

GENCO SHIPPING & TRADING LTD

Form 10-K

March 05, 2019

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2018

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from to

Commission file number 001-33393

GENCO SHIPPING & TRADING LIMITED

(Exact name of registrant as specified in its charter)

Republic of the Marshall Islands

State or other jurisdiction of

incorporation or organization

299 Park Avenue, 12th Floor, New York, New York

(Address of principal executive offices)

98-043-9758

(I.R.S. Employer

Identification No.)

10171

(Zip Code)

Registrant's telephone number, including area code: (646) 443-8550

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Common Stock, par value \$.01 per share

Name of each exchange on which registered

New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes No

Indicated by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the registrant's voting common equity held by non-affiliates of the registrant on the last business day of the registrant's most recently completed second fiscal quarter, computed by reference to the last sale price of such stock of \$15.50 per share as of June 29, 2018 was approximately \$237.3 million. The registrant has no non-voting common equity issued and outstanding. The determination of affiliate status for purposes of this paragraph is not necessarily a conclusive determination for any other purpose.

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed

by a court. Yes No

The number of shares outstanding of the registrant's common stock as of March 5, 2019 was 41,645,078 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of our Proxy Statement for the 2019 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2018, are incorporated by reference in Part III herein.

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Website Information

We intend to use our website, www.GencoShipping.com, as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Such disclosures will be included in our website's Investor section. Accordingly, investors should monitor the Investor portion of our website, in addition to following our press releases, SEC filings, public conference calls, and webcasts. To subscribe to our e-mail alert service, please submit your e-mail address at the Investor Relations Home page of the Investor section of our website. The information contained in, or that may be accessed through, our website is not incorporated by reference into or a part of this document or any other report or document we file with or furnish to the SEC, and any references to our website are intended to be inactive textual references only.

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PART I

ITEM 1. BUSINESS

OVERVIEW

General

We are a New York City-based company incorporated in the Marshall Islands in 2004. We transport iron ore, coal, grain, steel products and other drybulk cargoes along worldwide shipping routes through the ownership and operation of drybulk carrier vessels. Our fleet currently consists of 58 drybulk carriers, including 17 Capesize drybulk carriers, two Panamax drybulk carriers, six Ultramax drybulk carriers, 20 Supramax drybulk carriers, and 13 Handysize drybulk carriers, with an aggregate carrying capacity of approximately 5,075,000 deadweight tons (“dwt”). The average age of our current fleet is approximately 9.0 years. All of the vessels in our fleet were built in shipyards with reputations for constructing high-quality vessels. Of the vessels in our fleet, 30 are currently on spot market voyage charters, two are currently on spot market-related time charters, and 26 are on fixed-rate time charter contracts and we are currently time chartering-in six third party vessels.

See pages 7 - 10 for a table of our current fleet.

In 2017, we began implementing initiatives to expand our commercial platform and more actively manage the employment of our vessels. We hired commercial directors for our major bulk and minor bulk fleets and have begun employment of our vessels directly with cargo owners under cargo contracts. To better capitalize on opportunities to employ our vessels, we expanded our global commercial presence with the establishment of new offices in Singapore and Copenhagen. Additionally, we have withdrawn our vessels from pools and have reallocated our freight exposure to the Atlantic basin to seek to capture the earnings premium historically offered. Overall, our fleet deployment strategy remains weighted towards short-term fixtures, which provide optionality in a potentially rising freight rate environment. In addition to both short and long-term time charters, we fix our vessels on spot market voyage charters as well as spot market-related time charters depending on market conditions and management’s outlook.

In 2017, we began a fleet renewal program to modernize its fleet by replacing older vessels with newer vessels having greater fuel efficiency and other improved specifications. Please see below under “Vessel Sales” and “Vessel Acquisitions for further details.

We report financial information and evaluate our operations by charter revenues and not by the length of ship employment for our customers, i.e., spot or time charters. Each of our vessels serves the same type of customer, has similar operations and maintenance requirements, operates in the same regulatory environment, and is subject to similar economic characteristics. Based on this, we have determined that we operate in one reportable segment, the ocean transportation of drybulk cargoes worldwide through the ownership and operation of drybulk carrier vessels.

Our management team and our other employees are responsible for the commercial and strategic management of our fleet. Commercial management includes the negotiation of employment for vessels, managing the mix of various types of employment, such as time charters, spot market voyage charters and spot market-related time charters, and monitoring the performance of our vessels under their employment. Strategic management includes locating, purchasing, financing and selling vessels. We contract with two independent technical managers to provide technical management of our fleet at a lower cost than we believe would be possible in-house. Technical management involves the day-to-day management of vessels, including performing routine maintenance, attending to vessel operations and arranging for crews and supplies. Members of our New York City-based management team oversee the activities of our independent technical managers.

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Scrubbers

On October 27, 2016, the Marine Environment Protection Committee (“MEPC”) announced the ratification of regulations mandating reduction in sulfur emissions from 3.5% currently to 0.5% as of the beginning of 2020 rather than pushing the deadline back to 2025. By 2020, ships will now have to reduce sulfur emissions, for which the principal solutions are the use of exhaust gas cleaning systems (“scrubbers”) or buying fuel with low sulfur content. If a vessel is not retrofitted with a scrubber, it will need to use low sulfur fuel, which is currently more expensive than standard marine fuel containing 3.5% sulfur content. This increased demand for low sulfur fuel may result in an increase in prices for such fuel.

We have entered into agreements to install scrubbers on our 17 Capesize vessels and are evaluating options to install scrubbers on certain minor bulk vessels. We expect the balance of our fleet will consume compliant, low sulfur fuel beginning in 2020 but intend to continue to evaluate other options. During the course of 2018, we sold seven of our older, less fuel efficient vessels and purchased six modern high specification vessels with a goal of improving fuel consumption and further reduce emissions. We also sold an additional vessel during January 2019 and will continue to seek opportunities to renew our fleet going forward.

Vessel Sales

During 2018, we completed the sale of seven vessels that were part of our previously announced fleet renewal program. Additionally, we completed the sale of an additional vessel during January 2019, which was classified as held for sale as of December 31, 2018.

Vessel Acquisitions

On July 12, 2018, we entered into agreements to purchase two modern, high specification Capesize drybulk vessels for an aggregate purchase price of \$98.0 million. These vessels were renamed the Genco Defender and the Genco Liberty (both 2016-built Capesize vessels) and were delivered during the third quarter of 2018. We utilized a combination of cash on hand and proceeds from the \$108 Million Credit Facility as described below under “Credit Facilities.”

On June 6, 2018, we entered into an agreement for the en bloc purchase of four drybulk vessels including two Capesize drybulk vessels and two Ultramax drybulk vessels for approximately \$141.0 million. Each vessel was built

with a fuel-saving “eco” engine. These vessels were renamed the Genco Weatherly (2014-built Ultramax vessel), the Genco Columbia (2016-built Ultramax vessel), the Genco Endeavour (2015-built Capesize vessel) and the Genco Resolute (2015-built Capesize vessel) and were delivered during the third quarter of 2018. The Company utilized a combination of cash on hand and proceeds from the \$108 Million Credit Facility as described below under “Credit Facilities.”

Credit Facilities

On May 31, 2018, we entered into a five-year \$460 million senior secured credit facility (the “\$460 Million Credit Facility”). On June 5, 2018, proceeds of \$460.0 million from the \$460 Million Credit Facility were used, together with cash on hand, to refinance all of our prior credit facilities (the \$400 Million Credit Facility, the \$98 Million Credit Facility and the 2014 Term Loan Facilities as defined in Note 8 – Debt of our Consolidated Financial Statements) into one facility, and pay down the debt of seven of the Company’s oldest vessels, which have been identified for sale. The mandated lead arrangers and bookrunners for this facility are Nordea Bank AB (publ), New York Branch (“Nordea”), Skandinaviska Enskilda Banken AB (publ), ABN AMRO Capital USA LLC, DVB Bank SE, Crédit Agricole Corporate & Investment Bank, and Danish Ship Finance A/S.

On February 28, 2019, we entered into an amendment to our \$460 Million Credit Facility to provide an additional tranche of up to \$35.0 million to cover a portion of the expenses related to the acquisition and installation of scrubbers on our 17 Capesize vessels. Borrowings under the \$35.0 million tranche will bear interest at LIBOR plus 2.50% through September 30, 2019 and LIBOR plus a range of 2.25% to 2.75% thereafter, dependent on total net

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indebtedness to consolidated EBITDA for the preceding four calendar quarters. Nordea, Skandinaviska Enskilda Banken AB (publ), Crédit Agricole Corporate & Investment Bank and Danish Ship Finance A/S are the lenders for the additional tranche.

On August 14, 2018, we entered into a five-year senior secured credit facility (the “\$108 Million Credit Facility”) with Crédit Agricole Corporate & Investment Bank. We have used proceeds from the \$108 Million Credit Facility to finance a portion of the purchase price for the six vessels, as identified above under “Vessel Acquisitions,” which were delivered during the third quarter of 2018 and serve as collateral under the \$108 Million Credit Facility.

Equity Offering

On June 19, 2018, we closed an equity offering of 7,015,000 shares of common stock at an offering price of \$16.50 per share. We received net proceeds of approximately \$109.6 million after deducting underwriters’ discounts and commissions and other expenses. We used the net proceeds to finance a portion of the purchase price for the two Capesize and two Ultramax vessels that we acquired during the third quarter of 2018 as identified above under “Vessel Acquisitions.”

AVAILABLE INFORMATION

We file annual, quarterly and current reports, proxy statements, and other documents with the SEC, under the Securities Exchange Act of 1934, or the Exchange Act. The SEC maintains an Internet website that contains reports, proxy and information statements, and other information regarding issuers, including us, that file electronically with the SEC. The public can obtain any documents that we file with the SEC at www.sec.gov.

In addition, our company website can be found on the Internet at www.gencoshipping.com. The website contains information about us and our operations. Copies of each of our filings with the SEC on Form 10-K, Form 10-Q and Form 8-K, and all amendments to those reports, can be viewed and downloaded free of charge after the reports and amendments are electronically filed with or furnished to the SEC. To view the reports, access www.gencoshipping.com, click on Investor, then SEC Filings. No information on our company website is incorporated by reference into this annual report on Form 10-K.

Any of the above documents can also be obtained in print by any shareholder upon request to our Investor Relations Department at the following address:

Corporate Investor Relations

Genco Shipping & Trading Limited

299 Park Avenue, 12th Floor

New York, NY 10171

BUSINESS STRATEGY

Our strategy is to manage and expand our fleet in a manner that maximizes our cash flows from operations. To accomplish this objective, we intend to:

- Strategically expand the size of our fleet — We may acquire additional modern, high-quality drybulk carriers through timely and selective acquisitions in a manner that is accretive to our cash flows. If we make such acquisitions, we may consider additional debt or equity financing alternatives.
- Continue to operate a high-quality fleet — We intend to maintain a modern, high-quality fleet that meets or exceeds stringent industry standards and complies with charterer requirements through our technical managers' rigorous and comprehensive maintenance program. In addition, our technical managers maintain the quality of our vessels by carrying out regular inspections, both while in port and at sea.

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- Utilize an active commercial strategy — Our current fleet of 58 drybulk vessels concentrates on the transportation of major and minor bulk commodities globally. Historically, Genco has employed its fleet mostly through time charter contracts as well as pooling arrangements. In 2017, the Company made a strategic decision to augment its existing in-house commercial operating platform shifting to an active commercial approach as compared to the previous tonnage provider model in order to improve margins and grow our network of customers. We expanded our presence globally with the establishment of offices in Singapore and Copenhagen in addition to our corporate headquarters in New York. As a result of this strategic shift, we have been fixing an increasing number of vessels on spot market voyage charters, where we provide a vessel for the transportation of goods between a load port and discharge port at a specified per-ton or on a lump sum basis, as well as on contracts of affreightment directly with cargo providers. We believe that our active platform provides added flexibility to changing market conditions and improves operational efficiencies within our owned fleet. Furthermore, we also assess arbitrage opportunities on cargoes through utilizing vessel positions by time chartering-in third party vessels and/or reletting cargo commitments on a voyage basis. In addition to these options, we continue to fix our vessels on both short and medium-term time charters, as well as spot market-related time charters, depending on market conditions and outlook. Overall, our fleet deployment strategy is currently weighted towards short-term fixtures which provide optionality for the Company. We constantly monitor the drybulk market and may in the future pursue other market opportunities for our vessels to capitalize on market conditions, including arranging longer charter periods and entering into vessel pools.

- Maintain low-cost, highly efficient operations — We currently outsource technical management of our fleet to Wallem Shipmanagement Limited (“Wallem”) and Anglo-Eastern Group (“Anglo”), third party independent technical managers. Our management team actively monitors and controls vessel operating expenses incurred by the independent technical managers by overseeing their activities. We also seek to maintain low-cost, highly efficient operations by capitalizing on the cost savings and economies of scale that result from operating sister ships.

- Capitalize on our management team’s reputation — We seek to capitalize on our management team’s reputation for high standards of performance, reliability and safety, and maintain strong relationships with major international charterers and cargo providers, many of whom consider the reputation of a vessel owner and operator when entering into time charters. We believe that our management team’s track record improves our relationships with high quality shipyards and vendors, as well as financial institutions, many of which consider reputation to be an indicator of creditworthiness.

OUR FLEET

The table below summarizes the characteristics of our vessels that have been delivered to us that are currently in our fleet:

Vessel	Class	Dwt	Year Built
Genco Augustus	Capesize	180,151	2007
Genco Claudius	Capesize	169,001	2010

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Genco Constantine	Capesize	180,183	2008
Genco Commodus	Capesize	169,098	2009
Genco Hadrian	Capesize	169,025	2008
Genco London	Capesize	177,833	2007
Genco Maximus	Capesize	169,025	2009
Genco Tiberius	Capesize	175,874	2007
Genco Tiger	Capesize	179,185	2011
Genco Titus	Capesize	177,729	2007
Baltic Bear	Capesize	177,717	2010
Baltic Lion	Capesize	179,185	2012
Baltic Wolf	Capesize	177,752	2010

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Vessel	Class	Dwt	Year Built
Genco Endeavour	Capesize	181,060	2015
Genco Resolute	Capesize	181,060	2015
Genco Defender	Capesize	180,021	2016
Genco Liberty	Capesize	180,032	2016
Genco Raptor	Panamax	76,499	2007
Genco Thunder	Panamax	76,588	2007
Baltic Hornet	Ultramax	63,574	2014
Baltic Wasp	Ultramax	63,389	2015
Baltic Scorpion	Ultramax	63,462	2015
Baltic Mantis	Ultramax	63,470	2015
Genco Weatherly	Ultramax	61,556	2014
Genco Columbia	Ultramax	60,294	2016
Genco Aquitaine	Supramax	57,981	2009
Genco Ardennes	Supramax	58,018	2009
Genco Auvergne	Supramax	58,020	2009
Genco Bourgogne	Supramax	58,018	2010
Genco Brittany	Supramax	58,018	2010
Genco Hunter	Supramax	58,729	2007
Genco Languedoc	Supramax	58,018	2010
Genco Loire	Supramax	53,430	2009
Genco Lorraine	Supramax	53,417	2009
Genco Normandy	Supramax	53,596	2007
Genco Picardy	Supramax	55,257	2005
Genco Predator	Supramax	55,407	2005
Genco Provence	Supramax	55,317	2004
Genco Pyrenees	Supramax	58,018	2010
Genco Rhone	Supramax	58,018	2011
Genco Warrior	Supramax	55,435	2005
Baltic Cougar	Supramax	53,432	2009
Baltic Jaguar	Supramax	53,473	2009
Baltic Leopard	Supramax	53,446	2009
Baltic Panther	Supramax	53,350	2009
Genco Avra	Handysize	34,391	2011
Genco Bay	Handysize	34,296	2010
Genco Challenger	Handysize	28,428	2003
Genco Champion	Handysize	28,445	2006
Genco Charger	Handysize	28,398	2005
Genco Mare	Handysize	34,428	2011
Genco Ocean	Handysize	34,409	2010
Genco Spirit	Handysize	34,432	2011
Baltic Breeze	Handysize	34,386	2010
Baltic Cove	Handysize	34,403	2010
Baltic Fox	Handysize	31,883	2010
Baltic Hare	Handysize	31,887	2009
Baltic Wind	Handysize	34,408	2009

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FLEET MANAGEMENT

Our management team and other employees are responsible for the commercial and strategic management of our fleet. Commercial management involves negotiating charters for vessels, managing the mix of various types of charters, such as time charters, spot market voyage charters, vessel pools and spot market-related time charters, and monitoring the performance of our vessels under their charters. Strategic management involves locating, purchasing, financing and selling vessels.

We utilize the services of reputable independent technical managers, Wallem and Anglo, for the technical management of our fleet. Technical management involves the day-to-day management of vessels, including performing routine maintenance, attending to vessel operations and arranging for crews and supplies. Members of our New York City-based management team oversee the activities of our independent technical managers. The head of our technical management team has over 30 years of experience in the shipping industry.

Wallem, founded in 1971 and Anglo, founded in 1974, are among the largest ship management companies in the world. These technical managers are known worldwide for their agency networks, covering all major ports in China, Hong Kong, Japan, Vietnam, Taiwan, Thailand, Malaysia, Indonesia, the Philippines and Singapore. These technical managers provide services to over 850 vessels of all types, including Capesize, Panamax, Ultramax, Supramax, Handymax and Handysize drybulk carriers that meet strict quality standards.

Under our technical management agreements, our technical manager is obligated to:

- provide personnel to supervise the maintenance and general efficiency of our vessels;
- arrange and supervise the maintenance of our vessels to our standards to assure that our vessels comply with applicable national and international regulations and the requirements of our vessels' classification societies;
- select and train the crews for our vessels, including assuring that the crews have the correct certificates for the types of vessels on which they serve;
- check the compliance of the crews' licenses with the regulations of the vessels' flag states and the International Maritime Organization, or IMO;
- arrange the supply of spares and stores for our vessels; and

- report expense transactions to us, and make its procurement and accounting systems available to us.

OUR CHARTERS

As of March 4, 2019, we employed 30 of our vessels on spot market voyage charters where we provide a vessel for the transportation of goods between a load port and discharge port at a specified per-ton or on a lump sum basis. Under spot market voyage charters, voyage expenses such as fuel and port charges are borne by us. Additionally, as of March 4, 2019, two of our vessels under spot market-related time charters, which are time charters with rates based on published Baltic Indices. These types of charters are similar to time charters with the exception of having a variable rate over the term of the time charter agreement. As such, the revenue earned by these vessels is subject to the fluctuations of the spot market. Lastly, as of March 4, 2019, we employed 26 of our vessels under fixed-rate time charters. A time charter involves the hiring of a vessel from its owner for a period of time pursuant to a contract under which the vessel owner places its ship (including its crew and equipment) at the disposal of the charterer. Under a time charter, the charterer periodically pays a fixed daily charterhire rate to the owner of the vessel and bears all voyage expenses, including the cost of bunkers (fuel), port expenses, agents' fees and canal dues. Additionally, as of March 4, 2019, we were chartering in six third party vessels.

Our vessels operate worldwide within the trading limits imposed by our insurance terms. The technical operation and navigation of the vessel at all times remains the responsibility of the vessel owner, which is generally

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responsible for the vessel's operating expenses, including the cost of crewing, insuring, repairing and maintaining the vessel, costs of spares and consumable stores, tonnage taxes and other miscellaneous expenses.

For the vessels that we employ on time charters and spot market-related time charters, agreements expire within a range of dates (for example, a minimum of 4 months and maximum of 6 months following delivery), with the exact end of the time charter left unspecified to account for the uncertainty of when a vessel will complete its final voyage under the time charter. The charterer may extend the charter period by any time that the vessel is off-hire. If a vessel remains off-hire for more than 30 consecutive days, the time charter may be cancelled at the charterer's option.

In connection with the charter of each of our vessels, we incur commissions generally ranging from 1.25% to 6.25% of the total daily charterhire rate of each charter or total freight revenue to third parties, depending on the number of brokers involved with arranging the relevant charter.

We monitor developments in the drybulk shipping industry on a regular basis and strategically adjust the time and duration of employment for our vessels according to market conditions as they become available for hire.

The following table sets forth information about the current employment of the vessels in our fleet as of March 4, 2019:

Vessel	Year Built	Charterer	Charter Expiration(1)	Cash Daily Rate(2)	
Capesize Vessels					
Genco Augustus	2007	ST Shipping & Transport Pte. Ltd.	March 2019	\$10,000	(3)
Genco Tiberius	2007	Pacific Bulk Cape Company Ltd.	April 2019	Voyage	
Genco London	2007	Nippon Yusen Kabushiki Kaisha, Tokyo Ltd.	March 2019	\$20,000	(4)
Genco Titus	2007	Vale International S.A.	April 2019	Voyage	
Genco Constantine	2008	Winning Shipping Pte. Ltd.	April 2019	\$20,500	(5)
Genco Hadrian	2008	Pacific Bulk Cape Company Ltd.	March 2019	\$7,250	(6)
Genco Commodus	2009	Jiangsu Steamship Pte. Ltd.	April 2019	\$4,000	(7)
Genco Maximus	2009	Vale International S.A.	April 2019	Voyage	
Genco Claudius	2010	Jiangsu Steamship Pte. Ltd.	April 2019	\$5,000	(8)
Genco Tiger	2011	Pacific Bulk Cape Company Ltd.	May 2019	\$5,800	(9)
Baltic Lion	2012	Xcoal Energy and Resources	March 2019	Voyage	
Baltic Bear	2010	DHL Project & Chartering Ltd.	March 2019	\$13,000	(10)
Baltic Wolf	2010	Cargill Ocean Transportation Singapore Pte. Ltd.	March 2019	Voyage	

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Genco Resolute	2015	FMG International Pte. Ltd.	February 2019	Voyage	
Genco Endeavour	2015	Rio Tingo Shipping (Asia) Pte. Ltd.	April 2019	Voyage	
Genco Defender	2016	Anglo-American Marketing Ltd.	April 2019	Voyage	
Genco Liberty	2016	Rio Tingo Shipping (Asia) Pte. Ltd.	March 2019	Voyage	
Panamax Vessels					
Genco Raptor	2007	United Bulk Carriers International S.A.	June 2019	96% of BPI	(11)
Genco Thunder	2007	United Bulk Carriers International S.A.	July 2019	98% of BPI	(12)
Ultramax Vessels					
Baltic Hornet	2014	Bunge S.A.	March 2019	\$16,000	(13)
Baltic Wasp	2015	Langlois Enterprise Ltd.	April 2019	\$12,250	(14)
Baltic Scorpion	2015	Mid Atlantic Salt LLC	March 2019	Voyage	
Baltic Mantis	2015	OCP S.A.	March 2019	Voyage	
Genco Weatherly	2014	Canpotex Shipping Services	April 2019	\$4,300	(15)
Genco Columbia	2016	International Materials Inc.	March 2019	Voyage	
Supramax Vessels					
Genco Predator	2005	Aquavita International S.A.	March 2019	\$3,500	(16)
Genco Warrior	2005	Horizon Shipping Panama Inc.	March 2019	\$6,250	(17)
Genco Hunter	2007	Dead Sea Works	April 2019	Voyage	
Genco Lorraine	2009	Elim Spring Maritime	March 2019	\$3,250	(18)

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Vessel	Year Built	Charterer	Charter Expiration(1)	Cash Daily Rate(2)	
Genco Loire	2009	Mandarine Ocean Ltd.	March 2019	\$9,000	(19)
Genco Aquitaine	2009	Victory Shipping Pte. Ltd.	March 2019	\$10,125	(20)
Genco Ardennes	2009	Western Bulk Pte. Ltd.	May 2019	\$11,500	(21)
Genco Auvergne	2009	TCP Petcoke Corporation	March 2019	Voyage	
Genco Bourgogne	2010	Cargill Ocean Transportation (USA)	March 2019	Voyage	
Genco Brittany	2010	Canpotex Shipping Services	March 2019	\$11,000	(22)
Genco Languedoc	2010	Bahri Bunge	April 2019	\$11,750	(23)
Genco Normandy	2007	Camden Iron and Metal	April 2019	Voyage	
Genco Picardy	2005	The China Navigation Cp. Pte. Ltd.	March 2019	\$7,500	(24)
Genco Provence	2004	Pan Ocean Co., Ltd.	April 2019	\$2,000	(25)
Genco Pyrenees	2010	Arcelormittal Sourcing	March 2019	Voyage	
Genco Rhone	2011	Baltimore Scrap Corp.	March 2019	Voyage	
Baltic Leopard	2009	Freight Force AG	March 2019	\$7,250	(26)
Baltic Panther	2009	Sims Group Global Trade Corp.	March 2019	Voyage	
Baltic Jaguar	2009	Dead Sea Works	March 2019	Voyage	
Baltic Cougar	2009	Western Bulk Pte. Ltd.	April 2019	\$7,250	(27)
Handysize Vessels					
Baltic Hare	2009	Anagra S.A.	March 2019	Voyage	
Baltic Fox	2010	Ravensdown Shipping Services Pty. Ltd.	April 2019	\$9,500	(28)
Genco Charger	2005	Bunge S.A. Geneve	March 2019	Voyage	
Genco Challenger	2003	Indagro S.A.	April 2019	Voyage	
Genco Champion	2006	Olam International Ltd.	April 2019	Voyage	
Baltic Wind	2009	EDC Trading Ltd.	March 2019	Voyage	
Baltic Cove	2010	Bunge S.A. Geneve	March 2019	Voyage	
Baltic Breeze	2010	Ameropa S.A. Lausanne	April 2019	Voyage	
Genco Ocean	2010	Mosaic Global Sales, LLC	March 2019	Voyage	
Genco Bay	2010	Pola Maritime Ltd.	March 2019	\$6,000	(29)
Genco Avra	2011	Bunge S.A. Geneve	March 2019	Voyage	
Genco Mare	2011	DS Norden A/S	April 2019	\$9,850	(30)
Genco Spirit	2011	RFA International	March 2019	Voyage	

(1) The charter expiration dates presented represent the earliest dates that our charters may be terminated in the ordinary course. Under the terms of certain contracts, the charterer is entitled to extend the time charter from two to four months in order to complete the vessel's final voyage plus any time the vessel has been off-hire.

(2) Time charter rates presented are the gross daily charterhire rates before third party brokerage commission generally ranging from 1.25% to 6.25%. In a time charter, the charterer is responsible for voyage expenses such as bunkers, port expenses, agents' fees and canal dues.

(3)

We have reached an agreement with ST Shipping & Transport Pte. Ltd. on a time charter for approximately 50 days at a rate of \$10,000 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on February 18, 2019. The vessel had previously redelivered to Genco on January 26, 2019. A ballast bonus was awarded.

- (4) We have reached an agreement with Nippon Yusen Kabushiki Kaisha on a time charter for approximately 90 days at a rate of \$20,000 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers December 25, 2018.

- (5) We have reached an agreement with Winning Shipping Pte. Ltd. on a time charter for approximately 90 days at a rate of \$20,500 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on January 4, 2019.

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- (6) We have reached an agreement with Pacific Bulk Cape Company Ltd. on a time charter for approximately 20 days at a rate of \$7,250 per day. Hire is paid every 15 days in advance less a 3.75% third party brokerage commission. The vessel delivered to charterers on February 26, 2019.
- (7) We have reached an agreement with Jiangsu Steamship Pte. Ltd. on a time charter for approximately 50 days at a rate of \$4,500 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on February 28, 2019.
- (8) We have reached an agreement with Jiangsu Steamship Pte. Ltd. on a time charter for approximately 45 days at a rate of \$5,000 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on February 28, 2019. The vessel had previously redelivered to Genco on February 19, 2019.
- (9) We have reached an agreement with Pacific Bulk Cape Company Ltd. on a time charter for approximately 2 to 4 months at a rate based of \$5,800 per day. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The vessel delivered to charterers on March 2, 2019.
- (10) We have reached an agreement with DHL Project & Chartering Ltd. on a time charter for approximately 40 days at a rate of \$13,000 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on January 27, 2019.
- (11) We have reached an agreement with United Bulk Carriers International S.A. on a spot market-related time charter for 10 to 14 months at a rate based on 96% of the Baltic Panamax Index (BPI), published by the Baltic Exchange, as reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The vessel delivered to charterers on August 25, 2018. A ballast bonus was awarded.
- (12) We have reached an agreement with United Bulk Carriers International S.A. on a spot market-related time charter for 6 to 10 months at a rate based on 98% of the Baltic Panamax Index (BPI), published by the Baltic Exchange, as reflected in daily reports. Hire is paid every 15 days in arrears less a 5.00% third party brokerage commission. The vessel delivered to charterers on December 1, 2018. The vessel had previously redelivered to Genco on November 28, 2018. A ballast bonus was awarded.
- (13) We have reached an agreement with Bunge S.A. on a time charter for approximately 45 days at a rate of \$16,000 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on January 25, 2019.
- (14) We have reached an agreement with Langlois Enterprise Ltd. on a time charter for approximately 60 days at a rate of \$12,250 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on February 25, 2019.

- (15) We have reached an agreement with Canpotex Shipping Services on a time charter for approximately 50 days at a rate of \$4,300 per day. Hire is paid every 15 days in advance less a 1.25% third party brokerage commission. The vessel delivered to charterers on March 4, 2019.
- (16) We have reached an agreement with Aquavita International S.A. on a time charter for approximately 30 days at a rate of \$3,500 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on February 21, 2019.
- (17) We have reached an agreement with Horizon Shipping Panama Inc. on a time charter for approximately 40 days at a rate of \$6,250 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on February 17, 2019.
- (18) We have reached an agreement with Elim Spring Maritime on a time charter for approximately 25 days at a rate of \$3,250 per day. Hire is paid every 15 days in advance less a 5% third party brokerage commission. The vessel delivered to charterers on February 15, 2019.

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- (19) We have reached an agreement with Mandarinine Ocean Ltd. on a time charter for approximately 20 days at a rate of \$9,000 per day. Hire is paid every 15 days in advance less a 5% third party brokerage commission. The vessel is expected to deliver to charterers on or about March 5, 2019.
- (20) We have reached an agreement with Victory Shipping Pte. Ltd. on a time charter for approximately 25 days at a rate of \$10,125 per day. Hire is paid every 15 days in advance less a 5% third party brokerage commission. The vessel delivered to charterers on March 2, 2019.
- (21) We have reached an agreement with Western Bulk Pte. Ltd. on a time charter for approximately 75 days at a rate of \$11,500 per day. Hire is paid every 15 days in advance less a 5% third party brokerage commission. The vessel is expected to deliver to charterers on or about March 8, 2019.
- (22) We have reached an agreement with Canpotex Shipping Services on a time charter for approximately 60 days at a rate of \$11,000 per day. Hire is paid every 15 days in advance less a 1.25% third party brokerage commission. The vessel delivered to charterers on November 1, 2018.
- (23) We have reached an agreement with Bahri Bunge on a time charter for approximately 4 to 6 months at a rate of \$11,750 per day. Hire is paid every 15 days in advance less a 5.00% third party brokerage commission. The vessel delivered to charterers on January 7, 2019.