

Bermuda Public Companies Update July 2021

This edition of the Bermuda Public Companies Update summarises significant transactions involving Bermuda companies on the New York Stock Exchange and Nasdaq in the first half of 2021.

Global market update

The first half of 2021 was an extremely positive one for the stock markets. Few of us could have imagined after the bleak outlook of March 2020 that North American markets would climb so steeply. All major indexes rose by double digits. The S&P 500 led the way, with a year-over-year advance of 14.4% at close of trading on 30 June. The Dow Jones industrial average gained 12.7% while the Nasdaq Composite Index was up 12.6%.

The sharp rebound was driven by governments increasing policy support, along with rising vaccination rates that have allowed some countries to reduce Covid-19 restrictions. The robust growth continued despite a temporary setback in April and May from the third wave of Covid-19 when economies started to lock down. According to research from the World Bank, the global economy is set to expand by 5.6% in 2021 – its strongest post-recession pace in 80 years.

Bermuda companies update

Despite the challenges of the ongoing pandemic, M&A activity continued throughout the first half of 2021. February saw the close of Sirius International Insurance Group's US\$788 million merger with Third Point Reinsurance and the launch of Bermuda-based company SiriusPoint Ltd.

(NYSE:SPNT). The new global company is a Class 4 (re)insurer regulated by the Bermuda Monetary Authority.

We have seen increased restructuring activity over the past six months, as a tumultuous period in the energy sector pushed many offshore drillers toward bankruptcy. Significant filings included Bermuda exempted companies Seadrill Limited and Seadrill Partners LLC. Another noteworthy example was Valaris Limited (NYSE:VAL), which emerged from Chapter 11 bankruptcy to form a newly incorporated Bermuda company which began trading on May 3. We discuss the Valaris restructuring in more detail on page 2.

The SPAC boom showed no sign of slowing through the first quarter of 2021 as investors looked toward offshore jurisdictions for incorporation and SPAC-related transactions. Notably, Paysafe Group Holdings Limited combined with SPAC Foley Trasimene Acquisition Corp. II in a reverse merger transaction with an enterprise value for Paysafe of approximately US\$9 billion. The combined company, a leading specialized payments platform, now operates as Paysafe Limited (NYSE:PSFE).

The capital markets were also active in the first half of the year. Over US\$16 billion was raised by Bermuda companies on the

NYSE and Nasdaq in a variety of sizable transactions including:

- Textainer Group Holdings Limited (NYSE:TGH) issued US\$550 million of Fixed Rate Asset Backed Notes by its subsidiary Textainer Marine Containers VII Limited in February.
- Norwegian Cruise Line Holdings Ltd. (NYSE:NCLH) offered US\$1.4 billion of common shares in March.
- Athene Holding Ltd. (NYSE:ATH) completed a US\$496.78 million notes offering in May.

NYSE and Nasdaq Exchanges

59 Listed Bermuda Entities

US\$282 billion Market Capitalization of listed Bermuda entities

US\$16.1 billion Capital raised in H1 2021 by listed Bermuda entities

Valaris - A Bermuda Company Restructuring Success Story

Valaris Limited (NYSE:VAL) is moving forward as a Bermuda exempted company after its Chapter 11 Plan of Reorganization was approved and confirmed by the United States Bankruptcy Court for the Southern District of Texas. It was just one of the 61 North American oilfield services sector filings in 2020 amidst the Covid-19 pandemic.

Valaris eliminated more than US\$7 billion of debt and secured a US\$520 million capital injection for the go-forward Valaris group through the issuance of US\$550 million of new secured notes.

The financial restructuring was effected by way of a UK administration proceeding and pre-packaged

sale. The sale involved a series of transactions that culminated in the sale of the business and assets of Valaris plc to a newly incorporated Bermuda company owned by Valaris' existing creditors on 30 April 2021.

The Valaris restructuring demonstrates an impressive collaboration on a complex matter with Bermuda playing an integral role alongside the US bankruptcy courts.

Conyers advised Valaris on Bermuda law matters in connection with the implementation of the post-restructuring Bermuda corporate structure, the listing of its common shares and warrants on the NYSE as well as debt issuance. Valaris' common shares and warrants began trading on the NYSE in May.

Highlighted Transactions NYSE

- **IHS Markit Ltd.** (NYSE:INFO) acquired Israeli compliance technology provider Cappitech Regulation Ltd. from 83North Limited and others for an undisclosed sum. (January)
- Nu Pagamentos S.A. raised US\$400 million led by private and public investors including GIC Pte. Ltd., Whale Rock Capital Management, LLC and **Invesco Ltd.** (NYSE:IVZ). (January)
- **Borr Drilling Limited** (OB:BORR and NYSE:BORR) completed a US\$46 million equity offering, with the shares to be listed on the OSE. (January)
- **Sirius International Insurance Group, Ltd.** (NasdaqGS:SG) completed a strategic merger with **Third Point Reinsurance Ltd.** (NYSE:TPRE) in a cash and stock transaction worth approximately US\$788 million, with the surviving company named **SiriusPoint Ltd.** (NYSE:SPNT). (February)
- **Textainer Group Holdings Limited** (NYSE:TGH) completed a US\$550 million issuance of Fixed Rate Asset Backed Notes by its subsidiary Textainer Marine Containers VII Limited. (February)
- A fund controlled by ArcLight Capital Partners, LLC agreed to acquire a 25% stake in Natural Gas Pipeline Company of America LLC from Kinder Morgan, Inc. (NYSE:KMI) and **Brookfield Infrastructure Partners L.P.** (NYSE:BIP) for US\$830 million. (February)
- **Signet Jewelers Limited** (NYSE:SIG) completed its US\$14.4 million acquisition of RocksBox, Inc. (March)
- Bria Biosciences Limited received US\$155 million in its Series C round of funding led by AIM Investment Funds (Invesco Investment Funds) - Invesco Developing Markets Fund (MutualFund:ODMAX), a fund managed by **Invesco Ltd.** (NYSE:IVZ). (March)
- Arkhouse Partners LLC, 8F Investment Partners Pte. Ltd. and The Sapir Organization, LLC made an unsolicited proposal to acquire a 96.7% stake in Columbia Property Trust, Inc. (NYSE:CXP) from The Vanguard Group, Inc., BlackRock, Inc. (NYSE:BLK), **Invesco Ltd.** (NYSE:IVZ), JPMorgan Chase & Co. (NYSE:JPM) and others for US\$2.2 billion. (March)
- **Axalta Coating Systems Ltd.** (NYSE:AXTA) entered into a definitive agreement to acquire Anhui Shengran Insulating Materials Co., Ltd. (March)
- Perfuturo Insurance AG acquired ArgoGlobal SE from parent **Argo Group International Holdings, Ltd.** (NYSE:ARGO) for an undisclosed sum. (March)
- **Lazard Ltd** (NYSE:LAZ) acquired the Argentinian bottled water division of Danone S.A. (ENXTPA:BN) for an undisclosed sum. (March)
- QOMPLX, Inc. announced a US\$180 million private placement with participation from Fidelity Management & Research Company LLC, **RenaissanceRe Holdings Ltd.** (NYSE:RNR), Hedosophia and returning investor Cannae Holdings, Inc. (NYSE:CNNE). (March)
- Carlyle Aviation Partners Ltd. entered into a definitive agreement to acquire **Fly Leasing Limited** (NYSE:FLY) from others for approximately \$520 million. (March)
- **Genpact Limited** (NYSE:G) completed a US\$349.55 million notes offering, with Genpact Luxembourg S.à r.l. and Genpact USA, Inc. acting as co-issuer. (March)
- **PartnerRe Ltd.** (NYSE:PRE.PRJ) completed a US\$200 million preferred shares offering. (March)
- Apollo Global Management, Inc. (NYSE:APO) agreed to acquire the remaining 65% stake in **Athene Holding Ltd.** (NYSE:ATH) for US\$7.2 billion. (March)

- **Norwegian Cruise Line Holdings Ltd.** (NYSE:NCLH) made a US\$1.4 billion offering of common shares. (March)
- Paysafe Group Holdings Limited completed a business combination with special purpose acquisition company Foley Trasimene Acquisition Corp. II (NYSE:BFT) in a reverse merger transaction. The transaction reflects an implied pro-forma enterprise value for Paysafe of approximately US\$9 billion. The combined company now operates as **Paysafe Limited** (NYSE:PSFE). (March)
- **Athene Holding Ltd.** (NYSE:ATH) acquired substantially all of the assets of fleet management company Donlen Corporation from Hertz Global Holdings for US\$891 million. (March)
- **Textainer Group Holdings Limited** (NYSE:TGH) completed a US\$150 million offering of 6 million depositary shares, each representing a 1/1,000th interest in a share of its 7.00% Series A Cumulative Redeemable Perpetual Preference Shares. (April)
- **GeoPark Limited** (NYSE:GPRK) completed a US\$150 million offering of 5.5% Senior Unsecured Notes due 2027. (April)
- **Brookfield Business Partners L.P.** (NYSE:BBU) completed the acquisition of the remaining 43.3% stake in Sagen MI Canada Inc. (formerly Genworth MI Canada Inc.) (TSX:MIC) for US\$1.3 billion. (April)
- **Valaris Limited** (NYSE:VAL) closed its financial restructuring and emergence from Chapter 11 bankruptcy. (May)
- **Athene Holding Ltd.** (NYSE:ATH) completed a US\$496.78 million notes offering. (May)
- **Tsakos Energy Navigation Limited** (NYSE: TNP) entered into an at-the-market equity offering sales agreement with DNB Markets, Inc. and Virtu Americas LLC for the offer and sale of up to US\$50 million in common shares. (May)
- **Paysafe Limited** (NYSE:PSFE) completed a US\$931 million aggregate principal offering of senior secured notes, consisting of US\$400 million of 4.00% senior secured notes due 2029 and US\$519.20 million of 3.00% senior secured notes due 2029. (June)

Nasdaq

- **GAN Limited** (NasdaqCM:GAN) completed the US\$175.9 million acquisition of the Vincent Group p.l.c.. (January)
- Aquarian Holdings LLC entered into a definitive agreement to acquire Pavonia Life Insurance Company of New York from a wholly owned U.S. subsidiary of **Enstar Group Limited** (NasdaqGS:ESGR) for an undisclosed sum. (February)
- **Golden Ocean Group Limited** (NasdaqGS:GOGL) completed a US\$17.34 million private placement of shares that are expected to list on the OSE. (February)

G2D Investments - A Unique IPO

Conyers advised G2D Investments, Ltd. (G2D) on its initial public offering, which was the first IPO involving a primary listing of shares on the Bermuda Stock Exchange supporting Brazilian depositary receipts (BDRs) that are listed on the São Paulo Stock Exchange.

The IPO saw G2D offer its Class A common shares and BDRs, each BDR representing one Class A common share, for an aggregate amount of approximately R\$260 million (US\$51 million). The BSX approved the listing in May.

Bermuda has both flexibility and agility when it comes to equity-raising transactions and is the ideal place from which to launch a dual-listed initial public offering.

- **Arch Capital Group Ltd.** (NasdaqGS:ACGL) completed the acquisition of a 29.5% stake in COFACE SA (ENXTPA:COFA) from Natixis S.A. (ENXTPA:KN) for approximately US\$573 million. (February)
- **Arch Capital Group Ltd.** (NasdaqGS:ACGL) entered into a share purchase agreement to acquire Westpac Lenders Mortgage Insurance Limited from Westpac Banking Corporation (ASX:WBC). (March)
- Lloyd's reinsurance group and startup Inigo Limited acquired StarStone Underwriting Limited from Stone Point Capital LLC, **Enstar Group Limited** (NasdaqGS:ESGR) and funds managed Dowling Capital Management, LLC for US\$30 million. (March)
- **VEON Ltd.** (Nasdaq:VEON) acquired the remaining 15% minority stake in Pakistan Mobile Communications Ltd from the Dhabi Group for US\$273 million. (March)
- New Fortress Energy Inc. (Nasdaq: NFE) acquired Hygo Energy Transition Ltd. and Golar LNG Partners LP (Nasdaq: GMLP) from **Golar LNG Limited** (NasdaqGS:GLNG). The combined transactions are valued at a US\$5.1 billion enterprise value and a US\$2.43 billion equity value. (April)
- **Watford Holdings Ltd.** (NasdaqGS:WTRE) completed the acquisition of Axeria IARD S.A. from April SA (ENXTPA:APR) for an undisclosed sum. (April)
- **James River Group Holdings, Ltd.** (NasdaqGS:JRVR) completed a US\$175.15 million share offering. (May)
- HRB Brands, LLC acquired the mass market personal care business of **Helen of Troy Limited** (NasdaqGS:HELE) for US\$44.7 million. (June)
- **Arch Capital Group Ltd.** (NasdaqGS:ACGL) completed a US\$500 million offering of depositary shares representing a 1/1,000th interest in a share of its 4.55% Series G Non-Cumulative Preferred Shares. (June)

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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 January - 30 June 2021 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 publicly known value. Not all deal details are reported immediately, and figures are subject to change as new information becomes available.

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