May 8, 2026

To whom it may concern

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Announcement Regarding the Formulation of the Medium-Term Management Plan "Transformation for a Sustainable Future"

IINO Kaiun Kaisha, Ltd. ("the Company") hereby announces that, at its Board of Directors meeting held today, it resolved to adopt the Group's five-year Medium-Term Management Plan, "Transformation for a Sustainable Future" ("the Plan"), commencing in April 2026.

In the previous Medium-Term Management Plan, "The Adventure to Our Sustainable Future," announced in May 2023 (covering the period from April 2023 to March 2026; "Previous Plan"), the Company set portfolio management and the challenge of achieving carbon neutrality as its core themes. Building on the IINO MODEL, which centers on the Company's traditional shipping and real estate businesses, the Company initiated a shift toward portfolio-based business management in pursuit of sustainable growth.
As a result, the numerical targets of the Previous Plan were achieved for three consecutive years, and the planned growth investments were executed largely as initially planned.
Through these initiatives, the stability of the business portfolio improved, and the Group's financial foundation was further strengthened.
Meanwhile, the business environment surrounding the Group has become increasingly uncertain, as geopolitical tensions—particularly in the Middle East—have made their impact on energy supply and logistics more apparent. In addition, expectations from capital markets for management that balances greater earnings stability with further improvements in capital efficiency have risen significantly.
Against this backdrop, the importance of growth strategies that address short-term challenges while taking a long-term perspective on structural changes and the future business environment has further increased.

In light of this understanding of the business environment, the Plan has been formulated as the first five-year plan toward the realization of the Group's long-term vision for 2050 and medium-term vision for 2035, based on a backcasting approach from these visions.
While the Previous Plan represented a stage of "challenge and adventure" toward a sustainable future, the Plan sets "Transformation" as its central theme to achieve that future by balancing capital efficiency with growth investment. The name "Transformation" reflects the Company's intention to continue evolving further.

As key strategies of the Plan, the Company will implement various initiatives centered on three pillars: business strategy, financial capital strategy, and decarbonization strategy.
Specifically, building on the strengthened financial foundation established under the previous plan, the Company will allocate approximately 200.0 billion yen in investments over the five-year period, mainly to growth and new business areas as well as core businesses, and will advance the rebalancing of its business portfolio.
In executing these growth investments, the Company aims to achieve both growth investments that exceed the cost of capital and capital efficiency by utilizing financial leverage, while maintaining financial discipline and taking into account the value of its real estate holdings.

In addition, the Company will continue dividend payments based on a payout ratio of 40%, funded by profits generated through these growth investments, while also introducing a dividend floor and implementing flexible share buybacks, thereby further enhancing shareholder returns.

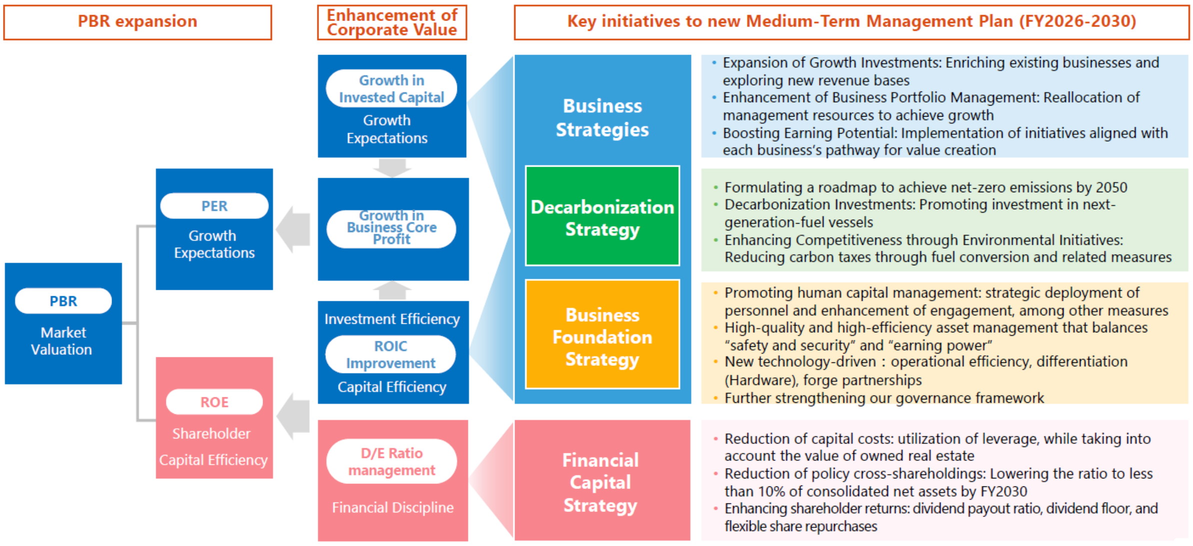
As part of the business foundation strategy supporting the key strategies, the Company will promote human capital management and further strengthen its corporate governance framework.
As part of these efforts, the Company will revise the organizational structure of its corporate functions to enhance, in an integrated manner, processes ranging from strategy formulation and execution to engagement with capital markets.

(Announcement of Executive Appointments and Organizational Changes (April 23, 2026): https://www.iino.co.jp/kaiun/english/news/files/20260423_Executive_Appointments_and_Org_Changes.pdf)
Through these organizational changes, the Company will organically connect its business strategy and financial capital strategy with its engagement with capital markets, thereby enhancing both the effectiveness of its strategies and the consistency of its messaging to internal and external stakeholders.

For details of the Plan, please refer to the Company's website:
https://contents.xj-storage.jp/xcontents/AS00371/5bd1be52/5642/448e/97a9/fed9679a8d5f/20260501180544430s.pdf

Value Creation Drivers for Corporate Value Enhancement

- Through the implementation of this plan, we seek to enhance corporate value by achieving sustainable growth in business core profit and improvements in capital efficiency, and to increase PBR



New Medium-Term Management Plan: Major Numerical Targets

飯野海運株式会社 IINO KAIUN KAISHA, LTD.

Financial KPIs[*1]

	FY2025 Actual Results	FY2026 Forecast[*5]	FY2030	FY2035
Business Core Profit[*2]	16.9 billion yen	15.2 billion yen	**22.5 billion yen**	**30.0 billion yen**
ROIC[*3,4]	6.0%	4.8%	**5%**	**5% or higher**
ROE	10.1%	7.5%	**10%**	**10% or higher**
D/E Ratio[*4]	0.9x	0.99x	**1.3~1.8x**	**—[*6]**

Non-financial KPIs

	FY2025 Actual	FY2030
Number of Serious Accidents[*7]	0 cases	**0 cases**
GHG Reduction Rate (Shipping, intensity vs. 2020)[*8]	▲15%	**▲20%**
Ratio of departments with year-on-year improvements in operational efficiency[*9]	–	**100%**
Enhancing Engagement[*9,10]	Overall Score: B (66.8 points)	**Overall Score: A (70 points or above)**

[*1] Performance Targets and Financial Discipline Indicators [*2] NOPAT (Net Operating Profit After Tax)
[*3] Core Operating Profit ÷ Invested Capital
[*4] Figures for FY2030 and thereafter are presented after the application of the new lease accounting standard. Interest-bearing debt includes the currently estimated lease liabilities of approximately 35 billion yen
[*5] Based on the assumption that transit through the Strait of Hormuz will resume within June 2026 and recover to approximately pre-disruption levels in about two months
[*6] To be reset again by the end of the plan period

[*7] Serious accidents stipulated by the company (Vessels, Buildings and Information Systems)
[*8] FY2025 figures are based on actual results as of end of the third quarter
[*9] Figures are on a non-consolidated basis for IINO Lines
[*10] The engagement survey conducted by Tanabe Consulting Group Co., Ltd. is utilized.

In preparing the above numerical targets, the Plan is based on the assumption that transit through the Strait of Hormuz will resume in June 2026 and that maritime transportation between the Middle East region and other areas will recover to approximately pre-existing levels over a subsequent period of approximately two months.

The forecasts and forward-looking statements contained in this material are based on the Company's judgments and information available as of the date of this document. Actual results may differ materially from those set forth herein due to various factors, including potential risks and uncertainties, as well as changes in accounting standards and tax systems.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this English translation and the Japanese original, the original shall prevail.

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