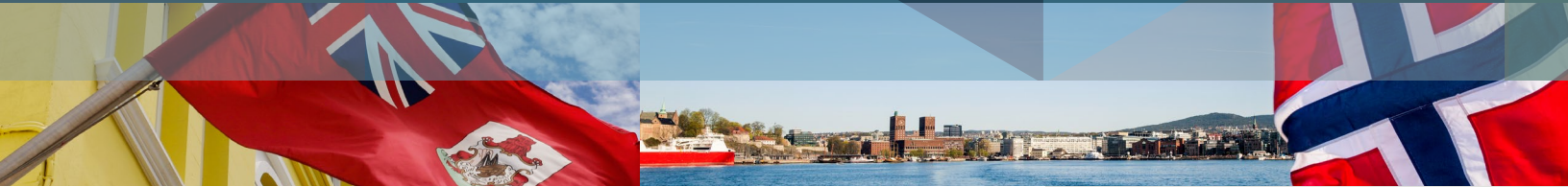


## Norway Practice Bulletin 2020



### Market Update

Welcome to Conyers' 2020 Norway Practice Bulletin. Our annual publication underscores the importance of the Norwegian market to our Bermuda corporate practice. Of course, this year's bulletin comes to you in very different circumstances to those of previous years, as the impact of COVID-19 has changed our world. We sincerely hope that you, your families and your colleagues are staying safe and healthy during this trying period.

We would like to reassure our clients and business colleagues that we remain available to provide advice during this difficult time, when many organisations will have changing needs. For information on [managing your Bermuda business and transactions during the pandemic](#), and on [Economic Substance implications](#), please click on the above links. Further topical articles can be found [here](#).

While COVID-19 has changed the way we work, business in Bermuda is carrying on as usual, a fact demonstrated by the recent closing of [Carnival Corporation's US\\$6 billion financing deal](#), the largest ever ship financing involving Bermuda-registered vessels.

In this issue we highlight the impressive growth in the number of Bermuda companies listed on the Oslo Stock Exchange and the Norway Over-the-Counter market over the last five years - a dozen new listings between them, including BW Energy's IPO on the Oslo Børs in February. While sourcing capital generally continued to be a challenge for the shipping and offshore energy sectors in 2019, there has been some significant capital markets activity among these companies over the past year, which we have also highlighted in this issue.

The impact of the oil price crash and the economic fallout from the coronavirus pandemic will undoubtedly take a large toll in 2020. We are already seeing a significant amount of restructuring activity for clients in the offshore energy sector, and expect to see more in coming weeks and months.

Although the pandemic has prevented us from making our usual visit to Norway this spring, we remain committed to sustaining our highly valued relationships with Norwegian law firms, defence clubs, shipowners and financial institutions.

### Economic Substance - Shipping Sector Guidance Notes

The guidance notes on economic substance for the shipping sector have been published by the Bermuda Registrar of Companies, but are still presently in draft form and have yet to be approved by the European Union. When finalised we expect the following to apply:

- Where a shipowner charters a ship to another entity on a bareboat charter basis, the owner will generally not be carrying on shipping because it does not operate the ship. The entity chartering the ship on a bareboat charter basis will be carrying on shipping because it is transporting goods for a charge in connection with the operation of the ship.
- Where an entity that carries on shipping submits evidence to the Registrar of Companies that it is liable to a tonnage tax regime in a jurisdiction outside of the Bermuda, the Registrar may regard that entity as being exempt from the requirements of Economic Substance Act.
- Where a ship is chartered, the question of whether the shipowner or the entity chartering the ship (or both) are carrying on shipping may be determined by the terms of the relevant charter party. It is therefore possible that both a shipowner and a charterer are both operating a vessel if they undertake aspects of the operation of the ship.

## Our Recent Transactions

- Advised BW Energy Limited in connection with the initial public offering and listing of shares on the Oslo Stock Exchange in February 2020, which raised approximately US\$124 million. ([Sophia Greaves](#), [Jennifer Panchaud](#), [Katie Martin](#))
- Advised Stolt-Nielsen Limited on its NOK 1,300,000,000 (US\$139 million) senior unsecured bonds due February 2024 ([Guy Cooper](#) and [Andrew Barnes](#))
- Advised Nordea Bank Abp, filial i Norge in relation to a US\$65million loan facility to Stenaoscean Ltd. ([Victor Richards](#))
- Advised Hafnia Limited in connection with its placing of new shares and listing on the Oslo Axess in November 2019. Hafnia Limited is the combined entity created by the merger of BW Tankers Limited and Hafnia Tankers Ltd. in January 2019 ([Guy Cooper](#))
- Advised BW Offshore Limited on its US\$297.4 million bond issuance in November 2019. The bonds will mature in November 2024. ([Sophia Greaves](#), [Katie Martin](#))
- Advised Nordea Bank Abp, Filial i Norge as agent in relation to a US\$515 million term loan and revolving credit facilities for Avance Gas ([Guy Cooper](#))
- Advised Nordea Bank Abp Singapore Branch as agent in relation to an up to US\$472 million senior secured term loan and revolving credit facility for Hafnia Limited ([Guy Cooper](#))
- Advised Skandinaviska Enskilda Banken AB publ in connection with a US\$110 million revolving facility to Golar ([Victor Richards](#))
- Advised Hayfin Services LLP in connection with a US\$195 million term loan facility to Borr Drilling ([Victor Richards](#))
- Advised Odfjell Rig Owning Ltd. on a US\$100 million facility agreement ([Marcello Ausenda](#), [David Stubbs](#))

## The Bermuda-Norway connection still offers value to shipping and offshore energy sectors

Bermuda has long been a jurisdiction of choice for owners and investors in the shipping and offshore energy sectors, thanks to the island's robust reputation as an international finance centre. The relationship between Bermuda and Norway has been particularly strong and enduring, as evidenced by the impressive growth in the number of Bermuda companies listed on the Oslo Stock Exchange and the Norwegian Over-the-Counter (N-OTC) market in the past five years - a total of 12 new listings.

### Bermuda Companies

listed on Oslo Børs and N-OTC since 2015

	Date of Listing
Golden Ocean Group Limited (NasdaqGS:GOGL)	2015
Team Tankers International Ltd. (OB:TEAM)	2015
Borr Drilling Limited (OB:BDRILL)	2017
Flex LNG Ltd. (OB:FLNG)	2017
GoodBulk Ltd. (OTCNO:BULK)	2017
Northern Drilling Ltd. (OB:NODL)	2018
Seadrill Limited (NYSE:SDRL)	2018
Avenir LNG Limited (OTCNO:AVENIR)	2018
2020 Bulk Ltd (Oslo Axess:2020)	2019
Hafnia Limited (OB:HAFNIA)	2019
BW Energy Limited (OB:BWE)	2020
Northern Ocean Ltd. (OB:NOL)	2020

26

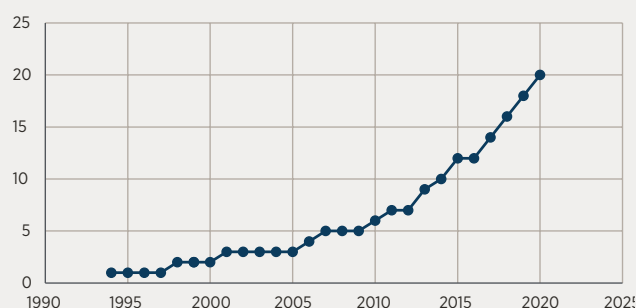
**BERMUDA COMPANIES**  
on the OB +  
N-OTC combined

with a

**TOTAL**  
Market  
Capitalisation

— of —  
**us\$7.13**  
billion

### Rise of Bermuda Companies on the Oslo Børs



## Recent capital markets activity of Bermuda companies on Oslo Stock Exchange/N-OTC:

The well-recognised benefits of Bermuda corporate vehicles, the jurisdiction's strong body of expertise in shipping-related capital markets and finance, and extensive relationships with Norwegian law firms, shipowners and financial institutions, all enhance opportunities for these companies to access high-quality capital efficiently. As detailed below, significant capital was raised in the past year, including several successful bond offerings and private placements.

### **2020 Bulkera (Oslo Axess)**

Listed its ordinary shares on the Oslo Axess under ticker 2020 (no new securities were issued in connection with the listing) (July 2019)

### **Atlantica Tender Drilling (N-OTC)**

Completed a private placement of shares worth US\$4 million (October 2019)

### **Borr Drilling (OB, NYSE)**

Completed its US\$46.5 million Initial Public Offering on NYSE under the ticker symbol BORR. (Borr continues to be listed under the ticker 'BDRILL' on the Oslo Stock Exchange) (July 2019)

### **BW Energy Ltd (OB)**

Completed its US\$124 million Initial Public Offering on Oslo Børs (February 2020)

### **BW Offshore Ltd (OB)**

- Completed a US\$300 million convertible bond offering (November 2019)
- Initiated a share buyback program up to US\$10 million (March 2020)

### **Flex LNG (OB, NYSE)**

Listed its ordinary shares on the NYSE under ticker FLNG (no new securities were issued in connection with the listing) (June 2019)

### **Frontline Limited (NYSE, OB)**

- Raised US\$100 million under an Equity Distribution Agreement (October 2019)
- Signed a sale-and-leaseback agreement in an amount up to US\$544 million with ICBC Financial Leasing Co. Ltd. (March 2020)

### **Golar LNG Ltd (Nasdaq, N-OTC)**

Initiated a share buyback program up to US\$20.36 million (October-December 2019)

### **Golden Ocean Group Ltd (Nasdaq, OB)**

Initiated a share buyback program up to US\$6 million (December 2019)

### **Hafnia Limited (Oslo Axess, OB)**

- Completed a US\$230 million pre-listing private placement and subsequently listed on the Oslo Axess (October 2019)
- Initiated a share buyback program of up to US\$20 million (February 2020)
- Transferred listing to the Oslo Stock Exchange (April 2020)

### **Hoegh LNG Holdings Ltd (OB)**

- Completed a US\$73 million senior unsecured bond issue (January 2020)
- Secured revolving credit facility of up to US\$80 million (January 2020)

### **Northern Drilling Ltd. (OB)**

Spun off wholly-owned subsidiary Northern Rig Holding Ltd, which was renamed Northern Ocean Ltd.

### **Northern Ocean Ltd. (OB)**

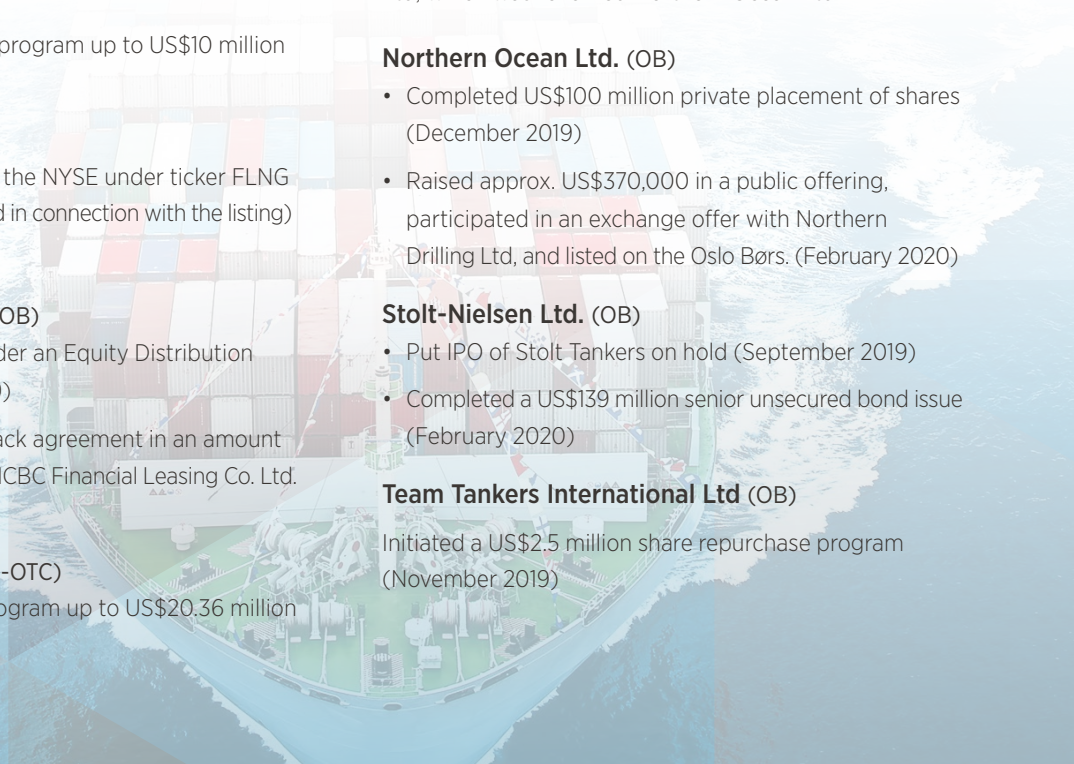
- Completed US\$100 million private placement of shares (December 2019)
- Raised approx. US\$370,000 in a public offering, participated in an exchange offer with Northern Drilling Ltd, and listed on the Oslo Børs. (February 2020)

### **Stolt-Nielsen Ltd. (OB)**

- Put IPO of Stolt Tankers on hold (September 2019)
- Completed a US\$139 million senior unsecured bond issue (February 2020)

### **Team Tankers International Ltd (OB)**

Initiated a US\$2.5 million share repurchase program (November 2019)



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