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**NOBLE GROUP LIMITED**  
(Incorporated in Bermuda with limited liability)

**NOBLE GROUP ANNOUNCES UPDATE ON STRATEGIC REVIEW AND IN  
PRINCIPLE AGREEMENT FOR FINANCIAL RESTRUCTURING**

The Board of Directors (the “Board”) of Noble Group Limited (the “Group”) wishes to provide a progress update on the ongoing strategic review and announce an in principle agreement with an ad hoc group of the Group’s senior creditors (the “Ad Hoc Group”) for a restructuring of the Group’s existing debts. The Ad Hoc Group in aggregate represents approximately 30% of the Group’s Existing Senior Debt Instruments (as defined below). The in principle agreement concerns the following of the Group’s Existing Senior Debt Instruments:

- US\$379 million outstanding senior notes due 2018;
- US\$1,177 million outstanding senior notes due 2020;
- US\$750 million outstanding senior notes due 2022; and
- US\$1,143 million outstanding loans under the revolving credit facility (together with the above senior notes, the “Existing Senior Debt Instruments”)

The in principle agreement also includes a proposed treatment for the US\$400 million of Existing Perpetual Capital Securities.

The Board is pleased to announce that the proposed restructuring will significantly reduce the Group’s Existing Senior Debt Instruments from US\$3.4 billion to US\$1.7 billion<sup>1</sup> and the Core Business<sup>2</sup>, on a standalone basis, will have reinstated debt of no more than US\$685 million. This creates a sustainable capital structure for the Core Business, the Group and all its stakeholders. It will also provide a committed trade finance and hedging facility to support the Group’s commodities trading businesses.

### **Strategic Review**

In May 2017, the Group announced the commencement of a strategic review and gave priority to a further reduction in the Group’s indebtedness. Following the conclusion of the monetisation of the Global Oil Liquids and North American Gas & Power businesses, the Group has completed

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<sup>1</sup> US\$1.7 billion refers to the combination of New Trading Co Bond, New Trading Hold Co Bond and New Asset Co Bond.

<sup>2</sup> Core Business means the core business of the Group following the Restructuring Effective Date, including but not limited to the Hard Commodities (comprising of Energy Coal, Carbon Steel Materials and Metals), Freight and LNG businesses but excluding the Asset Co Assets.

the asset disposal programme, which formed part of the strategic review. Overall, the Group generated approximately US\$525 million<sup>3</sup> of net proceeds, following retirement in full of its senior secured borrowing base revolving credit facilities, from the monetisation of the Global Oil Liquids and North American Gas & Power businesses.

The in principle agreement with the Ad Hoc Group, and restructuring of the Group's existing debts, represents the initiation of the final phase of the strategic review.

Over the preceding months, the Group has worked closely with the Ad Hoc Group and its core banking relationships to address and manage its existing debt profile and the Group's working capital and trade finance requirements.

The proposed financial restructuring provides the Group with a sustainable capital structure to deliver long-term value for all of its stakeholders, as the Group focuses on its Hard Commodities, Freight and LNG businesses and in solidifying its position as the leading industrial and energy products supply chain manager in the Asia Pacific region. The Group believes this financial restructuring also sets a firm foundation in creating options for future strategic alliances and additional business opportunities.

### **Financial Restructuring**

A term sheet setting out the material terms of the proposed restructuring of the Group's existing debts (the "Term Sheet") has been released concurrently with this announcement. The Term Sheet envisages that all of the Existing Senior Debt Instruments will be exchanged for a combination of new debt instruments and equity in the Group post-restructuring with the potential for distribution of excess cash subject to the liquidity requirements of the Group post-restructuring.

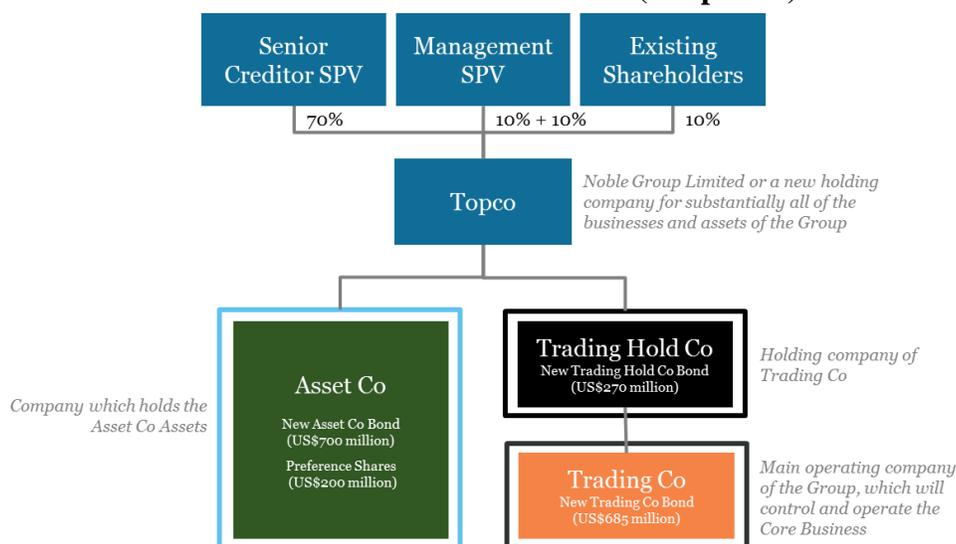
The proposed debt-to-equity swap, together with the issuance of equity to retain and incentivise the Group's management team (at the request of the Ad Hoc Group), is expected to result in dilution of existing shareholders' interest in the Group post-restructuring. Post-completion of the restructuring, subject to passing a shareholder resolution in favour of the proposed restructuring, existing shareholders will hold 10% of the ordinary share capital in the Group.

The Group intends to offer to exchange the US\$400 million of subordinated Existing Perpetual Capital Securities (and all accrued distributions) for an aggregate of up to US\$15 million in value, subject to an extraordinary resolution being passed at a meeting of Existing Perpetual Capital Security Holders pursuant to the terms of the Existing Perpetual Capital Securities Trust Deed.

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<sup>3</sup> Refer to the Group's announcement "Noble Group Announces Completion of Noble Americas Corp Disposal and Retirement of Borrowing Base Facilities" released on 15 January 2018. Of the approximately US\$525 million, US\$142 million (consisting of US\$122 million in respect of the NAC sale as announced on 15 January 2018 and US\$20 million in respect of the NAGP sale as announced on 8 January 2018) has been placed in escrow with the remainder received to date as cash proceeds

### Illustrative Transaction Structure (Simplified)



Under the proposed restructuring, the Group’s new debt profile will comprise the following instruments:

- US\$685 million senior secured debt due in 4.5 years after the Restructuring Effective Date (the “New Trading Co Bond”) issued by the main operating company of the Group post-restructuring, which upon the Restructuring Effective Date will control and operate the Hard Commodities, Freight and LNG businesses, but exclude the Asset Co Assets (as defined below) (“Trading Co”);
- US\$270 million senior secured debt (structurally subordinated within the Group) due in 7 years after the Restructuring Effective Date (the “New Trading Hold Co Bond”) issued by the holding company of Trading Co (“Trading Hold Co”);
- US\$700 million asset-backed bond due in 3.5 years after the Restructuring Effective Date, which shall not have recourse to any of Topco, Trading Hold Co, Trading Co and the Core Business (“New Asset Co Bond”), against all of the Group’s interests in Harbour Energy, Jamalco, Noble Plantations and the Vessels (“Asset Co Assets”), such assets to be held within a new holding company (“Asset Co”); and
- US\$200 million preference shares issued by Asset Co with 0% coupon, of which 90% will be allocated to a company in which Existing Senior Creditors will be allocated equity (“Senior Creditor SPV”) and 10% to the Group post-restructuring via a new holding company for substantially all of the business and assets of the Group (“Topco”).

Existing Capital Structure		Proposed New Capital Structure	
Existing Senior Debt Instruments	Face Value (US\$ million)	Debt	Face Value (US\$ million)
Senior notes due 2018	379	New Trading Co Bond	685
Senior notes due 2020	1,177	New Trading Hold Co Bond	270
Senior notes due 2022	750	New Asset Co Bond	700
Revolving credit facility	1,143	<b>Total Debt</b>	<b>1,655</b>
<b>Existing Senior Debt Instruments</b>	<b>3,449</b>	<b>Preference Shares</b>	
<b>Existing Perpetual Capital Securities</b>		Preference Shares in Asset Co	200
Existing Perpetual Capital Securities	400	<b>Equity in Topco</b>	
<b>Total Debt</b>	<b>3,849</b>	Senior Creditor SPV	70%
<b>Equity in Group</b>		Management SPV	10% + 10%
Existing Shareholders	100%	Existing Shareholders	10%

Furthermore, the proposed restructuring includes a 3-year committed trade finance and hedging facility of up to US\$700 million, on competitive market terms, for the Group's commodities trading businesses, which is supported by the Ad Hoc Group with the structure and terms to be agreed.

Mr. Paul Brough, Chairman, commented:

“Since May 2017, when the Group announced first quarter results and the commencement of the strategic review, I have consistently stated my objective of avoiding any form of insolvency proceeding and by dealing with our stakeholders in a fair and transparent manner.

The actions resulting from the strategic review have refocused the Group on its Asian Hard Commodities, Freight and LNG businesses and, with the in principle agreement, will reduce indebtedness to sustainable levels, commensurate with the Group's size and range of activities. The Group will be stable, independent, competitive, and positioned for sustained growth. This has been an arduous process and I am truly grateful to my colleagues and our stakeholders for their support and forbearance over the last eight months.

This agreement marks the beginning of the final phase of our restructuring, and the creation of a new Noble as a focused and appropriately financed Group set to capitalise on the high-growth Asian commodities sector.”

Mr. Joseph Swanson, Senior Managing Director, Houlihan Lokey (financial adviser to the Ad Hoc Group), commented:

“With this agreement, the Group has entered the final phase of its balance sheet restructuring. The Ad Hoc Group we represent, with over US\$100 billion in assets under management, continues to support management as they prepare to reposition the business.

Our collective goal in this process is to ensure the Group is properly capitalised going forward - not only to enable the Group to continue servicing its clients but also to invest in the future and expand the franchise.

Going forward, the Group will have an appropriate capital structure tailored to the needs of the business and management will have the tools it needs to support operations.”

The Ad Hoc Group has unanimously expressed support for the restructuring on the terms set forth in the Term Sheet through a letter of support. The in principle agreement is subject to final documentation, regulatory and shareholder approval, and implementation via inter-conditional schemes of arrangement.

### **Next Steps**

The Group continues to engage in discussions with the Ad Hoc Group, with the intention to launch the Restructuring Support Agreement (“RSA”) for the holders of the Existing Senior Debt Instruments to undertake to vote in favour of the proposed restructuring, and to commence implementation of the proposed restructuring pursuant to the terms of the RSA via inter-conditional schemes of arrangement in relevant jurisdictions and a consent solicitation process for the Existing Perpetual Capital Securities. A scheme of arrangement is a court-led statutory procedure under relevant companies’ legislation; it is not a formal insolvency procedure.

Shareholders, potential investors and holders of the existing debts and other securities of the Group are advised to exercise caution when dealing in the securities of the Group.

The Group will make further announcements in relation to the progress and implementation of the proposed restructuring in due course.

Noble Group Limited  
29 January 2018

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### **About Noble Group**

Noble Group (SGX: CGP) manages a portfolio of global supply chains covering a range of industrial and energy products. Noble facilitates the marketing, processing, financing and transportation of essential raw materials. Sourcing bulk commodities from low cost regions such as South America, South Africa, Australia and Indonesia, the Group supplies high growth demand markets, particularly in Asia and the Middle East. For more information please visit [www.thisisnoble.com](http://www.thisisnoble.com).

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