



Gearbulk and Grieg Star announce intention to enter into a joint venture

October 19th 2016, PFÄFFIKON, Switzerland and BERGEN, Norway:

Gearbulk and Grieg Star today announce their intention to enter into joint venture to establish a highly versatile and customer oriented, world wide dry bulk shipping company.

The joint venture (JV) will combine the companies' global resources and expertise to operate the parties' combined fleet of open hatch, semi open hatch and conventional bulk vessels. The JV will be jointly controlled by Gearbulk and Grieg Star, with Gearbulk owning 65% and Grieg Star owning 35%. The Board of Directors will be composed of 5 members; 3 appointed by Gearbulk and 2 appointed by Grieg Star. Chair of the Board of Directors will be Kristian Jebesen, with Grieg Star holding the vice chair.

- This agreement represents the firm intention of both companies to build an improved range of services for our customers. The combined number of vessels and trades will make it easier for our customers to find services that fit their needs, says Kristian Jebesen, Chairman/CEO of Gearbulk.

- The talks and cooperation throughout this process have built an invaluable trust and confidence between the parties. The two companies both have strong corporate cultures and values, and we aim to take the best from the two, and merge them into one strong, customer-oriented culture, says the Chair of Grieg Star, Elisabeth Grieg.

The name of the joint venture is yet to be decided, but it will be established as an independent Norwegian company with headquarters in Bergen, Norway and with own resources and offices around the world. The Chief Executive Officer will be Rune Birkeland, and the Chief Commercial Officer will be Arthur English. Subject to completion of final agreements, corporate authorizations and relevant regulatory approvals having been obtained, the JV is expected to be fully operational through the first half of 2017.

- We see our two operations as complementary, making this joint venture a natural next step for our companies. In an increasingly competitive market, we believe this new entity will have the size to build and sustain a versatile and independent shipping service, says Camilla Grieg, CEO of Grieg Star.

The total number of vessels operated by the joint venture will be over 130. The world-wide offices will provide a strong presence on every continent and ensure the JV is best placed to serve the customer's needs locally and globally. The obligations towards existing contracts shall remain fully in force and will be fulfilled by the JV, under the ultimate responsibility of its shareholders.

The two parties will retain their independent technical ship management and ownership in the vessels. Further, the scope of the Joint Venture excludes activities and vessels operated by Gearbulk in association with other third parties, as well as terminal business, transshipment activities, operation of liquid pitch tankers and caustic bulk vessels. For Grieg Star, their terminal businesses will also remain outside the scope of the new JV.

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About Gearbulk

Since 1968, Gearbulk has been setting standards for reliable, cost-effective and innovative ocean transport. The company operates between 85 and 90 open hatch and conventional bulk vessel at any given time, from 13 offices around the world. Each year Gearbulk ships make thousands of port calls in more than 70 countries on five continents. More information on <http://gearbulk.com/>

About Grieg Star

Grieg Star is part of the Grieg Group, and has been one of the forerunners in the business ever since the beginning in 1961. With about 45 owned and chartered open hatch, semi open hatch and conventional bulk vessel, the company specializes in forestry products, steel and project cargo – as well as conventional dry bulk cargoes. Grieg Star is represented globally by 14 commercial offices. More information on <http://griegstar.com/>

About the top management

Rune Birkeland (61) is presently CEO of Grieg Logistics, a position he has held since 2005. He is educated at the Royal Norwegian Naval Academy, has a degree in Business administration from the Norwegian School of Business Administration and Economics and has finished the Executive Management Program at INSEAD. After a naval career as Commanding Officer and Division Commander in the Royal Norwegian Navy, he has held management positions in different maritime and offshore related companies. Mr. Birkeland was appointed Director of the Board of Grieg Star in December 2015.

Arthur English (48) has worked for Gearbulk for 22 years, holding senior and executive level commercial roles for the last decade, in locations including the UK, Singapore, South Africa and Dubai. In his current role of Managing Director, Commercial, he is the executive lead for worldwide commercial operations, and sits on the Boards of several of Gearbulk's companies. Arthur has a Masters in Business Administration from Nottingham University Business School and is a fellow of the Chartered Institute of Shipbrokers.