January 27, 2025

PENTA-OCEAN CONSTRUCTION CO., LTD.

Fuyo General Lease Co., Ltd.

Notice regarding Joint Ownership of Large Work Vessels for Offshore Wind Construction

Penta-Ocean Construction (President Takuzo Shimizu, hereinafter POC) and Fuyo General Lease Co., Ltd. (President Hiroaki Oda, hereinafter Fuyo Lease) hereby announce that we will jointly own two large work vessels for use in offshore wind construction: a heavy lift vessel (hereinafter HLV) and a cable laying vessel (hereinafter CLV).

The offshore wind power generation in Japan is currently progressing with a focus on the development of bottom-fixed offshore wind power facilities in port areas. After FY 3/28, we expect the start of full-scale construction in the general sea areas. As wind turbine components and monopile foundations will become increasingly heavier with larger wind turbines, there is a growing demand for large work vessels that can effectively install 15 to 20MW-class wind power generation. In addition to the conventional offshore installation vessels with large cranes, we will build the world's largest self-propelled HLV with a novel concept, which is equipped with a fully revolving 5,000t lifting crane, aimed at securing the safe and efficient construction of heavier monopile foundations.
Furthermore, the laying of power cables is a critical component of offshore wind construction and we will build the world's largest and most advanced CLV, eyeing future offshore power construction in the EEZ as well as general sea areas. The CLV is anticipated to be utilized for cable laying works, not only for bottom-fixed and floating-type offshore wind power but also those for submarine direct current power transmission.

POC concluded the shipbuilding contracts with two shipbuilding companies in Singapore: Seatrium Limited for building the HLV and PaxOcean Group for building the CLV. Further, POC and Fuyo Lease have entered into a basic agreement to clarify the division of responsibilities during the construction process and to ensure smooth and appropriate vessel management and charter operations after the completion. Once completed, both vessels will be jointly owned by POC's subsidiary (to be established, ownership ratio: 50%) and Fuyo Lease (50%). The estimated construction cost is approximately JPY 120 bn for the HLV and approximately JPY 31 bn for the CLV.

We are confident that the HLV and CLV will make a significant contribution to further spread and promotion of Japan's offshore wind power through realization of "safe and highly efficient construction"

and “reasonable construction costs.”

About Penta-Ocean Construction

In response to the climate change issues, POC is promoting GX to contribute to the realization of carbon neutrality by advancing the construction of offshore wind facilities and net zero energy buildings (ZEB), and the production of green hydrogen and its utilization for electricity, as well as efforts to reduce CO_2 in our construction business activities.

In particular, POC actively pursues to reinforce our fleet lineup of large work vessels necessary for offshore wind construction including the ownership of multiple offshore installation vessels, to contribute the expansion of offshore wind power in Japan.

About Fuyo General Lease

Fuyo Lease Group has identified “Energy and the Environment Business” as a key growth area for concentrated allocation of management resources in our medium-term management plan “Fuyo Shared Value 2026”, initiated in FY 2022. We are actively engaged in renewable energy projects both domestically and internationally. In alignment with our commitment to renewable energy business, we will own two large work vessels and support the advancement of a decarbonized society by promoting the growth of offshore wind power generation.



Image of the HLV



Image of the CLV

(References)

- Outline of the HLV: https://www.penta-ocean.co.jp/english/updates/2025/250127.html
- Outline of the CLV: https://www.penta-ocean.co.jp/english/updates/2024/241210.html