

March 7, 2023

To whom it may concern

Company Name Nippon Yusen Kabushiki Kaisha  
Representative Hitoshi Nagasawa  
(Code No.: 9101 TSE Prime Market)  
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### Notice of Basic Agreement on Transfer of Shares in Consolidated Subsidiary

We, Nippon Yusen Kabushiki Kaisha ("NYK") hereby announce that on March 7, 2023, NYK entered into a certain memorandum of understanding (the "Basic Agreement") with ANA HOLDINGS INC. ("ANAHD") to transfer entire shares of Nippon Cargo Airlines Co., Ltd. ("NCA"), our consolidated subsidiary, to ANAHD (the "Transaction").

#### 1. Reasons for and content of the Basic Agreement

NCA was established in 1978 with the participation of several companies as an airline specializing in international cargo. NYK has been involved in the management of NCA as a major shareholder since its establishment, and in 2010, NYK acquired all of the entire shares of NCA with the aim of becoming a comprehensive logistics company offering ocean, land, and air transportation. However, the continuous introduction of new aircraft to expand the operation and maintenance system, and the continuous training of personnel engaged in operation and maintenance required a considerable expenditure. In the highly volatile business environment of airfreight transportation, NCA has been facing challenges in expanding its business scale at a level that is commensurate with such costs.

ANAHD, in order to dramatically enhance its international air cargo network and products and services based in Japan and also with the aim to contribute to the development of global economic activities both in Japan and abroad, expressed their strong desire to have NCA(the only Japanese airline dedicated exclusively to air cargo transportation) added to its business portfolio and integrated and reorganized with the cargo business of the ANA group in the future, thereby realizing the goal to provide high-quality and internationally competitive air cargo transportation services that can respond to the increasing sophistication of the supply chain.

NCA recently has been providing value to the public through its air cargo transportation business under its mission statement of "Never Stop Logistics even during the Covid-19 Pandemic". However, in order for NCA to achieve further growth and increase corporate value from a long-term perspective which include environmental responsiveness, we believe that it is the best option to transfer shares of NCA to ANAHD which operates the same business, and has been providing NCA with cooperative relation to strengthen its maintenance system. Therefore, as a result of a series of discussions with ANAHD, NYK and ANAHD have reached a conclusion and entered into a basic agreement today to mutually promote and further consider this Transaction.

#### (Content of the Basic Agreement)

(1)	Purpose	To realize this Transaction, to confirm the status of discussions, and the intentions of NYK and ANAHD regarding the Transaction, which have been taking place by the date of execution of the Basic Agreement.
(2)	100% Acquisition	ANAHD will acquire all shares of NCA from NYK in a single transaction. A

		particular acquisition method (scheme) and other terms and conditions will be determined through continued discussion between NYK and ANAHD.
(3)	Closing Date	Subject to obtaining clearance under applicable competition laws and other conditions, the date of acquisition of NCA's shares would be October 1, 2023, or a date to be separately agreed by NYK and ANAHD.

## 2. Outline of the subsidiary to be transferred (Nippon Cargo Airlines Co., Ltd.)

(1)	Name	Nippon Cargo Airlines Co., Ltd.		
(2)	Location	1-18-16 Hamamatsucho, Minato-ku, Tokyo		
(3)	Title and Name of Representative	Hitoshi Oshika, Representative Director President & Chief Executive Officer,		
(4)	Business	1. Scheduled air cargo transportation business 2. Nonscheduled air cargo transportation business and aircraft utilizing business 3. Other related business		
(5)	Capital stock	10 billion yen		
(6)	Date of Establishment	September 27, 1978		
(7)	Major Shareholders and Shareholding Ratio	Nippon Yusen Kabushiki Kaisha (100%)		
(8)	Relationship between Listed Company and the Company	Capital Relations	Wholly owned subsidiary of NYK	
		Personal Relations	5 employees seconded from NYK (1 of whom concurrently also serves as Executive Officer)	
		Business Relations	Loan of funds from NYK, etc.	
(9)	Consolidated Operating Results and Consolidated Financial Position of NYK for the past 3 years			
	Accounting Period	Fiscal year ending March 31, 2020	Fiscal year ending March 31, 2021	Fiscal year ending March 31, 2022
	Consolidated Net Assets	△147,868 million yen	△120,741 million yen	△58,787 million yen
	Consolidated Total Assets	62,630 million yen	65,088 million yen	143,085 million yen
	Consolidated Net Assets per share	△369.67 yen	△301.85 yen	△146.97 yen
	Consolidated Net Sales	75,221 million yen	122,719 million yen	189,300 million yen
	Consolidated Operating Income	△14,939 million yen	33,295 million yen	74,478 million yen
	Consolidated Ordinary Income	△15,704 million yen	33,341 million yen	74,540 million yen
	Attributable to: Shareholders of the parent company Net Income	△31,869 million yen	25,252 million yen	61,320 million yen
	Consolidated Net Income per share	△79.67 yen	63.13 yen	153.30 yen
	Dividend per share	0 yen	0 yen	0 yen

## 3. Outline of the counterparty of the share transfer

(1)	Name	ANA HOLDINGS INC.
(2)	Location	5-2, Higashi-Shinbashi 1-chome, Minato-ku, Tokyo
(3)	Title and Name of Representative	Koji Shibata, Representative Director President and CEO
(4)	Business	Formulation of management strategies, business management, and related operations for the Group's air transportation and other businesses
(5)	Capital stock	467,601 million yen (as of March 31, 2022)
(6)	Date of Establishment	December 27, 1952

(7)	Net Assets	1,256,913 million yen (as of March 31, 2022)	
(8)	Total Assets	3,157,277 million yen (as of March 31, 2022)	
(9)	Major Shareholders and Shareholding Ratio (As of March 31, 2022)		
		The Master Trust Bank of Japan, Ltd.	12.19%
		The Custody Bank of Japan, Ltd.	2.68%
		Nagoya Railroad Co.	1.67%
		All Nippon Airways Employee Stock Ownership Plan	0.81%
		Tokio Marine & Nichido Fire Insurance Co.	0.69%
		SMBC Nikko Securities Inc.	0.66%
		STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd.)	0.64%
		Nippon Life Insurance Company	0.62%
		Mitsui Sumitomo Insurance Co.	0.57%
		MLI FOR SEATOWN MASTER FUND-PB (Standing proxy: BOFA Securities Inc.)	0.52%
(10)	Relationship between the Listed companies and the Company	Capital Relations	Not applicable.
		Personal Relations	Not applicable.
		Business Relations	Not applicable.
		Related Party Status	Not applicable.

#### 4. Number of Shares to be Transferred, Transfer Price and Status of Shares Held Before and After Transfer

(1)	Number of shares held before the Change	Class II shares (Percentage of shares held: 100%)	400,000,000 shares
(2)	Number of shares to be transferred	Class II shares (Percentage of shares held: 100%)	400,000,000 shares
(3)	Transfer price	(TBD)	
(4)	Number of shares held after transfer	(Percentage of shares held: 0%)	0 shares

\* In addition to Class II shares, NCA has issued class shares subject to wholly call, all of which are held as treasury stock. Therefore, the shares to be transferred are only "Class II shares".

#### 5. Schedule

(1)	Date of Basic Agreement	March 7, 2023
(2)	Date of Resolution by the Board of Directors	(TBD)
(3)	Date of Contract	(TBD)
(4)	Date of Execution of Share Transfer	October 1, 2023 or any other date separately agreed upon by NYK and ANAHD

#### 6. Future Outlook

The terms and conditions of this transaction will be determined through further negotiations and will be disclosed promptly if any matters that should be disclosed arise.