

Bermuda Public Companies Update January 2020

This edition of the Bermuda Public Companies Update summarises significant transactions involving Bermuda public companies in the second half of 2019. Conyers is consistently recognised as the leading Bermuda law firm advising Bermuda public company issuers and underwriters. 2019 was another busy year for Conyers in this space as we were fortunate to be instructed on more mandates involving Bermuda public companies than any other firm.

Global market update

Geopolitical factors including US-China trade tension, Brexit and Hong Kong unrest impacted markets worldwide in 2019: global IPO activity fell by 20% and the total value of capital raised fell by 8%. However, while the number of domestic US IPOs also dropped by 20%, the total US IPO value increased 31% over 2018 due to some landmark deals such as Uber, Avantor and Lyft.¹

M&A activity remained generally robust in 2019 despite the uncertainties, particularly in the US which saw 15 of the 20 largest deals. Cross-border M&A saw a significant drop, representing just 30% of global volume in 2019, the lowest share in ten years.

Bermuda companies update

Some US\$19.5 billion in capital was raised in 2019 by Bermuda companies listed on the NYSE and Nasdaq, with the second half of the year performing significantly better than the first half. This is up from US\$13.2 billion in 2018.

M&A activity accounted for more than 20 of the transactions involving Bermuda public companies in H2 2019. In this issue we feature one of the biggest of those deals – Aircastle's US\$7.4 billion acquisition by Marubeni and Mizuho. Another big-ticket M&A deal was Central European Media Enterprises' agreement to be acquired by an affiliate of

¹Baker McKenzie Cross-Border IPO Index 2019

Conyers Capital Markets League Table Rankings 2019			
Bloomberg		Refinitiv	
Ranked #1	Global Equity IPO Issuer Legal Adviser, by deal count	Ranked #2	(and highest ranked offshore firm) Global Equity & Equity Related Issuer Legal Adviser, by deal count
Ranked #2	Global Equity, Equity Linked & Rights Issuer Legal Adviser, by deal count	ONLY	offshore firm ranked Global Debt, Equity and Equity Related (exFCA) Issuer Adviser, by deal count

PPF Group N.V. in a cash transaction valued at approximately US\$2.1 billion.

There was one Bermuda company IPO on a US exchange in the period – Borr Drilling Limited began trading on the New York Stock Exchange on 31 July 2019 under the ticker symbol BORR, issuing 5,750,000 shares at a price of \$9.30 per share and raising over US\$53 million. This is a secondary listing – the company continues its primary listing on the Oslo Børs under the ticker BDRILL.

We hope this update on Bermuda public companies market activities will be of interest to our legal colleagues, clients and Bermuda market followers.

NYSE and Nasdaq Exchanges

68 Listed Bermuda Companies
increase of 1 since last edition

US\$276 billion
Market Capitalization
of listed Bermuda companies

US\$11.3 billion
Capital raised in H2 2019
by listed Bermuda companies

Highlighted Transactions

NYSE

- **Brookfield Infrastructure Partners L.P.** (NYSE: BIP) entered into a subscription agreement with Brookfield Asset Management Inc. for a private placement of 6,128,000 redeemable partnership units at US\$40.80 per unit for gross proceeds of US\$250 million. (July)
- **SFL Corporation Ltd.** (NYSE:SFL) completed a US\$11.6 million public offering. (July)
- **Cosan Limited** (NYSE:CZZ) completed a US\$750 million offering of 5.5% senior unsecured notes due 20 September, 2029. (July)
- **Brookfield Infrastructure Partners L.P.** (NYSE: BIP) completed a US\$500 million offering and concurrent private placement. (July)
- **Aspen Insurance Holdings Limited** (NYSE: AHL) issued 10,000,000 depository shares for US\$250 million. (August)
- **IHS Markit Ltd.** (NYSE: INFO) completed a US\$350 million offering of senior unsecured notes. (August)
- **Athene Holding Ltd.** (NYSE: ATH) entered into a definitive agreement to acquire PK AirFinance SA from GE Capital Aviation Services, Inc. (August)
- **Brookfield Business Partners L.P.** (NYSE: BBU) acquired a stake in Ouro Verde Locação e Serviço S.A. for US\$159.18 million. (August)
- **Genpact Limited** (NYSE: G) completed a US\$507 million offering. (August)
- **Bunge Limited** (NYSE: BG) agreed to acquire a 30% stake in Agrofel Grãos e Insumos from Grupo Ferrarin. (September)
- **Athene Holding Ltd.** (NYSE: ATH) completed a US\$300 million public offering of Series B depository shares. (September)
- **Tsakos Energy Navigation Limited** (NYSE: TNP) completed a private placement of US\$35 million Series G redeemable convertible perpetual preferred shares. (September)
- **Brookfield Business Partners L.P.** (NYSE: BBU) and others signed a definitive agreement to acquire a 45% stake in Brand Industrial Services, Inc. from Clayton, Dubilier & Rice, Inc. (September)
- **Triton International Limited** (NYSE: TRTN) completed a US\$175 million public offering. (October)
- **IHS Markit Ltd.** (NYSE: INFO) and certain existing investors acquired a stake in Enso LP from CME Group Inc. (October)

- Impala Platinum Holdings Limited signed a definitive agreement to acquire 100% of the outstanding shares of North American Palladium Ltd. from **Brookfield Business Partners L.P.** (NYSE: BBU) and others for approximately US\$752 million. (October)
- **Hudson Ltd.** (NYSE: HUD) entered into an agreement to acquire thirty four airport locations in the United States from Apex Digital, Inc. and signed an agreement to acquire controlling stake assets of OHM Concession Group LLC. (October)
- **IHS Markit Ltd.** (NYSE: INFO) acquired Novation Analytics for an undisclosed amount. (October)
- Access Corp. acquired Data Logic Services Corp from **IHS Markit Ltd.** (NYSE: INFO) for an undisclosed amount. (October)
- **Frontline Ltd.** (NYSE: FRO) completed a US\$100 million public offering. (October)
- **Brookfield Infrastructure Partners L.P.** (NYSE: BIP) completed a US\$375 million public offering. (October)
- Marubeni Corporation and Mizuho Leasing Company, Limited entered into a definitive agreement to acquire a 70.5% stake in **Aircastle Limited** (NYSE: AYR) for a total valuation of US\$2.4 billion or approximately US\$7.4 billion including debt obligations to be assumed or refinanced net of cash. (November)
- **Genpact Limited** (NYSE: GPRK) completed a public offering for US\$616 million. (November)
- **Gaslog Ltd.** (NYSE: GLOG) completed a public offering for US\$98 million. (November)
- **Axalta Coating Systems Ltd.** (NYSE: AXTA) entered into a definitive agreement to acquire Capital Paints. (December)
- Montagu Private Equity LLP reached an agreement to acquire IHS Global Limited from **IHS Markit Ltd.** (NYSE: INFO) for approximately US\$470 million. (December)
- **Hermitage Offshore Services Ltd.** (NYSE: PSV) announced that it has entered into a common stock purchase agreement for an equity line of credit with Scorpio Services Holding Limited for gross proceeds of US\$15 million. (December)
- **Invesco Ltd.** (NYSE: IVZ) acquired RedBlack Software, LLC for an undisclosed amount. (December)

Nasdaq

- **Brookfield Property Partners L.P.** (NasdaqGS: BPY) completed a US\$250 million offering. (August)
- **Urovant Sciences Ltd.** (NasdaqGS: UROV) entered into a definitive agreement to sell a 75.3% stake to Sumitomo Dainippon Pharma Co., Ltd. for an undisclosed amount. (September)

Aircastle acquired by Marubeni and Mizuho in US\$7.4 billion deal



Aircastle Limited (NYSE:AYR) entered a definitive agreement in November 2019 to be acquired by a newly-formed entity controlled by affiliates of Marubeni Corporation and Mizuho Leasing Company Limited. Under the terms of the merger agreement, Aircastle shareholders will receive US\$32.00 in cash for each common share of Aircastle (other than shares already owned by Marubeni and its affiliates), representing a total valuation of approximately US\$2.4 billion, or approximately US\$7.4 billion including debt obligations to be assumed or refinanced net of cash.

The transaction is subject to customary closing conditions, including approval by Aircastle's shareholders and receipt of certain regulatory approvals, and is expected to close in the first half of 2020. Marubeni has agreed to vote the common shares of Aircastle that Marubeni and its affiliates beneficially own in favour of the transaction.

Citigroup Global Markets Inc. is acting as the exclusive financial advisor to Aircastle. Conyers Bermuda office advised on the matter, working alongside Skadden, Arps, Slate, Meagher & Flom LLP.

Aircastle Limited acquires, leases and sells commercial jet aircraft to airlines throughout the world. As of 30 September, 2019, Aircastle owned and managed on behalf of its joint ventures 277 aircraft leased to 87 customers located in 48 countries.

277 Aircraft
owned and managed*



Leased to
87 Customers

located in
48 Countries

*as of 30 September, 2019

continued from page 2

- **Marvell Technology Group Ltd.** (NasdaqGS:MRVL) completed its acquisition of Aquantia Corp. for approximately US\$540 million. (September)
- **Central European Media Enterprises Ltd.** (NasdaqGS:CETV) entered into a definitive agreement to be acquired by an affiliate of PPF Group N.V. in a cash transaction valued at approximately US\$2.1 billion. (October)
- A consortium of local entrepreneurs acquired Cable & Wireless (Seychelles) Limited from **Liberty Latin America Ltd.** (NasdaqGS:LILA) for an enterprise value of approximately US\$100 million. (October)
- **Urovant Sciences Ltd.** (NasdaqGS:UROV) entered into an Open Market Sales Agreement with Jefferies LLC., whereby common shares having an aggregate offering price of up to US\$50 million may be offered and sold. (November)
- Citigroup Inc. acquired an approximate 9% stake in **VEON Ltd.** (NasdaqGS:VEON) from Telenor ASA for US\$362 million. (November)
- **Watford Holdings Ltd.** (NasdaqGS:WTRE) announced it entered into a share purchase agreement to acquire Axeria IARD S.A. from April SA. (December)
- **Arch Capital Group Ltd.** (NasdaqGS:ACGL) entered into an agreement to acquire Barbican Group Holdings Limited from funds managed by Carlson Capital, L.P. (December)

Sagcor Financial Company Ltd – new on the Toronto Stock Exchange

Sagcor Financial Corporation Ltd completed a business combination transaction with Alignvest Acquisition II Corporation in December 2019 that resulted in a new Bermuda entity Sagcor Financial Company Ltd (Sagcor) which subsequently listed on the Toronto Stock Exchange, trading under the ticker "SFC". Conyers advised Sagcor on the deal. This brings the number of Bermuda companies with primary listings on the TSX to three, the others being Brookfield Renewable Partners (TSX:BEP.UN) and Sunwah International Limited (TSX:SWH).

3 Bermuda Companies
with primary listings on the TSX*

Sagcor Financial Company Ltd (Sagcor)	SFC
Brookfield Renewable Partners	BEPUN
Sunwah International Limited	SWH

*as of December, 2019

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This bulletin details capital markets activity among Bermuda companies listed on the NYSE and Nasdaq using data from S&P Global Market Intelligence. The date range for this analysis is 1 July - 31 December inclusive. Where necessary, deal values have been converted to USD at a rate set by S&P Global Market Intelligence. Not all deals have a publically known value. Not all deal details are reported immediately, and figures are subject to change as new information becomes available.