



Seward & Kissel advises Knightsbridge Shipping
on its merger with Golden Ocean Group

Seward & Kissel's Business Transactions Group
Focusing on Middle-Market Deals

On March 31, 2015, **Knightsbridge Shipping Limited** (NASDAQ:VLCCF) announced the completion of its merger with **Golden Ocean Group Limited** (OSE:GOGL). The transaction created one of the world's leading dry bulk companies with a combined fleet of 72 vessels, with the surviving company taking the name Golden Ocean Group Limited. Consideration for the transaction consisted of an aggregate of 61.5 million Knightsbridge shares issued to the shareholders of Golden Ocean Group. **Seward & Kissel** was pleased to represent Knightsbridge in this transformative merger transaction.

Knightsbridge (founded in 1996) and Golden Ocean (established in 2005) were both international dry bulk shipping companies headquartered in Hamilton, Bermuda.

Seward & Kissel LLP (www.sewkis.com) is a leading New York law firm, originally established in 1890, offering legal advice emphasizing business, financial and commercial law and related litigation. The firm's Business Transactions Group handles middle-market M&A, private equity, venture capital and joint venture transactions involving a wide variety of industries. The firm is ranked as Highly Regarded for Corporate/M&A by Chambers USA and is recommended by The Legal 500 in the middle-market M&A category, stating that Seward & Kissel "advises on market-leading transactions within the industries where the firm has an international reputation, namely investment management and shipping" and "also handles complex middle-market deals in the media industry and international sell-side M&A."



Hamilton, Bermuda

has merged with



Hamilton, Bermuda

Seward & Kissel
acted as counsel to Knightsbridge



March 2015

The complex block is a vertical arrangement of logos and text. At the top is the Knightsbridge Shipping Limited logo, which consists of a blue rectangle with 'KNIGHTSBRIDGE' in white, set within a circular frame. Below it is the text 'SHIPPING LIMITED' and 'Hamilton, Bermuda'. This is followed by the phrase 'has merged with' in bold. Below that is the Golden Ocean logo, featuring a stylized gold 'G' with wings on a dark blue background, with 'GOLDEN OCEAN™' below it and 'Hamilton, Bermuda' underneath. A horizontal line separates this from the text 'Seward & Kissel acted as counsel to Knightsbridge', where 'acted as counsel to Knightsbridge' is underlined. At the bottom is the Seward & Kissel LLP logo in a red box, with 'March 2015' centered below it.

The press release describing this transaction is reproduced below for your information.

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VLCCF – Knightsbridge Shipping Limited and Golden Ocean Group Limited agree to merge

HAMILTON, Bermuda, October 7, 2014: Knightsbridge Shipping Limited (Nasdaq:VLCCF) ("Knightsbridge") and Golden Ocean Group Limited (OSE: GOGL) ("Golden Ocean") have today entered into an agreement and plan of merger (the "Merger Agreement"), pursuant to which the two companies have agreed to merge, with Knightsbridge as the surviving legal entity (the "Combined Company"). The Combined Company will be renamed Golden Ocean Group Limited upon completion of the merger. As a result of the expected merger, the Combined Company would become one of the world's leading dry bulk companies with a modern fleet of 72 vessels, of which 36 are newbuildings under construction. The merger is subject to approval by the shareholders of Golden Ocean and Knightsbridge in separate special general meetings expected to be held in December 2014 or January 2015 and the merger is expected to close shortly thereafter. Completion of the merger is also subject to the execution of certain definitive documents, customary closing conditions and regulatory approvals.

Knightsbridge's ordinary shares are currently listed for trading on the NASDAQ Global Select Market ("NASDAQ"), and Golden Ocean's ordinary shares are currently listed for trading on the Oslo Stock Exchange (the "OSE") and the Singapore Stock Exchange. In accordance with the Merger Agreement, the Combined Company will apply for a secondary listing of its ordinary shares on the OSE, and expects that after the merger its ordinary shares will be listed for trading on both NASDAQ and the OSE.

Shareholders in Golden Ocean at the time the merger is completed will receive shares in Knightsbridge as merger consideration. Pursuant to the Merger Agreement, one share in Golden Ocean will give the right to receive 0.13749 shares in Knightsbridge, and Knightsbridge will issue a total of 61.5 million shares to shareholders in Golden Ocean as merger consideration.

Upon the effectiveness of the merger, the 3.07% Golden Ocean Group Limited Senior Unsecured Convertible Bond Issue 2014/2019 that was issued by Golden Ocean in January 2014 will be converted into a convertible bond in the Combined Company pursuant to the terms of the bond agreement.

In connection with the special general meetings, Hemen Holding Limited ("Hemen"), a company indirectly controlled by trusts established by John Fredriksen for the benefit of his immediate family, and certain of its affiliates, (including Frontline 2012 Ltd.) have entered into voting agreements to vote all of their respective shares in favor of the merger. Approval of the merger by the shareholders of each Company requires the affirmative vote of those shareholders, as of the record date, representing 75% of the ordinary shares of that company which are voted at its special general meeting.

After the merger is completed it is expected that Hemen and such affiliates, collectively will own approximately 39% of the shares and votes in the Combined Company, which includes Hemen's indirect ownership in the shares owned by Frontline 2012 Ltd. After the second step of the Frontline 2012 transaction is completed in March 2015, this will increase to approximately 42%.

Mr. John Fredriksen, Mr. Gert-Jan van der Akker and Mrs. Kate Blankenship will be added to the Board of Directors of the Combined Company after the merger is completed. Mr. Ola Lorentzon will continue as Chairman of the Board for the Combined Company. Mr. Gert-Jan van der Akker is Senior Head of Region at Louis Dreyfus Commodities ("LDC"). Prior to joining LDC earlier this year, Mr. Gert-Jan van der Akker had 27 years of experience at Cargill where his last position was a platform leader for the global energy, transportation and metals platform.

The current corporate management team and employees of Golden Ocean, which currently is the commercial manager of the Knightsbridge dry bulk fleet, will manage the Combined Company. Herman Billung, who currently serves as the principal executive officer of Golden Ocean, will serve as the principal executive officer of the Combined Company, and Birgitte Ringstad Vartdal, who currently serves as the principal financial officer of Golden Ocean, will serve as the principal financial officer of the Combined Company.

After the merger is completed, the Combined Company expects to have a fleet of 46 Capesize vessels, 10 ice class Panamax vessels, 8 Kamsarmax vessels and 8 Supramax vessels, of which 36 are newbuildings under construction. In addition the Combined Company expects to have a small number of leased vessels and one vessel owned through a joint venture.

Commenting on the transaction, Ola Lorentzon, Chairman and CEO of Knightsbridge, and Chairman of Golden Ocean Group Limited, John Fredriksen stated: "By combining Knightsbridge and Golden Ocean we seek to create a company with a unique fleet and strong balance sheet and build one of the world's leading dry bulk shipping companies. With the current weakness in the dry bulk market, we believe there will be attractive consolidation opportunities going forward. Our ambition is to be a clear market leader both from a financial and operational perspective. Upon an expected recovery of the dry bulk market and as newbuilds are brought into the fleet, we believe the Combined Company will generate significant cash flow. The intention is to pay out excess cash as dividends in the Board's discretion."

About Knightsbridge Shipping Limited

Knightsbridge is a Bermuda exempted company founded in 1996, with its principal executive offices located in Hamilton, Bermuda. Knightsbridge is engaged in the transportation of dry bulk cargoes. Knightsbridge owns and operates, through its subsidiaries, a fleet of 27 Capesize dry bulk carriers, of which 11 are sailing and 16 are newbuildings under construction. Knightsbridge entered into an agreement with Frontline 2012 Ltd. ("Frontline 2012") in April 2014, to purchase 25 newbuilding contracts with expected deliveries between September 2014 and September 2016. The first stage of the acquisition involving 13 newbuilding contracts closed on September 2014 and the second stage of the acquisition is expected to close in March 2015. Each of Knightsbridge's vessels is owned by a subsidiary and has been flagged in the Marshall Islands or Hong Kong. The total carrying capacity of Knightsbridge's fleet is approximately 4.9 million dwt.

About Golden Ocean Group Limited

Golden Ocean was established in 2004, and its shares were admitted to trading on the Oslo Stock Exchange in the same year. Golden Ocean is an international dry bulk shipping company based in Bermuda, mainly operating in the Capesize and Panamax market segments. Golden Ocean owns or controls 25 vessels and has newbuilding contracts for the construction of eight Supramax dry bulk vessels with scheduled deliveries during 2015 and 2016. In addition, Golden Ocean has one vessel owned through a joint venture, two vessels operating under a bareboat charter and four chartered-in vessels on longer term durations.

About Seward & Kissel LLP

Seward & Kissel LLP, founded in 1890, is a leading U.S. law firm with an international reputation for excellence. We have offices in New York City and Washington, D.C.

Our practice primarily focuses on corporate, litigation and restructuring/bankruptcy work for clients seeking legal expertise in the financial services, corporate finance and capital markets areas. The Firm is particularly well known for middle-market, cross-border M&A transactions and for its representation of transportation companies (particularly in the shipping industry), major commercial banks, investment banking firms, investment advisers and related investment funds (including mutual funds and hedge funds), master servicers, servicers, investors, distressed trade brokers, liquidity providers, hedge fund administrators, broker-dealers and institutional investors.

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