

MOL INTERIM REPORT 2024 REPORT 2

Progress in regionally-led projects:

FSRU Time Charter Party agreement

and development of office buildings in various regions

We are undertaking activities guided by the slogan of “Taking the leap to becoming a global social infrastructure company” in the MOL Group corporate management plan “BLUE ACTION 2035,” and setting “Regional Strategies” as one of our core strategies. In the areas facing the world’s major economic zones, the MOL Group’s regional organizations will demonstrate a presence in the global market as a global social infrastructure business group by independently fulfilling the key roles of decision-making, and business development and operation.

Before the establishment of regional organizations, the MOL head office mostly conducted decision-making on proposals submitted from each region. But we have significantly moved away from this style of business, and the authority to make such decisions has been broadly entrusted to the respective regional organizations. The MOL Group divides global business operations outside Japan into the five regions of East Asia, Southeast Asia and Oceania, South Asia and Middle East, Europe and Africa, and the Americas. We have appointed dedicated executive officers for each region, and also appointed a head of marketing and corporate functions in each region. We have established a system to improve the quality and speed of decision-making within regional organizations.

India has been the first country targeted in our Regional Strategy. Due to that country’s expanding energy demand, we are achieving strong performance in our energy transportation businesses such as those for LNG (Liquefied Natural Gas), ethane, LPG (Liquefied Petroleum Gas) and crude oil. Our renewed efforts in not just our shipping businesses but also our non-shipping businesses, which we have been strengthening under our “Portfolio Strategy,” another core strategy have also born fruit. In particular, MOL Group company Daibiru has been carrying out office building development as part of its activities to develop its real property business. Daibiru has been participating in the Atrium Place Project, an office building development project comprising four buildings, etc. in the outskirts of Delhi, India’s major northern city. The buildings are scheduled for completion in 2025.

We are also achieving various successes from ongoing initiatives in other regions that have used India as a model case. One of such projects is being carried out in the Europe and Africa region. In 2024, MOL concluded a long-term agreement with GAZ-SYSTEM S.A., a Polish gas transmission system operator, to time charter out a Floating Storage and Regasification Unit (FSRU) that will be able to store LNG offshore and re-gasify it and send it to facilities onshore. Although MOL is a global leading

company that owns and operates FSRUs, this FSRU, which will be Poland's first, is planned to serve as a key role for the floating LNG import terminal newly constructed offshore at the port of Gdansk, which faces the Baltic Sea. As this project will contribute to the security of Poland's energy supply, the European Commission has expressed a high level of interest in it as a regionally based infrastructure project.

We have been focusing our attention on this project since several years ago and our efforts have been in full-swing since 2022. This project was led by the newly appointed regional executive officer in charge and the head of marketing, and at London-based MOL (Europe Africa) Ltd, which is in charge of the Europe and Africa region, we have established a project team comprising commercial and technical capabilities. This project team has played a key role in promoting this project and concluding the contract.

Another project is an FSRU in the Southeast Asia region for Singapore LNG Corporation Pte. Ltd., Singapore's state-owned LNG terminal operator. This FSRU is the first in Singapore and will be moored at the Jurong Port, making it possible to receive and store LNG and send gas to shore. This infrastructure project will contribute to a stable supply of energy for Singapore, where about 95% of domestic power generation is fueled by imported natural gas.

The factors significantly contributing to successfully earning this agreement included not only MOL's technical capabilities that we have accumulated on a global stage in participating in the FSRU business as the sole Japanese shipping company, but also the fact that the regional organization was taking the leading role, enabling us to flexibly respond to the customer's requests and make decisions without any time delays. By utilizing this experience, we will continue in the future to expand our business operations in major economic regions around the world.