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September 27, 2024

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Notice of Acquisition of Shares in Company Newly Established as Holding Company for “K” LINE
LOGISTICS, LTD., a Consolidated Subsidiary of Kawasaki Kisen Kaisha, Ltd.

Kamigumi Co., Ltd. (Head Office: Kobe, Hyogo; President & Representative Director: Yoshihiro Fukai; hereinafter “Kamigumi”) announced today that, in its Board of Directors’ meeting held today, it approved a resolution to acquire 47% of all shares (hereinafter “Acquisition”) in a new holding company (hereinafter “New Company”) to be established by Kawasaki Kisen Kaisha, Ltd. (Head Office: Chiyoda-ku, Tokyo; President & CEO: Yukikazu Myochin; hereinafter ““K” LINE”) as the parent company of “K” LINE LOGISTICS, LTD. (consolidated subsidiary of “K” LINE in which it holds approximately 96% of shares; hereinafter ““K” LINE LOGISTICS”), after which “K” LINE will transfer all of its shares in “K” LINE LOGISTICS to the New Company. Kamigumi also concluded today with “K” LINE a share transfer agreement and an agreement between the shareholders.

1. Background and Purpose of Acquisition

“K” LINE LOGISTICS was established in 1960 as Iino Air Service Kaisha, Ltd. “K” LINE LOGISTICS joined the “K” LINE Group in 1964. Since then, it has provided international logistics services, including a forwarding business. Today, it has facilities in 69 major cities in 22 countries around the world and 19 facilities in Japan, and plays an important role as a core company in the logistics business of the “K” LINE Group by leveraging its global network to deliver high-quality logistics services.

Kamigumi sees strengthening its overseas businesses as a crucial factor in achieving the goals of its Medium-Term Management Plan, for which the fiscal term ending March 2025 will be the final fiscal year. Through the Acquisition, Kamigumi will generate overseas business opportunities by strengthening its contract logistics as a result of combining “K” LINE LOGISTICS’ robust global network with Kamigumi’s logistics services based on its outstanding on-site capabilities and extensive assets. Kamigumi and “K” LINE LOGISTICS also aim to strengthen the business foundations and competitive abilities of both companies, which share numerous areas of focus, such as the automobile, semiconductor, and aircraft fields, through synergies based on collaboration to grow their earnings further.

2. Overview of Subject Companies

(1) New Company

(1) Company Name	KLKG Logistics Holdings, Co., Ltd.
(2) Location	1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo, Japan
(3) Representative	TBD
(4) Description of Business	Holding company of “K” LINE LOGISTICS, LTD.
(5) Paid-in Capital	10 million yen
(6) Established	TBD
(7) Major Shareholders and Share Ownership Ratio	At time of establishment: Kawasaki Kisen Kaisha, Ltd. (100%) After the Acquisition: Kawasaki Kisen Kaisha, Ltd. (53%) Kamigumi Co., Ltd. (47%)

Note: All information above is based on plans. The New Company will be a holding company that will acquire 95.96% of shares in “K” LINE LOGISTICS (described under (2) below), prior to the Acquisition.

(2) “K” LINE LOGISTICS (as of March 31, 2024)

(1) Company Name	“K” LINE LOGISTICS, LTD.		
(2) Location	1-8-10 Harumi, Chuo-ku, Tokyo, Japan		
(3) Representative	Ako Hiraoka, President		
(4) Description of Business	Handling and agency business for marine, land, and air transportation, Authorized Customs Broker; IATA-approved air cargo sales agency; air, sea, land, and rail freight forwarding business; etc.		
(5) Paid-in Capital	600 million yen		
(6) Established	October 25, 1960		
(7) Major Shareholders and Share Ownership Ratio	Kawasaki Kisen Kaisha, Ltd. (95.96%) Kawasaki Heavy Industries, Ltd. (4.04%)		
(8) Consolidated Financial Results and Financial Standing for the Three Most Recent Years			
Fiscal year	Ended March 2022	Ended March 2023	Ended March 2024
Net assets	15,121 million yen	18,110 million yen	18,295 million yen
Total assets	24,813 million yen	27,386 million yen	27,538 million yen
Net assets per share	30,578.97 yen	36,623.20 yen	36,997.92 yen
Net sales	58,429 million yen	63,256 million yen	43,500 million yen
Operating income	2,596 million yen	2,794 million yen	-338 million yen
Ordinary income	3,079 million yen	3,574 million yen	69 million yen
Net income	2,289 million yen	2,748 million yen	-233 million yen
Net income per share	4,629.74 yen	5,557.98 yen	-472.54 yen
Dividends per share	451 yen	1,031 yen	777 yen

3. Overview of Acquisition Counterparty (as of March 31, 2024)

(1) Company Name	Kawasaki Kisen Kaisha, Ltd.	
(2) Location	1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo, Japan	
(3) Representative	Yukikazu Myochin, President & CEO	
(4) Description of Business	Marine, land, and air transportation; through transportation involving marine, land, and air transportation; harbor transportation; etc.	
(5) Paid-in Capital	75,457,640,000 yen	
(6) Established	April 5, 1919	
(7) Net Assets	1,624,600 million yen	
(8) Total Assets	2,109,432 million yen	
(9) Major Shareholders and Share Ownership Ratio	ECM MF (13.51%) The Master Trust Bank of Japan, Ltd. (trust account) (9.35%) MLI for Segregated PB Client (7.12%)	
(10) Relationships between the Listed Company and the Acquisition Counterparty	Capital relationship	None
	Human relationship	None
	Transaction relationship	Kamigumi engages in sales transactions with “K” LINE. These transactions account for approximately 1.5% of Kamigumi’s operating income.
	Qualification as related party	Not applicable

4. Number of Shares to Be Acquired, Acquisition Price, and Number of Shares Held before and after Acquisition

(1) Number of Shares Held before Acquisition	0 shares (Number of voting rights: 0 rights) (Percentage of voting rights held: 0.0%)
(2) Number of Shares to Be Acquired	235,000 shares (Number of voting rights: 235,000 rights)
(3) Acquisition Price	18,040 million yen
(4) Number of Shares Held after Acquisition	235,000 shares (Number of voting rights: 235,000 rights) (Percentage of voting rights held: 47%)

Note: In the event that “K” LINE LOGISTICS pays special dividends to “K” LINE or other current shareholders prior to the date of execution of the Acquisition, plans call for subtracting from the transfer price the amount obtained by multiplying the amount of such special dividends paid to “K” LINE by 0.47.

Kamigumi plans to make KLKG Logistics Holdings an equity method affiliate.

5. Schedule

(1) Date of Board of Directors Resolution	September 27, 2024
(2) Date of Conclusion of Agreements	September 27, 2024
(3) Date of Share Transfer	April 1, 2025

6. Future Outlook

At this time, the Acquisition is expected to have minimal impact on Kamigumi's consolidated financial results for the fiscal year ending March 2025.