

## Norway Bulletin 2022



### Market Update

We are pleased to bring you the Conyers 2022 Norway Bulletin. Our annual publication underscores the importance of the Norwegian market to our Bermuda corporate practice.

We greatly value the friends and business associates we have in Norway, and were very pleased to be able to resume our visits to Norway in March 2022 after an enforced three-year hiatus. We remain fully committed to our long-term relationships with Norwegian law firms, defence clubs, ship owners and financial institutions.

Reflecting on the market over the past 18 months, there have been some significant developments that underscore the importance of the Oslo market for the offshore drilling and shipping industry, as well as the close connection between Bermuda and Norway.

Oslo, already a dominant market for the offshore drilling and shipping sectors, saw record activity on the Euronext Growth Oslo (formerly the Merkur Market) in 2021, which included Bermuda incorporated issuers for the first time, further reinforcing its value as a hub for raising capital.

The Euronext Growth Oslo was designated as an “appointed stock exchange” under Bermuda’s Companies Act 1981 in September 2021 (a process in which Conyers assisted – see page 3) which has facilitated Bermuda issuers listing on this dynamic exchange. The Euronext Expand and the Oslo Stock Exchange previously received this designation and have continued to see listings of Bermuda incorporated companies.

Euronext Securities Oslo was granted a licence to operate under the Norwegian Central Securities Depository Act (which incorporated into Norwegian law the Central Securities Depository Regulation, or CSDR, which was adopted by the EU in July 2014) on 28 January 2022 and took effect on 1 March 2022.

CSDR licensing means that Oslo will continue to provide a stable and efficient market infrastructure for the dynamic Norwegian capital market, attracting issuers, investors and market participants from all over the world.

### **Oslo saw record activity on the Euronext Growth Oslo in 2021, which included Bermuda incorporated issuers for the first time.**

Bermuda is among the few CSDR-compliant jurisdictions which also has all three Norwegian exchanges available to issuers due to their “appointed stock exchange” designation, further reinforcing the case for companies to use Bermuda as their first choice offshore jurisdiction through which to raise capital in Oslo.

As of May 2022, there were 22 Bermuda companies listed on the three stock exchanges in Oslo, representing a market capitalization of more than US\$24 billion.

Bermuda companies continue to be active, both in new listings and new bond issuances.

Among these new listings and bond issuances, we would highlight the following:

- Odfjell Technology’s US\$113 million bond offering in February 2022, which, together with a US\$25 million loan, was used to repay a debt of US\$150 million and related to the company being spun off from Odfjell Drilling. Odfjell Technology began trading its shares and bonds on the Oslo Stock Exchange in March 2022.
- Golar LNG’s US\$300 million bond issue in October 2021.

The past year has seen a number of other significant transactions. In recent merger activity, Hafnia completed the acquisition of Chemical Tankers Inc. from funds managed by Oaktree Capital Management and other shareholders in January 2022, resulting in Hafnia gaining a modern fleet of 32 IMO II tankers. Hafnia also successfully raised US\$100 million in a private placement, putting some of those proceeds towards working capital for the new fleet. Earlier in May 2021 Larus Holding Limited, a joint venture between Leif Höegh & Co. Ltd and funds managed by Morgan Stanley Infrastructure Partners, completed the acquisition by way of an amalgamation of the remaining outstanding shares of Höegh LNG Holdings Ltd., then listed on the Oslo Stock Exchange.

Another significant deal involves the proposed combination of Frontline and Euronav in April 2022. If the combination materializes, the combined group will continue under the name Frontline. Of greatest significance is Norway’s most valuable listing for two decades: the US\$12.4 billion listing of AutoStore in October 2021.

## Euronext Growth Oslo Exchange of Choice for Many Companies Looking to List

Euronext Growth Oslo (formerly Merkur Market), the exchange that targets smaller companies when raising capital, continued to attract many new listings – with 61 new listings alone through 2021 – reinforcing its attractiveness for Norwegian and non-Norwegian corporates alike. Most companies listing in Oslo in 2021 and 2022, including Bermuda companies Himalaya Shipping and Cool Company Ltd., have opted to initially list on Euronext Growth Oslo.

These listings are attractive in that they serve as the first rung on the ladder for companies before they may be able to migrate to the two larger exchanges: Euronext Expand or the main list on the Oslo Stock Exchange.

### Year Over Year Market Cap of BDA Companies Listed on Oslo Exchanges



## Our Recent Transactions

- Advised **Hafnia Limited** in connection with a US\$100 million private placement of notes ([Guy Cooper](#)) (May 2022)
- Advised **Sequoia Investment Management** in connection with a US\$250 million bilateral secured credit facility with **Golar LNG Limited** ([Guy Cooper](#), [Jacari Brimmer-Landy](#)) (March 2022)
- Advised **Odfjell Technology Ltd.** on its issuance of US\$113 million floating rate senior secured bonds due February 28, 2026. The net proceeds from the issuance were used in connection with the restructuring related to the spinoff of the company from Odfjell Drilling Ltd., and listing on the Oslo Stock Exchange ([Guy Cooper](#), [Elizabeth Blankendal](#)) (March 2022)
- Advised **Odfjell Drilling Ltd.** on the spinoff of its well services and energy segments into newly established Odfjell Technology Ltd., and subsequent distribution of shares ([Guy Cooper](#), [Sarah Lusher](#)) (March 2022)
- Advised **Hafnia Limited** on its share purchase agreement to purchase Chemical Tankers Inc., which has a fleet of 32 chemical tankers. The Chemical Tankers fleet of modern and fuel-efficient tankers includes six medium range, 18 handy sized and eight stainless steel tankers ([Guy Cooper](#)) (November 2021)
- Advised **Golar LNG** on the issuance of US\$300 million 7% unsecured bonds due October 25, 2025 (October 2021)
- Advised **Odfjell Drilling Ltd.** in connection with a US\$325 million facility agreement ([Marcello Ausenda](#), [David Stubbs](#)) (June 2021)
- Acted for **Leif Höegh & Co. Ltd.** and funds managed by Morgan Stanley Infrastructure Partners through a 50/50 joint venture, Larus Holding Limited, in its US\$218 million acquisition of the remaining outstanding shares of Höegh LNG Holdings Ltd. ([Guy Cooper](#), [Christian Luthi](#), [Edward Rance](#), [Karoline Tauschke](#)) (May 2021)

**18** Bermuda companies listed on Oslo Børs

**1** Bermuda company listed on Growth Oslo

**3** Bermuda companies listed on Expand Oslo

22 Bermuda companies listed with a combined market capitalisation of:

**US\$24.5 billion**  
\*As of May 31, 2022

### 4 New Listings of Bermuda Companies on Oslo Exchanges

Autostore (Oslo Børs), Cool Company (Growth Oslo), Himalaya Shipping (Growth Oslo and then uplisted to Expand Oslo in April 2022) and Odfjell Technology (Oslo Børs)



### Bermuda Compliant with Central Securities Depository Regulation Changes

Following the CSDR changes that took effect in Norway earlier this year, Bermuda has become a leading choice of jurisdiction for non-Norwegian issuers looking to list on the Oslo exchanges. The CSDR changes meant that non-Norwegian issuers in some cases could no longer be listed on the Oslo exchanges in the same way as they had done before (which had usually involved Norwegian banks nominally holding shares with the beneficial interests being traded).

However as the Bermuda Companies Act, amongst other provisions, permits companies listed on “appointed stock exchanges” in Oslo to keep a branch register of shareholders outside of Bermuda, there is a method for Bermuda companies to be compliant with the CSDR regulation changes. Bermuda companies thus have an advantage over companies incorporated in other jurisdictions: they can continue listing on all three main Norwegian exchanges.

Conyers played an important role in achieving this outcome, with our Bermuda director Guy Cooper leading a team that worked with the Oslo Stock Exchange and Norwegian Central Securities Depository, Verdipapirsentralen ASA (VPS), to have the Euronext Growth Oslo designated as an appointed stock exchange for the purposes of the Companies Act and ensure that Bermuda companies can be seen as being compliant with the CSDR.

### Bermuda Bond Issuances on Oslo Stock Exchange

June 2021 - May 2022

Bond	Issue Price (USD)	Volume	Issuer
AST03	97.00	180,000,000	Alterra Shuttle Tankers LLC (Teekay)
FLOAT04	100.00	115,000,000	Floatel International Ltd.
FLOAT05	100.00	115,000,000	Floatel International Ltd.
GLNG01	100.00	300,000,000	Golar LNG Ltd.
OTL01	10.25	1,100,000,000	Odfjell Technology Ltd.
SPK06	10.25	1,000,000,000	Seapeak LLC – Teekay LNG Partners L.P.
SPK07	10.25	1,000,000,000	Seapeak LLC – Teekay LNG Partners L.P.
7 issuances			5 unique issuers

May 2020 - May 2021

Bond	Issue Price (USD)	Volume	Issuer
SN108	10.25	1,300,000,000	Stolt-Nielsen Limited
SN109	10.25	1,250,000,000	Stolt-Nielsen Limited
BWO05	10.25	900,000,000	BW Offshore Limited
HLNG04	10.25	650,000,000	Hoegh LNG Holdings Ltd.
4 issuances			3 unique issuers

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### Chambers Global



Corporate & Finance  
BAND 1  
Bermuda

### Legal 500



Corporate & Commercial  
TIER 1  
Bermuda

### IFLR1000



23 Ranked  
Conyers Lawyers

### Marine Money



Marine Money  
4 Ship Finance Deals of  
the Year 2021

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The Nasdaq Tower was lit in celebration of the Marine Money Deal of the Year award winners on 21 June 2022. Bermuda Directors Marcello Ausenda and Guy Cooper were delighted to attend the Nasdaq closing.

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