

NEWSLETTER

VOLUME. 17

OFFSHORE WIND PROJECT



THE 1ST COMPLETION OF CHANGHUA 2B AND 4 PROJECT

On May 21th, a ceremony was held at HSG Sungdong's yard to mark the completion of the first offshore wind substructure unit. The event was attended by over 100 people, including Sven Olling, the Danish Ambassador to South Korea, the Vice President of Ørsted, Jayaram Naidu, Cheon Yeong-gi, Tongyeong Mayor, Gyeongsangnam-do Industrial Director Ryu Myeong-hyeon, and HSG Sungdong executives and staff.

HSG Sungdong secured an order for 33 offshore wind substructures for Ørsted's Changhua 2b&4 project last year and has been manufacturing these substructures for over a year since May of last year.

(Continued on the next page)

OFFSHORE WIND PROJECT



THE 1ST COMPLETION OF CHANGHWA 2B AND 4 PROJECT

The recently constructed offshore wind substructure is the suction bucket type, with a maximum height of 85 meters, capable of supporting 14 MW turbines. The suction bucket method uses the pressure differential between the inside and outside to install the structure on the seabed, making it a groundbreaking, eco-friendly method that is noiseless and vibration-free, significantly enhancing cost efficiency.

The successful production of the first offshore wind substructure is seen as a result of HSG Sungdong's efforts in business diversification. This achievement is expected to accelerate the company's entry into the offshore wind market.

HSG Sungdong Shipbuilding & Marine Engineering is well-positioned to manufacture foundational substructures for offshore wind energy conversion. Entering the offshore wind substructure market requires advanced technology, large-scale facilities, and supply experience. With a vast 1.2 million square meters yard, state-of-the-art equipment, and a proven track record in offshore wind substructure production, HSG Sungdong meets all the competitive conditions needed for the market and can produce up to 60 units annually.

A representative from HSG Sungdong Shipbuilding & Marine Engineering stated, "The completion ceremony marked a significant milestone in HSG Sungdong's successful entry into the offshore wind power market. Moving forward, HSG Sungdong Shipbuilding & Marine Engineering will play a leading role in the offshore wind power sector through safe and efficient project execution."

OFFSHORE WIND PROJECT



MOU SIGNING WITH PACIFICO ENERGY KOREA

On May 24th, HSG Sungdong signed a Memorandum of Understanding (MOU) with Pacifico Energy Korea for the largest offshore wind farm in the Asia-Pacific region, the Jindo 3.2GW offshore wind farm. This partnership is significant in domestic offshore wind foundation sector since it is the first partnership between Korean and American Corporations.

Through this MOU, Pacifico Energy Korea and HSG Sungdong agreed to collaborate on the development and supply of the WTG foundations, joint marketing for mutual overseas expansion, development and contribution of the local supply chain.

HSG Sungdong's infrastructure was highly regarded in Pacifico Energy Korea's value chain plan. Its vast yard expanding approximately 1.2 million square meters and 2 kilometer-quay providing significant competitiveness that are essential for the fabrication and delivery of the WTG foundations.

The Jindo offshore wind farm will consist of three phases. The 420MW Myeongryang Offshore Wind, the 990MW Manho Offshore Wind, and the 1.8GW Jindo Offshore Wind.

The first phase, Myeongryang Offshore Wind is in the process of obtaining development approval. The second phase, Manho Offshore Wind has completed the wind resource investigations while the third phase Jindo Wind Offshore is currently undergoing wind resource investigations and the cluster is expected to be the largest in the Asia-Pacific region in terms of generation capacity.

OFFSHORE WIND PROJECT



MOU SIGNING WITH PACIFICO ENERGY KOREA

“HSG Sungdong possesses outstanding technology and execution capabilities, ensuring that its ultra-large structures always perform at their best, even in harsh marine environment.”, says Mr. Jinsang Lee, CEO of HSG Sungdong.

The signing ceremony was attended by Mr. Hyungdu Choi, a member of the 21st National Assembly, Mr. Nolan Barkhouse, the U.S. Consul General in Korea, Woonsik Ha, President of GE Vernova, and Mr. James Kim, the Chairman of the American Chamber of Commerce of Korea.

Mr. Hyungdu Choi noted “The agreement between HSG Sungdong and Pacifico Energy Korea will be a significant milestone in accelerating green energy transition as part of the Korea-U.S. partnership following the 10th Korea-U.S. Energy Security Dialogue.”

Mr. Seung-Ho Choe, CEO of Pacifico Energy Korea emphasized "The collaboration between Pacifico Energy Korea and HSG Sungdong is the first Korea-U.S partnership in the offshore wind substructure sector, aimed at strengthening the relationship between a U.S. offshore wind developer and the offshore wind supply chain, supporting Korea's growth in the Asia-Pacific offshore wind market.

Myeongryang Offshore Wind has recently completed the necessary capital increase to meet the enhanced criteria for development approval. Following approval, the project will undergo ground surveys, environmental impact assessments, and public water use permits, with construction slated to begin in 2029 and commercial operation by 2032.

SHIP REPAIR SERVICES



Vessel information

- **Ship Owner: Dorian LPG**
- **Ship name: COPERNICUS**
- **Type: LPG Carrier**
- **DWT: 54,656 tons**
- **LOA: 227m**
- **Breadth: 36m**

SUCCESSFUL SHIP REPAIR

On May 3rd, HSG Sungdong successfully docked an 84K LPG carrier with a length of 292 meters and a width of 36 meters at the 2B quay. The vessel is scheduled to depart for Panama after completing a 5-day 'stern tube seal' replacement operation.

HSG Sungdong is actively engaged in various repair operations for a diverse range of vessels utilizing its self-owned floating dock with a dimension of 320 meters in length, 67 meters in width and a total lifting capacity of 80,000 tons.

The 2km quay of HSG Sungdong is optimized for repair operations of various types of vessels, regular inspections, annual check-ups, painting, equipment replacements, general services, etc.

As of 2024, with its accumulated shipbuilding experience and skills, HSG Sungdong plans to enter the LNG carrier-FSRU/FSU conversion field and methanol dual fueled retrofit.

With reputation earned by successful repair operations and other vessel-related operations for foreign clients, HSG Sungdong is striving to keep satisfying future clients with continuous quality improvement and on-time delivery, promptly responding diverse requests.

HALF-SHIP BUILDING PROJECT



SUCCESSFUL DELIVERY OF GIGA BLOCK

On May 24, HSGSD had once again successfully loaded out and delivered a 174K LNGC Giga Block. The Block ordered by Samsung Heavy Industries was delivered with no major issue within the specified timeframe.

The Block with a length of 90.7m, a width of 45.8m, a height of 33.9m, and a weight of 5,700t was moved by a bogie train for 319m in land and had been successfully launched into the floating dock with a maximum capacity of 80,000t.

The upcoming phase of half-ship project is under construction in parallel and the blocks will be shifted to the skid for the main assembly.

HSGSD plans to continuously develop and utilize its accumulated shipbuilding technology along with the production of substructure for WTC to extend its boundaries in the market, prioritizing safety measures and proactive training to secure safe working environment.