GENCO SHIPPING & TRADING

NEWS RELEASE

Genco Shipping & Trading to Acquire Three Modern, Fuel-Efficient Ultramax Vessels in Exchange for Six Older Non-Core Handysize Vessels

12/21/2020

Asset Swap Transaction Grows Genco's Presence in Minor Drybulk Trades while Preserving Leadership in the Capesize Sector

NEW YORK, Dec. 21, 2020 (GLOBE NEWSWIRE) -- Genco Shipping & Trading Limited (NYSE:GNK) ("Genco" or the "Company"), the largest U.S. headquartered drybulk shipowner focused on the transportation of major and minor bulk commodities globally, today announced that it has entered into an agreement to acquire three modern, eco Ultramax vessels in exchange for six older Handysize vessels. The transaction, which is part of Genco's efforts to modernize its fleet and create a more focused asset base while reducing its carbon footprint, is structured as an asset swap without monetary consideration or additional capital required. The vessels are scheduled to deliver to both parties through the first quarter of 2021.

Through the execution of this transaction, which is cash and asset value neutral, Genco will maintain its sizeable liquidity position and accomplish a number of other key objectives including the following:

- Continue to build scale in the core Ultramax sector and complement our in-house commercial platform while divesting non-core assets;
- Reduce the average age of Genco's fleet by 0.3 years;
- Avoid drydocking and ballast water treatment system costs in 2021 of approximately $3.6 million relating to three of the Handysize vessels included in the transaction;
- Preserve exposure to the upside of the Capesize sector

A breakdown of the vessels included in the deal is below:

Genco is to acquire the following three Ultramax vessels...

Vessel	Type	DWT	Yard Built	Year Built
TBR: Genco Vigilant	Ultramax	63,671	Jiangsu	2015
TBR: Genco Freedom	Ultramax	63,671	Jiangsu	2015
TBR: Genco Magic	Ultramax	63,446	Jiangsu	2014

...in exchange for the six Handysize vessels below

Vessel	Type	DWT	Yard Built	Year Built
Genco Ocean	Handysize	34,409	SPP	2010
Baltic Cove	Handysize	34,403	SPP	2010
Genco Avra	Handysize	34,391	SPP	2011
Genco Mare	Handysize	34,428	SPP	2011
Genco Spirit	Handysize	34,432	SPP	2011
Baltic Fox	Handysize	31,883	Hakodate	2010

Separate from this vessel swap transaction, we have also agreed to sell two other vessels as part of our fleet renewal plan: the Baltic Cougar, a 2009-built Supramax vessel, for $7.60 million, and the Baltic Hare, a 2009-built Handysize vessel, for $7.75 million.

Following the conclusion of the transactions, Genco will have fully exited the Handysize sector while creating a more focused fleet consisting of Capesize, Ultramax and Supramax tonnage.

Genco's pro forma fleet will consist of 41 vessels including 17 Capesize, nine Ultramax and 15 Supramax vessels with an aggregate capacity of approximately 4,422,000 dwt and an average age of 10.0 years.

John C. Wobensmith, Chief Executive Officer, commented, "We are pleased to continue to efficiently execute our fleet renewal strategy, acquiring three modern, fuel-efficient Ultramax vessels, while divesting older, less fuel-efficient tonnage, as we further implement our barbell approach to fleet composition. In one transaction, we were able to expand within a key growth sector for Genco while completing a strategic goal of the Company to exit the ownership of older Handysize tonnage. This transaction further builds scale in our Ultramax and Supramax sector that we believe will seamlessly integrate into our world-class in-house commercial operating platform. Furthermore, the addition of these Ultramax vessels, which will improve the overall age profile, earnings capacity, and carbon footprint of our fleet, complements our strong presence in the Capesize sector, enhancing our ability to take advantage of a favorable drybulk market."

About Genco Shipping & Trading Limited

Genco Shipping & Trading Limited transports iron ore, coal, grain, steel products and other drybulk cargoes along worldwide shipping routes. As of December 21, 2020, Genco Shipping & Trading Limited's fleet consists of 17 Capesize, six Ultramax, 17 Supramax and seven Handysize vessels with an aggregate capacity of approximately 4,573,000 dwt and an average age of 10.4 years.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

This release contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements use words such as “anticipate,” “budget,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” and other words and terms of similar meaning in connection with a discussion of potential future events, circumstances or future operating or financial performance. These forward-looking statements are based on our management’s current expectations and observations. Included among the factors that, in our view, could cause actual results to differ materially from the forward looking statements contained in this report are the fulfilment of closing conditions under Genco’s agreement for the vessel exchange described above and other factors listed from time to time in our filings with the Securities and Exchange Commission, including, without limitation, our Annual Report on Form 10-K for the year ended December 31, 2019 and subsequent reports on Form 8-K and Form 10-Q.

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Source: Genco Shipping & Trading Limited