

May 29, 2026

**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 1 of Article 459 of the Companies Act of Japan)

Kawasaki Kisen Kaisha, Ltd. (“K” LINE) resolved to repurchase its stock in accordance with paragraph 1 of Article 459 of the Companies Act of Japan and Article 38 of our Articles of Incorporation, at the meeting of the Board of Directors held on May 29, 2026. Details of the repurchase are as follows:

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 current fiscal year. 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 this timely disclosure, 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 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, SJI, TMNF, KHI, Nochu and MSI the opportunity to sell their shares back to the Company on the stock exchange. Therefore, we have also decided to acquire “K” LINE stock 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 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

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 June 1 to 5, 2026. “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 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 Planned Period: during the period of June 1, 2026 to June 5, 2026
 - * The acquisition is scheduled to be conducted on any one day within the above period.
- 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 (44,429,000 shares) nor the maximum total acquisition value of shares (130,000,000,000 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 auction market of 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 April 30, 2026

Number of outstanding shares excluding treasury stock: 638,057,694

Number of shares of treasury stock: 1,114,373

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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.