Disclaimer: This English translation is solely for reference purposes only and not a legally definitive translation of the original Japanese text. In the event a difference arises regarding the meaning herein, the original Japanese version will prevail as the official authoritative version.

June 2024 MCSV Creation Forum Q&A

1. **Date and Time:** June 6, 2024 (Thursday) 14:00 to 16:15
2. **Format:** Hybrid (Large meeting room/Zoom Webinar)
3. **Presenters:** President Nakanishi, GCEO Saito, GCEO Kondo, CSEO Kobayashi, Director Akiyama, Director Sagiya, General Manager Akamatsu (facilitator)

1. MCSV Creation

Q:

The examples just presented consist of MCUBSR and Eneco. The former case began in 2002, while the latter started in 2020. Given the apparent interval between the two cases, I assume that the company has implemented a variety of other initiatives during that period. I also think that some projects are expected to yield profit going forward. Could you please name some other projects, if any, with future potential?

A: (President)

For the point you have raised, the two examples that I mentioned occurred in the past 20 years at different times, MSUBSR back in 2002 and Eneco in 2020. To be clear, we have no intention of selling Eneco at this time, and the two projects are very different.

One had been developed and grown enough for us to say that our role as shareholder was over, and it was time to sell to those who could take the business further. The other was purchased in 2020, and is still in a stage where we are adding value to the company. MCUBSR was founded in the early 2000s and developed for 20 years. We exited after we completed our role. On the other hand, Eneco was acquired in 2020. Of course, we implemented a number of projects in the 20 years in between. Because the usual focus of this kind of presentation highlights successful cases, other initiatives may be overshadowed. However, we also believe that drawing on takeaways from failures to make well-informed future decisions is of importance. For example, we recorded impairment losses when we exited from some food industry businesses overseas despite their overall profitability. This was due to a failure to adapt to changes in the macroenvironment and divest these businesses even though our role as owners had already been fulfilled. Looking at TOYO TIRE, on the other hand, we believe that there is still room for leveraging their strengths in specialty tires through our support, because the transition to EVs leads to heavier vehicle weight, presenting an opportunity. Accordingly, we undertake both investment and business support. As a matter of fact, our involvement in this business dates back to 2018. Although we cannot say that we achieved success every year over the last 20 years, we can name quite a few successful cases. Eneco is just the most recent example. Overall, we have seen steady growth in some projects right after their commencement while there were other projects that we cannot help but admit that we missed the right timing to divest. Looking ahead, we deem it important to determine the proper positioning of these endeavors in the Value-Added Cyclical Growth Model and translate them into growth strategy components.

Q:
I'd like to ask about the diagram on page 4 which shows the long-term trajectory of profit growth. Although we anticipate the future expansion of such platform businesses as Eneco, we are equally interested in their short-term impact and profitability. For example, do you expect Eneco to achieve profit expansion in the course of the upcoming Midterm period? If you believe that Eneco achieves further growth only after the ending of the upcoming midterm period, could you name, as the President, specific projects matching your expectation achieving your vision?

A: (President)
At our last earnings announcement, as well as in February, we stated our intention to execute strategic M&A. We know that we are expected to achieve higher earnings every year. When it comes to addressing new potential projects, we do not jump on every deal we come across. It is important to carefully assess a deal's potential and determine whether it is genuinely promising. In this regard, what is most important in the creation of MCSV is how we will add value to each project by leveraging our existing assets. As touched on in the first question, we have implemented various measures over the course of two decades since 2002. Building on the outcomes of these measures, we are about to "Enhance" investments underway and "Accelerate" our growth via new investment opportunities even as we "Reinforce" our current operations. Strategic M&A deals currently considered will be undertaken as a next stage following the "Accelerate" measures. These deals will take time until they begin contributing profit. In any case, we will continue leveraging our businesses and projects such as Eneco and others. Although Eneco has a customer base, we are not planning to launch auto leasing or other types of businesses via this company considering its original purpose as a comprehensive energy provider. We recognize the considerable popularity of EVs in Europe, with many EVs owned by corporations as company vehicles rather than individual ownership. This naturally leads us to recognize demand for leased EVs, with the need for hundreds of thousands, or millions, of leased vehicles. Then, we can provide batteries and green energy sources to these vehicles. Our hypothesis is that MCSV can be created via these initiatives. Instead of rapidly expanding the scale of the business, we plan to steadily expand it through the implementation of a proof of concept (POC). We expect to encounter good opportunities in various regions over the course of the next midterm period. Although assessing the timing for the execution of each deal is no easy task, we will continue planning such

deals to prepare for our future growth. I am not in a position to provide specific details, but this is where we are today. In other areas, our aim is to ensure that the company becomes capable of stable earnings of ¥1 trillion in profit through initiatives like the “Reinforcement” of our current operations. Of course, operating results may not keep growing. We may see ups and downs. Nevertheless, our overarching goal will be met if we can steadily generate cash and earn profit while accumulating projects designed to further “Accelerate” our growth via new investment opportunities.

Q:
Please elaborate on this subject. We, of course, understand that the company’s aim is to expand its foundations even as it pursues business growth. However, we would like to learn about the expected volume of synergies and profit expansion arising from the combination of existing businesses with new deals, aside from the timing of signing potential deals.

A: (President)
Later on, this subject will be also addressed by GCEO Saito. We have seen increasing energy demand from semiconductor manufacturers and related sectors, as well as that arising from digitalization and other phenomena. The energy issue is being covered by media outlets on a growing number of occasions, while the Japanese government is about to formulate a plan to take on this issue. Japan is not the only country to tackle this issue. “Energy” has become a keyword in the United States, Europe and elsewhere around the globe. When we acquired Eneco, we did not imagine that energy demand would surge as it has today. However, we now see increasing opportunities as the energy industry strives to transform itself. Actually, we are very much looking forward to planning how we will approach EVs and other energy-intensive industries. Depending on the methods we use to achieve this, we may pursue projects with greater economic scale.

2. Environmental Energy Group Growth Strategy

Q:
On page 14 you mentioned that the Environmental Energy Group expects to achieve ¥250 billion in profit during the early 2030s, with profit from next-generation energy accounting for 10% to 20% of this amount. Please provide a breakdown and your earnings plan for the remaining amount. In addition, we assume that there will be difficulties in actualizing investment returns from next-generation energy. Do we need to wait until 2030 to see profit from this area?

A: (GCEO)
For the first question, our LNG business strategy is to expand LNG equity production capacity from

12 million tons to 17 million tons per annum by the end of 2030. By steadily executing the projects designed to “accelerate” our growth in our current investment pipeline, we will be able to achieve the remaining profit.

For the second question regarding our next-generation energy initiatives, our policy is to secure the entire value chain. We plan to invest in next-generation energy manufacturing and supply products to meet the demand in Japan and other regions. For example, we are planning a clean ammonia production project in the United States, which will bring clean ammonia to Namikata Terminal and other facilities in Japan. As for e-methane, we plan to invest in the production business in the United States together with Japanese utility companies, and then transport it to Japan for the Japanese utilities to use. These projects will require a considerable lead time for construction, therefore we expect to start generating profit around 2030.

Q:

I, too, have a question regarding page 14. You have stated that ¥250 billion in profit is achievable if the Group steps up its LNG equity production capacity as well as its investment on next-generation energy. If 20% of this amount, which is ¥50 billion, is accounted for by next-generation energy, I assume that the remaining ¥200 billion will be mostly achieved by increasing LNG equity production capacity from 12 million tons to 17 million tons per annum. In this regard, I expect LNG Canada and other projects will yield an increase of around ¥50 billion in profit, therefore it is understandable. On the other hand, I am somewhat skeptical about the likelihood of ¥50 billion coming from next-generation energy, as there will be fierce competition in this market. Although I assume that the “selective approach” you mentioned suggests there is a high probability of earnings to be achieved by the company in certain areas, I would like to know the specific sectors you’re targeting to achieve this profit.

A: (GCEO)

It is challenging to secure returns from next-generation energy business, and this is exactly why we take a selective approach. Aside from specific quantitative targets, we have three criteria in mind when undertaking next-generation energy projects. The first point is whether we can secure demand and offtake from our customers. As the customers may be reluctant to purchase next-generation energy over the long-term due to its costliness, the second point is whether we can gain regulatory support or subsidies, such as the U.S. Inflation Reduction Act (IRA). The third point is whether we can leverage an existing infrastructure, which will help minimize initial costs. Clean ammonia can be handled with the existing supply chain, and e-methane will be introduced to Japan utilizing our existing LNG infrastructure. In summary, we are focused on products for which 1) we can secure demand, 2) regulatory support is available and 3) an existing infrastructure can be utilized.

Q:
Regarding the next-generation energy products specified in the materials as your focus; although we generally understand that they have good growth potential, we would like to better understand the areas you will focus on. We have been given explanations on the initiatives with high likelihood of coming to fruition. However, could you please describe how will you take on these initiatives to best leverage your company's strengths and unique features? We would like to understand the specific products, their expected profitability and timeline, and how you will differentiate yourself from your competitors.

A: (GCEO)
Although I would like to refrain from providing specific figures, we are currently engaged in studies regarding the ammonia and e-methane manufacturing businesses in the United States. We are focusing on securing next-generation energy supply capacity in the United States, and these projects could potentially be subsidized by the IRA. We aim to supply these next-generation energy products to our customers in Japan, and we have already started forming alliances with our customers to this end. This entire scheme is similar to how we developed our LNG business, which should allow us to fully leverage our strengths. Our strengths lie in our track record in developing and accomplishing public-private projects, and leveraging our knowledge, trustworthiness and presence in the industry. We will implement future projects by fully taking advantage of these strengths which have been cultivated in our LNG business and others.

Q:
Regarding the company's marketing strategy for LNG, I assume that you expect are bullish on demand for LNG, due to growing demand particularly in Asia. Based on this premise, there may be a variety of geopolitical risks. For example, two years ago several trading companies succeeded in making profit from marketing LNG by optimizing sales of surplus LNG output. In terms of how you will market LNG in the future, I believe there is room for the company to seize upside opportunities by raising the ratio of spot sales volumes against long-term contracts, though this method might entail volatility. What are your thoughts on this strategic option?

A: (GCEO)
Compared with the situation 10 to 20 years ago, the volume in the spot market has grown larger in this industry. We have taken this growth into account when developing our marketing strategies. However,

our primary focus is to develop projects by securing long-term contracts. As you may already know, energy security is gaining a lot of attention and the use of LNG is now being reconsidered since the emergence of the energy crisis in Europe. Long-term contracts have been increasing in the past several years in countries abroad. In Japan, based on the Sixth Strategic Energy Plan, formulating the demand forecast is difficult, which also makes it hard for Japanese LNG consumers to commit to using LNG over the long-term (though this plan is expected to be reviewed this year). It is also worth mentioning that we intend to capture opportunities to trade and optimize our equity LNG, which is LNG sold by Mitsubishi Corporation instead of being marketed by a joint venture.

Q:
Looking at your vision for 2030, I get the impression that your LNG business has a higher priority than before within your company. Previously, the company seemed to focus on ammonia and other next-generation energy sources, including in the Midterm Corporate Strategy. Although you have mentioned Browse LNG, do you intend to develop new LNG projects toward 2040 and 2050, in addition to pursuing the existing LNG projects? Or do you aim to allocate resources to next-generation energy despite challenges associated with this area?

A: (GCEO)
We view the trend toward decarbonization to be irreversible, and accordingly, maintaining our consistency with Mitsubishi Corporation's Roadmap to a Carbon Neutral Society is a prerequisite. On the other hand, the pace of energy transition seems to have grown slower in countries around the globe over the course of the past year. This is apparent in various sectors. That being said, the importance of LNG during this energy transition period has somewhat increased in 2023 and 2024. On the other hand, we believe the shift to next-generation energy will eventually gain momentum again as part of the overarching trend toward decarbonization over the long term. We are paying close attention to these trends to optimize our portfolio, but the question is when and how to take on this shift. The establishment of the Environmental Energy Group has made it possible for us to assess trends of various industries in a timely manner. We will continuously update ourselves on these trends to review and optimize our portfolio, utilizing our presence as a player in the industry. While our current view for the early 2030s is that next-generation energy will account for 10% to 20% of our portfolio, this target will also be subject to our continuous review. We believe the ratio of next-generation energy will increase in the long-term along with the shift toward decarbonization.

Q:
Browse has been under development for a couple of years. However, so far the project has been pending due to the differences in shareholder composition and other reasons. Given this background,

what are your thoughts on the probability of Browse development toward 2030? Also, if the project fails to undertake development, the upstream gas production volume of North West Shelf (NWS) LNG will decline, with the entire project turning into a tolling business. If this scenario comes into play, we will be concerned about the drop in profitability. Please let us know your opinions regarding these projections.

A: (GCEO)
Basically, any LNG business will entail a decline in output due to the depletion of upstream gas reserves. As NWS has been producing gas for more than 35 years, the output from this field has declined from the initial volume. Our plan is to obtain and tie-in additional gas production from Browse and process this as LNG output from the NWS facility. The development of Browse has had its ups and downs, but the Australian government has recently announced its Future Gas Strategy, which highlights the importance of natural gas. Some have voiced out the necessity of gas even after 2050, and we feel that the project is gaining momentum for development. We base our plan on a tie-in to the NWS facility, but if we see delays in Browse development, we may need to utilize these facilities for a tolling business accepting gas output from adjacent gas production fields to secure stable earnings. In any case, we will continue assessing how to optimally utilize our production capacity, with Browse development serving as a key base.

3. The Smart-Life Creation (S.L.C.) Group Growth Strategy
Q:
Regarding page 21, we understand that the S.L.C. Group's plan for expanding its overseas businesses. Although you mentioned the financial business overseas, I believe that, currently, promising businesses will be limited to UNIQLO and a few others. As for potential profit sources available in the Group's overseas operations, do you expect to secure earnings from new investments, or do you intend to rely on earnings arising from organic growth in existing projects? Please elaborate on your strategic views on how the Group will achieve profit growth.

A: (GCEO)
At present, overseas profit sources mainly consist of UNIQLO's overseas joint ventures (Indonesia, Thailand, and Vietnam) and the finance business (B2B funds). With regard to UNIQLO's overseas JVs, we would like to steadily expand it as a C2B business to seize opportunities from overseas market growth. In addition, although we are not in a position to provide details, we are currently considering new businesses aimed at targeting growing healthcare needs in ASEAN. Improving standards of living in the region have resulted in increasing cases of chronic lifestyle-related diseases, and this has led to

growing public interest in the treatment of pre-symptomatic diseases and other preventive healthcare. We believe that great opportunities lie in resolving these issues.

Q: Does that mean that the numbers in your growth strategy include an expectation of a relatively large return from new investments?

A: The breakdown of our profit target for 2030 of ¥100 billion, is 3:1 between existing and new investments.

Q:

Please let me confirm your statement regarding the asset side. Due in part to the reorganization, the S.L.C. Group is now the largest Group in Mitsubishi Corporation in terms of asset size. The former Consumer Industry Group has the lowest ROA, but the inclusion of the financial business in the newly formed Group enables it to improve this indicator. Also, transformation of Lawson into an equity-method affiliate could enhance asset efficiency. However, I would like to hear your thoughts on the current ROA, which remains low. Although I was able to understand the Group's growth plan and vision, could you please share your thoughts regarding how you will address these profitability-related issues as GCEO?

A: (GCEO)

The volume of risk assets held by the Group is currently around ¥1 trillion, but we do not intend to expand this asset holding further to raise profit. As discussed by President Nakanishi earlier, we intend to allocate proceeds from divestitures of projects for which our role is complete in order to secure funds for new investments. Our Value-Added Cyclical Growth Model leaves no exceptions and any of our existing assets could be considered for divestment. Looking forward to the next Midterm Corporate Strategy, we will push ahead with divesting a certain volume of assets and will consider executing investments via the use of resources made available via such divestitures. The ROA will not deteriorate radically. In addition, our target for ROE is set by the company. While developing our operations, we will strictly meet these minimum targets.

Q:

Please elaborate on how you will achieve a Smart-Life economic zone. I understand that there will be changes in demand in Japan and ASEAN, but it still does not make sense to me that the Group seems to be focused on securing earnings overseas even though its asset holdings are mainly in Japan. Could you please describe the significance of Mitsubishi Corporation's involvement in overseas businesses? Please also name competitors in these markets and Mitsubishi Corporation's competitive advantage.

A: (GCEO)

The current Midterm Corporate Strategy aims to achieve sustainable growth even as we create MCSV and leverage our core competencies to resolve social issues. We believe that there is no border for social issues. If we recognize social issues that must be resolved, whether in Japan or ASEAN, we will promote our operations to address such issues and needs. This is how we will aim to achieve sustainable growth. On the other hand, when it comes to whether we can dominate the market or not, 90% of the S.L.C. Group’s assets are based in Japan, as you have just mentioned. Accordingly, we have relatively few assets in countries overseas. However, we are equipped with robust networks and relationships Mitsubishi Corporation has long cultivated with local conglomerates in key ASEAN countries. Taking full advantage of these networks and relationships, we will be able to develop businesses with local corporations or play our part to contribute to existing businesses. We can also add some value by rolling out Lawson retail store chains to countries overseas for example. In this way, we aim to establish win-win relationships.

Q:

Although it was just stated that Mitsubishi Corporation maintains good relationships with Asia’s major conglomerates, could you elaborate on the reasons why they would work in tandem with Mitsubishi Corporation, instead of developing businesses independently? Also, could you describe positive effects conglomerates in ASEAN are expecting to enjoy via collaboration with you?

A: (GCEO)

Looking at our partner companies in Japan, Lawson also maintains a partnership with KDDI. Currently, the strengths of and services afforded by this and other partner companies are considered to be an extension of our own strengths. Lawson is presently operating in Thailand, Indonesia, and the Philippines. Although the number of stores is not large, these operations are run in collaboration with local blue-chip conglomerates we have long associated with. Our local partners are expecting us to bring successful business models we have cultivated in Japan to their own countries.

Q:

Looking at the pie chart on page 21 under the title “Profit portfolio to be established in FY2030,” the split between Japan and overseas is 60:40. Considering that 90% of profit in 2023 was from domestic operations, the chart could suggest that domestic operations will not achieve substantial growth. Could you share your thoughts regarding the Group’s potential to achieve growth in Japan, where it boasts strength? I believe that allocating managerial resources to domestic operations could be an option due to the Group’s strength in Japan. Please describe your rationale for focusing on overseas operations instead of domestic ones.

A: (GCEO)

We have just explained that the likelihood of achieving ¥70 billion in FY2027 via organic growth is considerably high. On the other hand, the future in FY2030 is a bit more distant. Our forecasts for the degree of organic growth to be achieved by that fiscal year have been calculated based on certain assumptions. In any case, we aim to continuously develop our existing strengths. We will also consider additional investment if necessary. However, based on the macro outlook, Japan's population decline is expected to lead to market shrinkage. Accordingly, our growth strategies are centered on pursuing qualitative improvement, achieving greater efficiency, pushing ahead with business model reforms and executing reorganization, instead of merely expanding the scale of operations via additional investment. Meanwhile, we expect to see growth in GDP in many countries overseas. We will therefore undertake investments in ASEAN, where a majority of the population will continue to be younger going forward, as well as in North America, in order to build a solid foundation.

Q:

In connection with page 21, you have shared your plan for developing overseas operations into greater profit contributors to enhance ROE and ROIC. I would have no objection if the Group were to improve on these indicators while downsizing its asset holdings. However, I am skeptical about whether the Group's business model can really be efficient if it promotes downstream businesses that are closer to consumers. I believe that the S.L.C. Group will be able to keep its overall profitability robust by incorporating businesses with one-off gains and pursuing effective asset replacement. With this in mind, please describe your views on how you will apply the Value-Added Cyclical Growth Model as well as achieve growth for the S.L.C. Group, in addition to your thoughts on the best mix of operations.

A: (GCEO)

As you already know, today's retail business is low margin. We aim to increase the proportion of C2B businesses in 2030, by targeting of the service, financial and digital sectors. Generally, these sectors are expected to allow us to enjoy higher margins than the retail field while boasting growth potential. We anticipate that profitability will naturally increase when we enter these sectors.

4. Independent Directors Fireside Chat

Q:

I want to ask about governance. Earlier, Director Sagiya mentioned that she has been regularly receiving data since becoming a director, but as certain gaps in data and knowledge remain, what kind of initiatives have the board of directors taken? With the chairman of the board also serving as the chairman of the company, what are the opportunities for discussion? Is it easy to speak up?

A: (Director Akiyama)

Compared to what I hear from independent directors in other companies, there is no hesitancy to voice an opinion in the company's Board discussions. I think you observed the this during today's sessions. We speak frankly about what is on our mind. At board of directors meetings, we do not stop at discussions of individual agenda items. Based on those items, we spend more time discussing management itself, including the business environment, business strategies, and the direction the company is aiming to go. The chairman has been leading these discussions. When the discussion of individual agenda items has settled down, he begins talking about his own ideas from a broader perspective as supplemental commentary. Independent directors get inspired from this as a starting point and voice their own diverse opinions. That is generally how things go at our board meetings.

A: (Director Sagiya)

The directors meet and converse with each other very often, and they do not find any difficultly in sharing their opinions. Since I became an independent director, the fact of the matter is that I have been supplied with ample information. Because of the complexity of the business, a preliminary briefing is always held in advance of board of directors meetings. We receive briefings from the relevant general managers, gain a high level understanding of the matter at hand, ask substantive questions and hold discussions at the meeting. After reviewing the minutes of the preliminary briefing, the chairman and president consider how they should present at the board of directors meeting in their capacity as corporate management, and deliver their remarks. Discussions at the board of directors meeting never end with someone not fully understanding the matter.

Q:

Due to the upcoming change in structure, the Compensation Committee will be launched. Following the general meeting of shareholders, Director Akiyama will become the committee chairman, so I would like to ask, what kind of compensation system will you establish and what direction will you take?

A: (Director Akiyama)

The most important matter regarding compensation-related governance is that we must not just do as we please. But as the level of business performance rises, there is increased competition for talent in the market, and it is important to assess the appropriate level of compensation. Because there is already an established detailed formula for board member compensation, I will not significantly change the system but will assess appropriate levels and consider overall composition, including the balance between short-term and medium to long-term compensation. Going forward, aligning the views of shareholders and top management will become a more important theme, so I would like to remain deeply involved in an objective position.

Q:
I realized that more in-house studies on creating conglomerate value have been held than I would have thought, and I think that is the company’s strength. However, with some segments having a low ROI, what kind of discussions are being held about increasing ROI for the company as a whole?

A: (Director Akiyama)
That is the basic concept of the Value-Added Cyclical Growth Model. From my position as an independent director, I receive reports once every six months that include highly detailed analyses for each business investment. I receive reports on whether investments are meeting the expected return for their industry and whether we should decide on future actions and schedules to improve profit or just withdraw from the business. Amid regular monitoring, we occasionally find companies for which the appropriate future actions are difficult to determine, but results often improve by the next report. However, if the results do not pan out, we clearly decide on a policy to withdraw. I am monitoring those kinds of in-house operations.

Q: I think the expected ROA/ROI level is different for each segment, but do you think that the expected levels set by Mitsubishi Corporation are fair?

A: (Director Akiyama)
In my opinion, the company is aiming for a level that is above just what’s fair. The clarity and frequency with which matters are reported to and shared with independent directors is high compared with other companies, and my understanding as an independent director has increased.

Q: By becoming a company with an Audit & Supervisory Committee, I think monitoring functions will be further enhanced, but what kind of changes will there be in terms of what is expected of independent directors?

A: (Director Sagiya)
Regarding the transition to a new structure, we have discussed the matter over time at the Governance, Nomination & Compensation Committee. We have many opportunities to interact with ASB members at board of directors meetings and elsewhere. As directors, we attend the meetings where ASB members gather and discuss. The amount of information available to directors and ASB members is almost equal, and the opportunities to voice opinions are also similar. Accordingly, upon the transition,

I do not think there will be a major change and believe that we are already prepared.

A: (Director Akiyama)
I completely agree. It is not that we will change something through the structural change. It is that as we consistently work to increase the level of governance, we are fully prepared and have reached the right timing to change our structure to reflect that.

Q:
I always felt that the company was not proficient in IT or DX, but what is your opinion, Director Sagiya? Investing in data centers is easy to understand, but what is the company aiming for in other sectors? Do you think that investments in digital fields have potential for continuous growth?

A: (Director Sagiya)
I had the same impression when I first became an independent director. That is why I went around to various employees to ask about the significance of implementing DX at the company. At the time, DX was becoming something of a buzz word, and various projects of all sizes were being launched. I went around to confirm whether these projects could realistically be executed, whether they could provide additional value unique to Mitsubishi Corporation, and whether they could be monetized. What I found out was the Industry Digital Transformation Group at the time was hiring personnel highly specialized in AI from outside the company and Industry One, Inc. had an environment where they could put their projects into practice. I realized I had nothing to worry about in terms of the company's capabilities. The company does not have to have platforms from the beginning to realize the monetization of any project. That is a future goal. It is more important to establish a pattern of succeeding on a small scale and then expanding from there. It is also necessary to diligently and continuously monitor projects under way. Under the Value-Added Cyclical Growth Model, it is important to firmly promote projects and fully utilize the efforts made so far within the S.L.C. Group.