

Subject : Best of Best “Zentech Engineering” for LPG/LNG Logistic Total Solution

Zentech Engineering has performed FS (Feasibility Study) of the Vessel or Barge Type Floating Storage Regasification Unit (FSRU) with the capacity of 4.81 MTPA in Gwadar Port, Pakistan, which CPP company, China, has been propelling. Zentech will be participating in the bidding with domestic operators and expecting to receive a formal ITB in January 2017. Zentech will be responsible for the FEED/Detail Engineering for FSRU along berthing facility design and PMC while a constructor and operator rolls will be played by Korean shipbuilders and shipping company. President of Zentech Engineering, Dr. Choi Byeong-Ryeol, has expressed the confidence over international competitiveness for the technology of FSRU which was perceived from numbers of project experiences including Indonesia PGN POMALA FSRU Basic/FEED project.

Moreover, in May 2016, Bangladesh BM Energy had awarded Zentech to perform FEED/Detailed Engineering with process of LPG Terminal at Chittagong area and the PMC was signed to conduct the construction in December. In addition, BM Energy plans to have more FEED/Detail Engineering provided for additional LPG Terminal project and Gas Power Generation of 500MW and onshore LNG Terminal that will be constructed in the same land. Zentech also provided a basic construction pricing and the concept design idea(see Figure.1) for the requested process. As a result, Zentech is more likely to win orders from other companies in design and PMC competitive bidding.

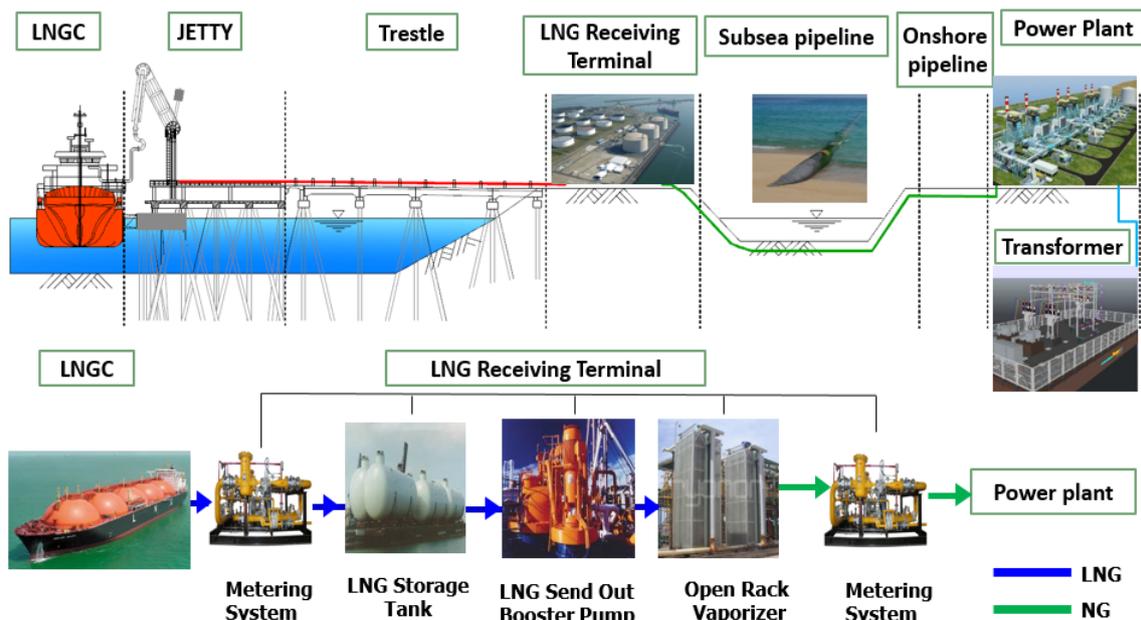


그림 1. LAYOUT OF LPG/LNG LOGISTIC TOTAL SOLUTION

Just recently, Zentech has received an invitation letter from Bashunddhara Group (BG), a major oil company in Bangladesh, to participate in the construction of refinery of 60,000 barrel daily production. Nevertheless, participation in the bidding is still being concerned since it has stated in BG' s construction conditions that a Turnkey is suggested to be included in the FEED. Because Zentech shall perform the FEED first and later participate in the bidding together with Korean domestic constructor via JV (Joint Venture). Furthermore, due to an increase of energy consumption (30%) in Bangladesh, BG Energy has requested a conceptual design for 3 more berths LPG Terminal in Chittagong. So, Dr. Lee Sang-Gil from Zentech was agreed to visit BG Energy in order to give a presentation in December.

Moreover, Zentech also conducted a feasibility study of new LNG supply facilities with China' s investment company from 2015 in order to soothe the insufficiency of energy in Indonesia. Those facilities are consisted of; a new FSRU of 1.4MTPA to be located at the north of Jakarta; a new FSRU of 1MTPA and onshore LNG Receiving Terminal for gas supply to PT Iglas Peseo Power Plant of 800MW in Surabaya; and LNGC berthing facilities for LNG Receiving Terminal of 0.1MTPA for 100MW power generation in other area. The construction cost for those three projects in Indonesia has been approximately estimated to 800 million US Dollar. In the future progress after formal bidding, it is expected that Zentech Engineering will be able to gain an advantage of winning a contract based on the technology acquired from the FS (Feasibility Study)

[October 31, 2016 / News Reporter Jang Dong-Hwan]