

Pangaea confirms China pair with financing twist

Ed Coll-led niche specialist is turning to Chinese leasing company and a Connecticut private equity partner to bankroll latest fleet additions in Arctic trade.

2 October 2019 18:23 GMT UPDATED 2 October 2019 23:24 GMT
by Joe Brady

Rhode Island-based Pangaea Logistics Solutions has confirmed a TradeWinds report that it has declared two newbuilding options for ice-class bulkers, but with a new approach to financing the vessels.

The pair of 95,000-dwt post-panamax units at China's Guangzhou Shipyard International (GSI) -- and two sisters ordered in early 2019 -- are being financed through a \$129.2m bareboat charter structure with subsidiaries of CSSC Shipping Co Ltd, a leasing company listed in Hong Kong.

All four are being bareboat chartered for 15 years to a new joint venture established by Pangaea and Hudson Structured Capital Management, a Stamford, Connecticut-based alternative investment firm.

As TradeWinds reported Tuesday, the newbuildings will go into service under 10 year contracts with Baffinland Iron Mines to expand Pangaea's role in hauling iron ore from remote Baffin Island in northern Canada.



Pangaea declaring two ice-class options in China

[Read more](#)



Pangaea Logistics Solutions sees opportunity rise from dust of cooling towers

[Read more](#)

Ed Coll-led Pangaea did not name Baffinland as the charterer in its release, but did note that all four ice-class newbuildings now on order at Guangzhou would serve "a major customer" in the Arctic alongside 10 existing ice-class bulkers.

The option vessels are to cost \$37.7m each.

"We are solidifying an important niche in our business portfolio by building four ships at GSI to meet our customers' cargo needs," Coll said. "We warmly welcome our new partners helping us expand our fleet."

Strong progress on the first two newbuildings scheduled for delivery in April and May 2021 helped encourage Pangaea to expand the order, he said. The option vessels are scheduled for November 2021 delivery.

"CSSC Shipping offered an attractive bareboat charter structure that demonstrates Pangaea's ability to attract long term financial commitment," Coll said.

"Hudson Structured joins us in a unique partnership because they share our vision for growth in niche trades and in our responsibility to utilize the best available assets in our businesses."

Hudson Structured managing director Jason Braunstein said he was excited to work with Pangaea, which he called "a world leader in dry bulk logistics and transportation."

New York-listed Pangaea specialises in niche trades and projects ranging from the Arctic to its bauxite business in Jamaica. It has also been involved in developing and operating terminals as a supplement to its standard dry cargo freight trade.

Article by Joe Brady "Pangaea Confirms China Pair with Financing Twist" TRADEWINDS

<https://www.tradewindsnews.com/bulkers/pangaea-confirms-china-pair-with-financing-twist/2-1-682210>