kaisha, Ltd. ("K" LINE) resolved to repurchase its stock in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to paragraph 3 of Article 165 of the Companies Act of Japan. Details of the repurchase are as follows:

1. Purpose of stock repurchase:

"K" LINE is always conscious of capital efficiency. Our basic policy is to improve 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. On May 9, 2022, "K" LINE released its five-year medium-term management plan for the fiscal year 2022 to the fiscal year 2026. During the period of this medium-term plan, we intend to return 400.0 to 500.0 billion yen to shareholders. On top of the already announced interim and year-end dividends for the fiscal year 2022, we have also announced an additional shareholder's return of 100.0 billion yen or more. Considering the scale of this additional shareholder's return for the fiscal year 2022, the Company has determined that the best way to do this will be to perform a share buyback for the entire amount. The buyback will be implemented based on these policies.

In light of the potential impact on the stock liquidity and market price for our shares, we approached two major shareholders, Effissimo Capital Management Pte Ltd. (hereinafter referred to as "Effissimo") and Mizuho Bank, Ltd. (hereinafter referred to as "MHBK"), to seek their participation in the share buyback transaction. After making our request regarding "K" LINE's plan to buy back a total of 100.0 billion yen as disclosed in this timely disclosure, we confirmed both Effissimo's and MHBK's intention to sell their "K" LINE stock in quantities roughly corresponding to their respective holding ratios at present (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 and MHBK the opportunity to sell their shares back to the Company on the stock exchange. Therefore, we have also decided to acquire "K" LINE stock worth a total of 100.0 billion yen as follows.

2. Details of repurchase:

- (1) Class of share: Common stock of “K” LINE
- (2) Total number of shares of common stock to be repurchased: Up to 35,236,000 shares
(12.41% of the total number of shares of common stock outstanding excluding treasury stock)
- (3) Total amount: Up to 100,000,000,000 yen
- (4) Period: From November 8, 2022 to March 31, 2023
- (5) Repurchase method: Purchase on the Tokyo Stock Exchange through off-auction own share repurchase trading (ToSTNeT-3) and Auction market on Tokyo Stock Exchange

3. Off-Auction Own Share Repurchase Trading (ToSTNeT-3) on Tokyo Stock Exchange

(1) Acquisition method

“K” LINE will instruct its agent to purchase its own shares on the Tokyo Stock Exchange through off-auction own share repurchase trading (ToSTNeT-3) during the period of November 8, to 11, 2022. “K” LINE will release another notice once we determine the details.

(2) Details of repurchase (ToSTNeT-3)

- ① Class of share: Common stock of “K” LINE
- ② Total number of shares of common stock to be repurchased: Up to 35,236,000 shares
(12.41% of the total number of shares of common stock outstanding excluding treasury stock)
- ③ Total amount: Up to 100,000,000,000 yen
- ④ Planned Period: during the period of November 8, 2022 to 11, 2022
- ⑤ Announcement of the result of acquisition: The result of the acquisition will be announced after the completion of trading.

(Note 1) No change shall be made to the number of shares. There is a possibility that a portion or all of the acquisition will be cancelled depending on market trends and other factors.

(Note 2) The purchase will be made with sell orders corresponding to the number of shares to be acquired.

4. Auction market on Tokyo Stock Exchange

If the total number of shares and total amount to be acquired by the transaction specified in section “3. Off-Auction Own Share Repurchase Trading (ToSTNeT-3) on Tokyo Stock Exchange” reach neither the maximum total number of shares (35,236,000 shares) nor the maximum total acquisition value of shares (100,000,000,000 yen) specified in section “2. Details of repurchase”, after the implementation date of the transaction, we plan to continue acquiring “K” LINE stock on the Tokyo Stock Exchange, up to the total maximum number and value concerned during the acquisition period specified in the abovementioned section 2.

5. Others

In principle, the shares to be repurchased will be cancelled.

[Reference]

Status of treasury stock as of October 31, 2022

Number of outstanding shares excluding treasury stock: 283,880,879

Number of shares of treasury stock: 367,510

(Note) On October 1, 2022, "K" LINE implemented a 3-for-1 stock split of common shares.

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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.