

NOBLE GROUP LIMITED*(Incorporated in Bermuda with limited liability)***PROPOSED DISPOSAL OF ASSETS****1. INTRODUCTION**

Noble Group Limited (“**NGL**” and together with its subsidiaries from time to time, “**Noble Group**”) wishes to announce that its wholly-owned subsidiary, Noble Resources International Pte. Ltd. (“**NR IPL**”), has on 23 February 2018 entered into an asset purchase agreement (“**Asset Purchase Agreement**”) with Tricon Dry Chemicals LLC (“**Tricon Dry**”) and Tricon International Ltd. (doing business as Tricon Energy Ltd. (“**Tricon Energy**”). Pursuant to the terms of the Asset Purchase Agreement:

- (i) NR IPL has agreed to novate or assign, and Tricon Dry has agreed to assume:
 - (a) the benefit and burden of a marketing and offtake agreement for petrochemical products between a national petrochemicals company (the “**Counterparty**”) and NR IPL (the “**Marketing and Offtake Agreement**”); and
 - (b) all of NR IPL’s rights against third parties, including rights under any warranties, conditions, guarantees, indemnities, insurance contracts or otherwise relating to the Marketing and Offtake Agreement; and
- (ii) NR IPL has agreed to novate or assign, and Tricon Energy has agreed to assume:
 - (a) the benefit and burden of certain loan related contracts between, among others, NR IPL and the Counterparty (together, the “**Debt Contracts**”); and
 - (b) all of NR IPL’s rights against third parties, including rights under any warranties, conditions, guarantees, indemnities, insurance contracts or otherwise relating to the Debt Contracts,

(together, the “**Assets**”).

2. DETAILS OF THE PROPOSED DISPOSAL OF THE ASSETS (THE “PROPOSED DISPOSAL”)**2.1 Consideration**

The aggregate consideration for the Proposed Disposal is approximately US\$10.1 million (the “**Consideration**”).

The Consideration was arrived at after arm's length negotiations between NRIPL, Tricon Dry and Tricon Energy, on a "willing buyer willing seller" basis, and taking into account, *inter alia*, the Group's commercial assessment of the value of the Assets. The Consideration will be satisfied in cash.

2.2 Conditions Precedent

The Proposed Disposal is subject to, among others, the following conditions:

- (i) the Marketing and Offtake Agreement and the Debt Contracts (together, the "**Business Contracts**") remaining valid and enforceable, there being no material breach of the terms of any Business Contract and no notice of termination or material default having served by any party thereto; and
- (ii) the written approval of the Counterparty, or any of its affiliates, to the novation of the Marketing and Offtake Agreement having been obtained.

The Asset Purchase Agreement shall lapse if the conditions precedent are not fulfilled by the date falling 45 days after the signing of the Asset Purchase Agreement ("**Long Stop Date**") (unless such Long Stop Date is extended by mutual agreement). If the conditions precedent are not fulfilled on the date immediately prior to the Long Stop Date but could reasonably be expected to be satisfied by the date falling 60 days after the signing of the Asset Purchase Agreement, the Long Stop Date will be automatically extended to the date falling 60 days after the signing of the Asset Purchase Agreement.

2.3 Restrictive Covenants

NRIPL has undertaken to Tricon Dry and Tricon Energy that it shall, and shall procure that every member of Noble Group shall, comply with certain restrictive covenants. These covenants include, amongst others, restrictions against carrying on of or the engagement in any business that involves the trading of polypropylene, polyethylene, ethylene or propylene (whether in paper or physical form) worldwide for a period of two years from the date on which completion of the novation and assignment of the Assets occurs, subject to certain exceptions.

3. INFORMATION ON THE ASSETS

3.1 Asset Value the Assets

As at 30 September 2017, based on the latest announced unaudited consolidated financial statements of the Group for the nine months ended 30 September 2017 (the "**Noble Group 9M2017 Results**") the book value and net tangible asset value of the Assets was approximately US\$16.9 million.

The deficit of the Consideration over the book value of the Assets as at 30 September 2017 (as set out above) is approximately US\$6.8 million.

3.2 **Net Profits of the Assets**

The net profits (before income tax, minority interests and extraordinary items) attributable to the Assets, based on the Noble Group 9M2017 Results, is approximately US\$1 million.

3.3 **Loss on Proposed Disposal**

The loss on the Proposed Disposal would amount to approximately US\$6.8 million based on the book value of the Assets as at 30 September 2017 (as set out above).

4. **RATIONALE FOR THE PROPOSED DISPOSAL**

4.1 **Rationale**

The Assets being disposed of in the Proposed Disposal were previously included in Noble Group's Global Oil Liquids business and were included Noble Group's Energy segment for reporting purposes. Following the conclusion of the monetisation of Noble Group's Global Oil Liquids and North American Gas and Power businesses¹, Noble Group is focusing 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 Assets are no longer considered to be part of Noble Group's core businesses. Noble Group's ongoing Asian Oil Products business continues to service clients in South and South-East Asia including Indonesia, the Philippines and Cambodia, amongst others, with gasoil, gasoline, jet fuel and other products. Noble Group looks forward to driving further growth in this business in the region.

4.2 **Use of Proceeds**

The net proceeds arising from the Proposed Disposal ("**Net Proceeds**") will amount to approximately US\$10 million. It is expected that the Net Proceeds will be made available for general working capital purposes.

5. **FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL**

The effect of the Proposed Disposal on the net tangible assets per share and the earnings per share of NGL is immaterial, assuming that the transaction had been effected at 31 December 2017 and 1 January 2017 respectively. The Proposed Disposal will also not have any impact on the issued share capital of NGL.

¹ Refer to NGL's announcement "Noble Group Announces Completion of Noble Americas Corp Disposal and Retirement of Borrowing Base Facilities" dated 15 January 2018.

6. CHAPTER 10 OF THE LISTING MANUAL

6.1 Rule 1006 Relative Figures for the Proposed Disposal

The relative figures for the Proposed Disposal computed on the relevant bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”) are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	Net asset value of the Assets as compared with Noble Group’s net asset value	1.62
(b)	Net profits attributable to the Assets compared with Noble Group’s net loss ²	Not meaningful
(c)	The consideration given compared with the market capitalisation ³ of NGL	5.40

6.2 Rule 1010

As the relative figures for the Proposed Disposal computed on the relevant bases set out in Rule 1006 of the Listing Manual exceed 5% but does not exceed 20%, the Proposed Disposal is classified as a “discloseable transaction” for the purposes of Chapter 10 of the Listing Manual.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their interests in the shares of NGL (if any), none of the directors or controlling shareholders of NGL has any interest, direct or indirect, in the Proposed Disposal.

8. DIRECTORS’ SERVICE CONTRACTS

No person is proposed to be appointed as a director of NGL in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between NGL and any such person in connection with the Proposed Disposal.

² Net profits/loss is defined as profit/loss before income tax, minority interest and extraordinary items. The net profits attributable to the Assets for the nine months ended 30 September 2017 is approximately US\$1.0 million. Noble Group’s net loss based on the Noble Group 9M2017 Results is approximately US\$3,197 million.

³ The market capitalisation of NGL of approximately US\$187 million is based on a total number of 1,327,483,781 shares of NGL in issue as at 23 February 2018, at the volume-weighted average price of S\$0.1859 per share transacted on 23 February 2018, being the market day preceding the date of the Asset Purchase Agreement, and an exchange rate of US\$1.00 to S\$1.3223.

9. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Asset Purchase Agreement is available for inspection during normal business hours at the registered office of NGL at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and at the offices of Allen & Gledhill LLP, 30th Floor, One Marina Boulevard, Singapore 018989 for a period of three months commencing from the date of this Announcement.

Noble Group Limited
26 February 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.

For further details please contact:

Ms. Chelsea Phua
Klareco Communications
Tel: +65 6333 3449
Email: CPhua@klarecocomms.com

Ms. Candice Adam
Argentus PR
Tel: +44 20 7397 2915
Email: candice.adam@argentuspr.com

Mr. Martin Debelle
Citadel-MAGNUS
Tel: +61 2 8234 0100
Email: mdebelle@citadelmagnus.com