2023 ANNUAL REPORT

TO OUR SHAREHOLDERS,

Matson navigated a challenging U.S. economic environment and delivered strong financial results in 2023. Rising interest rates, high inflation and lingering risk of recession underpinned a cautious economy marked by moderating consumer spending and carefully managed retail inventories. Despite these headwinds, Matson remained committed to our mission to *move freight better than anyone*. Our results speak to this core tenet, which influences every decision in our ocean services and logistics businesses.

For the year, Matson generated $297.1 million in net income and cash flow from operations of $510.5 million. We used these funds to invest in our fleet and shoreside assets, make an add-on acquisition for Matson Logistics and create ongoing value for our shareholders through dividends and stock repurchases. Our strategic approach to capital allocation offers a compelling investment thesis – re-investment in core businesses and the return of excess free cash flow to drive shareholder value.

In our view, the best financial metric to evaluate our long-term performance as a capital allocator is return on invested capital ("ROIC"), and in 2023 we achieved an ROIC of 9.8%. We continue to benefit from premium rates for our best-in-class expedited ocean services from China to Long Beach, California. We doubled capacity in this tradelane with the addition of our CLX+ service in 2020 to meet growing demand from the rise of e-commerce. In addition to the considerable cost savings versus air freight, customers realize a significant reduction in their carbon emissions footprint. The net result of the capacity increase, along with other initiatives, is an expanded and more diversified revenue base and a significant increase in profitability from pre-pandemic levels, which position us for continued earnings and cash generation strength. In short, we are a markedly stronger company today.

Matsonia, our newest combination container / roll-on, roll-off vessel, is powered by Tier 3, dual-fuel engines.

Photo: Tim Rue

While we cannot predict how 2024 will unfold, we are confident in our ability to grow our businesses through operational efficiencies, sound financial policies, and commitment to our customers. Over our 141-year history, Matson has weathered numerous economic cycles – persevering and growing while the market ebbs and flows. Our confidence and optimism come from the strength of our integrated business model and success in providing superior, differentiated service offerings.

UNIQUE, RESILIENT BUSINESS MODEL BUILT FOR THE LONG RUN

We have steadily built our business to serve niche trade routes across the Pacific where we have strong market positions and multi-decade customer relationships. Matson's regional focus provides both freight and route density, thereby increasing utilization, enhancing network flexibility, and allowing us to deploy our fleet to best serve our customers.

Photo: Jeff Hawe

Generators and other FEMA supplies and equipment destined for Maui are loaded onto *Haleakala* in Honolulu.

Our ocean transportation services are a sustaining lifeline to Hawaii, Alaska, and Guam. These communities depend on Matson's ships to deliver food and other essential supplies on a regular basis. Maintaining a consistent, reliable schedule of deliveries – for 141 years in the case of Hawaii – is a core commitment that has become the hallmark of Matson's service.

Matson's expedited service offering from China to Long Beach is the premier shipping service for time-sensitive goods. Our China-Long Beach, California Express ("CLX") and CLX+ services are the fastest and second fastest in transit and leverage our unique destination services in Long Beach to quickly discharge cargo to the only U.S. Customs-bonded off-dock facility at Shippers Transport Express, thereby speeding customers' goods to market. Our ability to provide a seamless, high-end customer experience means our vessels are near full and command a rate premium in a tradelane that is otherwise mostly commoditized.

Matson Logistics extends the reach of our ocean transportation network through integrated, asset-light services that include truckload brokerage, rail intermodal, warehousing, freight forwarding and supply chain management services. These services provide shippers an end-to-end offering often using Matson equipment along the way. As an example, Matson Logistics may provide supply chain services to CLX and CLX+ customers, including origin trucking to the Port of Shanghai and intermodal delivery to final destinations in the U.S.

We also own a 35% interest in SSA Terminals, LLC ("SSAT"), the leading U.S. West Coast terminal operator. SSAT provides terminal and stevedoring services across eight facilities in Long Beach, Oakland, Seattle, and Tacoma, of which three terminals are Matson-dedicated. Our partnership with SSAT is strategic with efficient origin and destination cargo loading and discharge services to shorten transit times.

Our conservative balance sheet is another foundation of our success, allowing us to strategically plan over decades while maintaining operational flexibility to tactically adjust to market conditions. We are committed to maintaining investment grade credit metrics and believe our low-cost balance sheet provides a competitive advantage. As of December 31, 2023, we had $440.6 million in long-term, amortizing debt[1] with an average coupon of 1.98% and a total debt-to-EBITDA ratio of 0.9x.[2]

In summary, we have built a highly diversified shipping and logistics platform capable of generating sustainable, long-term growth. We will continue to draw from our expertise in the Pacific to identify new niche tradelanes where we can provide high-value services at premium rates. We are also looking forward to receiving three new Aloha Class vessels that we expect will provide a meaningful lift to net income and EBITDA when we expect them to enter service in 2026 and 2027.

[1]Presented before any reduction for deferred loan fees as required by U.S. GAAP.
[2]Based on total debt of $440.6 million and EBITDA of $516.7 million.

FROM FACTORY FLOOR TO WAREHOUSE DOOR

The growth in our expedited service from China to Long Beach has been the single most impactful development in our business over the last few years. We introduced our CLX service in 2006, offering a high-touch customer service experience, perhaps the first of its kind in the tradelane. When the pandemic disrupted supply chains and created chaotic conditions for shippers, it highlighted our strengths of fast and reliable ocean services. Importantly, we were there for our customers.

The pandemic introduced Matson to a new set of e-commerce customers and shippers who needed to re-route supply chains built around air transportation for time-sensitive freight. While initial demand was born of necessity, these customers have continued to use Matson's expedited ocean services long after air services resumed, due to its strong value proposition relative to air freight in cost savings and reduced environmental footprint.

In 2020, Matson launched its CLX+ service in response to exceptional market demand to complement our first-rate CLX service and doubled our capacity in this tradelane. Even with the addition of this capacity, we maintained premium rates, which has led to a significant increase in our revenue base and financial performance.

> The CLX and CLX+ offer the two fastest, most reliable services from China to Long Beach and when combined with our unique destination services create a difficult to replicate end-to-end solution.

STRATEGIC DEPLOYMENT OF SHAREHOLDER CAPITAL

As stewards of your capital, we strive to invest and generate superior returns on behalf of our shareholders.

- **Investing in Best-in-Class Assets**. Our highest priority and best use of capital is the maintenance and growth of our ocean fleet, shoreside assets, and logistics operations. These assets generate long-term cash flows and solid returns on capital. In 2022, we signed contracts for approximately $1 billion with Philly Shipyard to build three new Aloha Class

MULTIPLE DEMAND DRIVERS FOR MATSON'S CHINA SERVICE

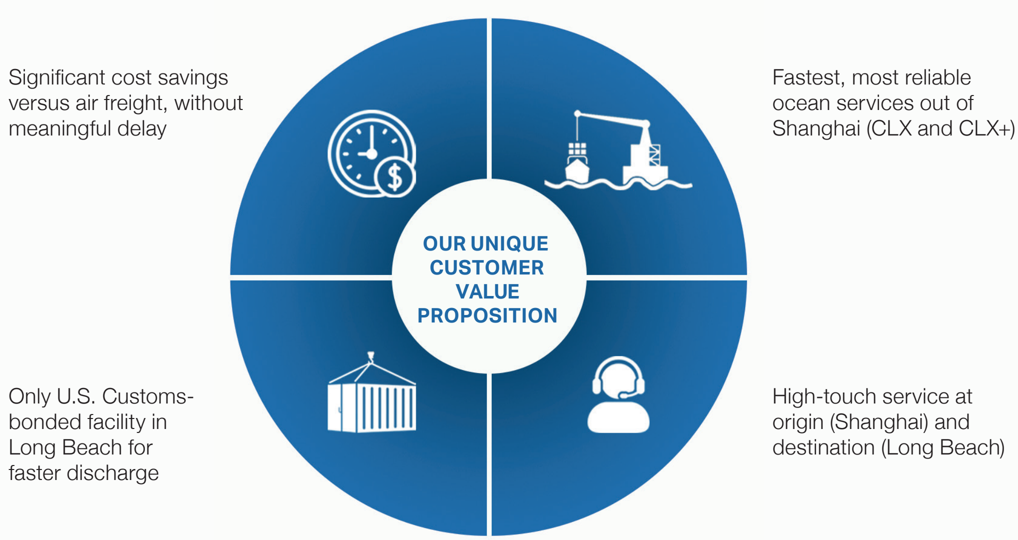


Photo: Tim Rue

Lurline, a 2019 new build, being loaded at Matson's Long Beach terminal.

containerships for our CLX service. These vessels will (i) be dual-fuel, LNG-ready with state-of-the-art environmental features,

At the end of 2023, we had funded 67%[3] of the new Aloha Class build program through nearly $600 million set aside in our tax-advantaged CCF.

(ii) increase CLX service capacity by over 20%, and (iii) be among the fastest in the Matson fleet. Outside of the three new Aloha Class containerships mentioned above, we currently do not expect to build any additional vessels until the mid-2030s.

- **Disciplined M&A Strategy**. We evaluate and opportunistically pursue acquisitions that provide complementary services to our core business and a differentiated value proposition. While interest rates and macroeconomic uncertainty led to a slowdown in M&A in 2023, we were still able to execute an add-on acquisition of a small logistics business. As the M&A market picks up, we expect attractive targets to emerge that meet our criteria and allow us to put to work our balance sheet and operational acumen.

- **Dividends**. In 2023, we paid dividends of $1.26 per share, or $45.0 million in aggregate. Our annual dividend per share has increased every year and has more than doubled since we first started paying dividends as a public company in 2012. As previously communicated, we plan to increase our dividend in line with growth in long-term, sustainable cash flow.

- **Programmatic Share Buybacks**. We view share repurchases as another lever to create value for our shareholders by increasing your share of Matson. In 2023, we repurchased approximately 2.1 million shares for a total cost of $158.2 million.

[3]Reflects cash deposits into the CCF at year end of $599.4 million divided by the current remaining milestone payments on the three vessels of $899.1 million. This calculation excludes the $134.0 million in cash and cash equivalents as of year-end and excludes interest income on the cash deposits in the CCF going forward.

Since 2021, we have reduced outstanding shares by nearly 22%[4] at a cost of ~$755 million. We expect to be steady buyers of our stock on a long-term basis.

INVESTING IN OUR COMMUNITY

Matson's core values include long-standing commitments to environmental stewardship and strengthening the communities where we live and work. Since 2021, we have published annual Sustainability Reports to provide additional insights into our contributions towards environmental and social initiatives, and I encourage all to read these reports to gauge our progress.

- **Supporting Community Resiliency**. Two of our communities suffered extraordinary crises in 2023. On May 24th, Super Typhoon Mawar hit Guam as a Category 4 storm, the strongest storm to hit the U.S. territory in decades, knocking out power and disrupting fuel supplies for weeks. Matson's vessel *Maunawili* was the first containership to arrive following the reopening of the Port of Guam, delivering 450 containers of food, water and other essential goods.

  On August 9th, the day after Hawaii's largest wildfire took the lives of more than 100 people and destroyed the historic town of Lahaina on Maui, Matson joined other local businesses, community organizations and public agencies in mobilizing resources needed to respond to the crisis and sustain the community. In coordination with Maui County, State of Hawaii, and U.S. federal agencies we immediately began to prioritize shipments of emergency supplies and equipment. We extended the charter of an extra barge to support additional sailings to Maui, while maintaining all our normal services. Our Maui team kept leaders abreast of fast-moving developments and local needs, and we established a process to manage inquiries about relief shipments and offers of donated goods and services. As Maui rebuilds, we will continue to stand with the community as their partner and support their recovery.

- **Driving Towards Sustainability.** While our ocean transportation services offer significantly lower carbon emissions when compared to air freight, we understand there is more to do. As a marine transportation company, we have a deep connection with the oceans and strive to minimize our impact on the environment. We have committed to a near-term goal of reducing Scope 1 greenhouse gas ("GHG") emissions

Haleakala arriving at Kahului Terminal on Maui.

Photo: Jeff Hawe

[4]Based on the total shares outstanding of 43.5 million as of June 30, 2021 per the Form 10-Q filed on July 30, 2021.

from our owned fleet by 40% and are actively investing in technology including alternative and low carbon fuels, and new vessels to achieve that target by 2030. By 2050, our objective is to achieve net zero Scope 1 GHG fleet emissions.

IN CLOSING

We are passionate about moving freight at Matson. Our success is derived from the collective and individual efforts of our employees who extend our mission with every successful on-time cargo delivery. The strength of the Matson brand reflects our employees' tireless dedication to serving the needs of our customers.

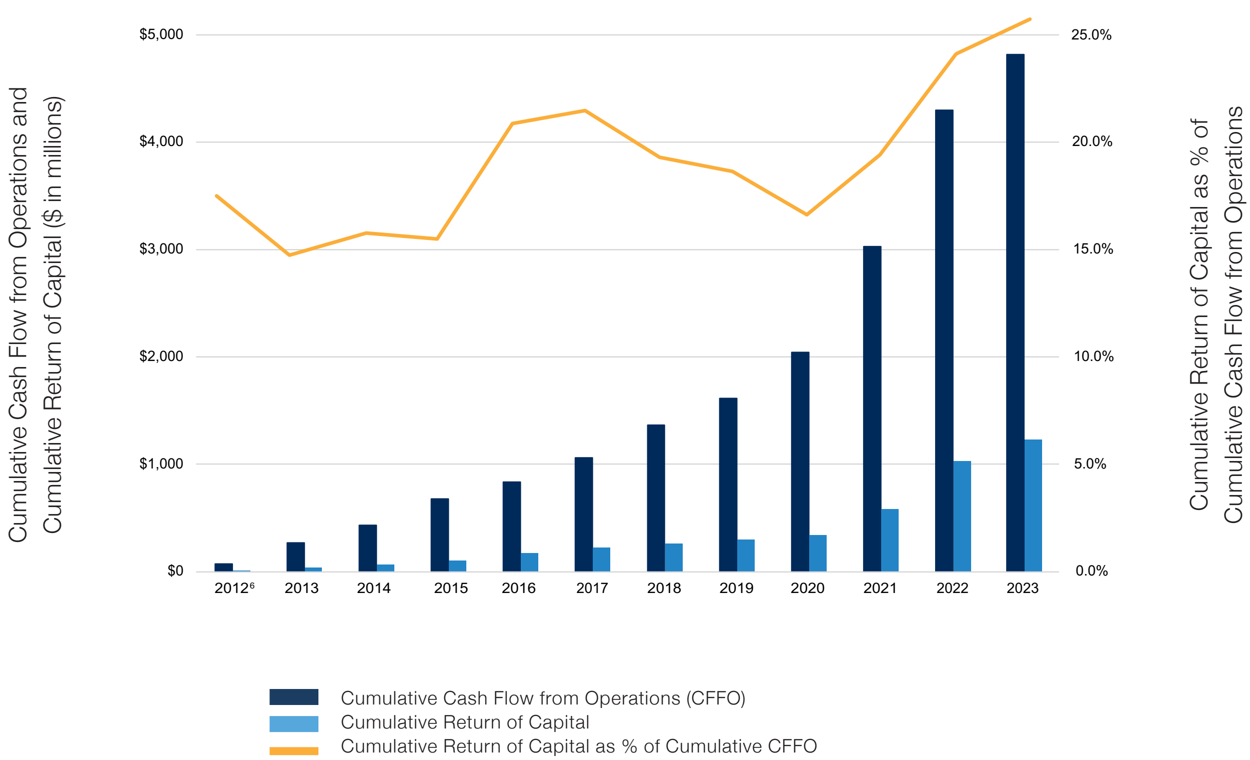
Our Board of Directors plays an integral role at Matson. We are privileged to work with an esteemed group of individuals whose guidance and experience help inform and instruct our strategy. This year Admiral Tom Fargo will be stepping down. On behalf of Matson, I would like to thank Tom for his years of dedicated service and wise counsel.

Matson remains resolute. Our strategies and core principles are unchanged. We continue to focus on the customer, provide reliable ocean and logistics services, pursue growth opportunities that enhance our network, and follow the same disciplined approach to allocating your capital to grow shareholder value.

Sincerely,

Matt Cox
Chairman and Chief Executive Officer
February 23, 2024

CUMULATIVE CASH FLOW FROM OPERATIONS AND RETURN OF CAPITAL



Note: Return of Capital is defined as the sum of share repurchases and dividends.

[6]Based on cash flow from operations from July 1, 2012 through December 31, 2012.

Matson

INVESTOR INFORMATION Corporate news releases, SEC filings, the Company's annual report and other pertinent information about the Company are available at www.matson.com.

Shareholders and institutional investors with questions about the Company may correspond with: Investor Relations, email: investor-relations@matson.com

TRANSFER AGENT & REGISTRAR | Computershare

For questions regarding stock certificates, dividends or other transfer-related matters, representatives of the Transfer Agent may be reached at: 1-800-522-6645
Computershare, P.O. Box 30170, College Station, TX 77842-3170
www.computershare.com/investor

AUDITORS | Deloitte & Touche LLP, Honolulu, HI

NON-GAAP MEASURES

Matson reports financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). The Company also considers other non-GAAP measures to evaluate performance, make day-to-day operating decisions, help investors understand our ability to incur and service debt and to make capital expenditures, and to understand period-over-period operating results separate and apart from items that may, or could, have a disproportional positive or negative impact on results in any particular period. These non-GAAP measures include but are not limited to adjusted effective tax rate, Earnings Before Interest, Income Taxes, Depreciation and Amortization ("EBITDA"), Return on Invested Capital ("ROIC"), and Return on Equity ("ROE").

	For the years ended December 31				
($ in millions, except ROIC and ROE)	**2023**	**2022**	**2021**	**2020**	**2019**
Total debt	**440.6**	517.5	629.0	760.1	958.4
Less: total cash and cash equivalents	**(134.0)**	(249.8)	(282.4)	(14.4)	(21.2)
Net debt	**306.6**	267.7	346.6	745.7	937.2
Net income	**297.1**	1,063.9	927.4	193.1	82.7[1]
Add: income taxes	**75.9**	288.4	243.9	65.9	25.1
Subtract: interest income	**(36.0)**	(8.2)	—	—	—
Add: interest expense	**12.2**	18.0	22.6	27.4	22.5
Add: depreciation and amortization	**167.5**	164.1	156.4	137.3	134.0
EBITDA	**516.7**	1,526.2	1,350.3	423.7	264.3
Net income (A)	**297.1**	1,063.9	927.4	193.1	82.7[1]
Subtract: interest income (tax-effected)[2]	**(28.7)**	(6.5)	—	—	—
Add: interest expense (tax-effected)[2]	**9.7**	14.2	17.9	20.4	16.7
Total return (B)	**278.1**	1,071.6	945.3	213.5	99.4
Average total debt	**479.1**	573.3	694.6	859.3	907.4
Average shareholders' equity (C)	**2,348.8**	1,982.2	1,314.3	883.5	780.5
Total invested capital (D)	**2,827.9**	2,555.5	2,008.9	1,742.8	1,687.9
ROIC = (B)/(D)	**9.8%**	41.9%	47.1%	12.3%	5.9%
ROE = (A)/(C)	**12.6%**	53.7%	70.6%	21.9%	10.6%

Note: Total debt is presented before any reduction for deferred loan fees as required by GAAP.

1. Includes a non-cash tax benefit of $2.9 million or $0.07 per diluted share related to discrete adjustments as a result of applying the provisions of the Tax Cuts and Jobs Act.
2. The effective tax rates each year in the period 2019-2023 were 23.3%, 25.4%, 20.8%, 21.3% and 20.3%, respectively. The effective tax rate for 2019, excluding adjustments related to the Tax Cuts and Jobs Act, would have been 26.0%.

FORWARD-LOOKING STATEMENTS

Statements in this Annual Report that are not historical facts are "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation those statements regarding performance and financial results, net income, EBITDA, cash flows, return on invested capital, capital allocation strategy, rates, cost savings of expedited ocean services versus air freight, our ability to grow our businesses, use of the CCF, the new-build program including costs and delivery dates for new vessels, refleeting initiatives, sustainability and GHG reduction goals, vessel and tradelane capacity, vessel speeds, acquisitions, dividends, execution of our share repurchase program, and maintaining investment-grade metrics. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to risks and uncertainties relating to repeal, substantial amendment or waiver of the Jones Act or changes in its application, or the Company were determined not to be a United States citizen under the Jones Act; changes in macroeconomic conditions, geopolitical developments, or governmental policies; our ability to offer a differentiated service in China for which customers are willing to pay a significant premium; new or increased competition; our relationship with customers and vendors and changes in related agreements; fuel prices, our ability to collect fuel-related surcharges and/or the cost or limited availability of required fuels; evolving regulations and stakeholder expectations related to sustainability matters; timely or successful completion of fleet upgrade initiatives; the Company's vessel construction agreements with Philly Shipyard; the occurrence of weather, natural disasters, maritime accidents, spill events and other physical and operating risks; transitional and other risks arising from climate change; actual or threatened health epidemics, outbreaks of disease, pandemics or other major health crises; significant operating agreements and leases that may not be renewed/replaced on favorable or acceptable terms; any unanticipated dry-docking or repair costs; joint venture relationships; conducting business in foreign shipping markets, including the imposition of tariffs or a change in international trade policies; any delays or cost overruns related to the modernization of terminals; war, actual or threatened terrorist attacks, efforts to combat terrorism and other acts of violence; consummating and integrating acquisitions; work stoppages or other labor disruptions caused by our unionized workers and other workers or their unions in related industries; loss of key personnel or failure to adequately manage human capital; the use of our information technology and communication systems and cybersecurity attacks; changes in our credit profile, disruptions of the credit markets, changes in interest rates and our future financial performance; our ability to access the debt capital markets; continuation of the Title XI and CCF programs; costs to comply with and liability related to numerous safety, environmental, and other laws and regulations; and disputes, legal and other proceedings and government inquiries or investigations. These forward-looking statements are not guarantees of future performance. This Annual Report should be read in conjunction with our Annual Report on Form 10-K and our other filings with the SEC through the date of this report, which identify important factors that could affect the forward-looking statements in this report. We do not undertake any obligation to update our forward-looking statements.

DESIGN & PHOTOGRAPHY John McNeil Studio, CA | ADDITIONAL PHOTOGRAPHY Tim Rue CA / Jeff Hawe HI | PRINTED IN CALIFORNIA by Sprinkel Media