

CIRCULAR DATED 10 AUGUST 2018

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Noble Group Limited, you should immediately forward this Circular together with the Notice of Special General Meeting and the accompanying Proxy Form (as a separate enclosure) to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.



CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED DISPOSAL OF VESSELS

IMPORTANT DATES AND TIMES

Last Date and Time for Lodgement of Proxy Form	:	24 August 2018 at 3.00 p.m. (Singapore time)
Date and Time of Special General Meeting	:	27 August 2018 at 3.00 p.m. (Singapore time) (or as soon thereafter following the conclusion or adjournment of the special general meeting convened to consider and if thought fit to approve the proposed restructuring of Noble Group Limited and the related whitewash resolution to be held at 2.30 p.m. on the same day and at the same place)
Place of Special General Meeting	:	M Hotel Singapore Banquet Suite Ballroom, Level 10 81 Anson Road Singapore 079908

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

“3M2018”	:	Three months ended 31 March 2018
“Ad Hoc Group”	:	The ad hoc group of existing senior creditors of NGL as such group is constituted from time to time in connection with the proposed debt restructuring under the restructuring support agreement, as announced by NGL on 14 March 2018
“Arrow Valuation”	:	Has the meaning ascribed to it in paragraph 2.4(ii) of this Circular
“Buyers”	:	Aeolian Spirit Shipping Limited and Fairnyl Shipping Limited
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 10 August 2018
“Clarkson Valuations”	:	Has the meaning ascribed to it in paragraph 2.4(ii) of this Circular
“Consideration”	:	The consideration for the Proposed Disposal
“Directors”	:	The directors of NGL as at the Latest Practicable Date
“Disposal Announcements”	:	The announcements dated 15 June 2018 and 22 June 2018 issued by NGL in relation to the Proposed Disposal
“FY2017”	:	The financial year ended 31 December 2017
“Latest Practicable Date”	:	1 August 2018, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“MOAs”	:	The Ocean Ambition MOA and the Ocean Forte MOA
“Net Proceeds”	:	Has the meaning ascribed to it in paragraph 2.7 of this Circular
“NGL”	:	Noble Group Limited
“Noble Group”	:	NGL and its subsidiaries from time to time
“Noble Group 3M2018 Results”	:	The latest announced unaudited consolidated financial statements of Noble Group for 3M2018
“Noble Group FY2017 Results”	:	The latest announced audited consolidated financial statements of Noble Group for FY2017

DEFINITIONS

“Notice of SGM”	:	The notice of SGM which is set out on pages 17 and 18 of this Circular
“NTA”	:	Net tangible assets
“Ocean Ambition MOA”	:	The memorandum of agreement dated 22 June 2018 entered into between NGL, its wholly-owned subsidiary, Core Ambition Limited, Fairnyl Shipping Limited and Transmed Shipping Limited in relation to the proposed disposal of Ocean Ambition, as may be amended or supplemented from time to time
“Ocean Forte MOA”	:	The memorandum of agreement dated 15 June 2018 entered into between NGL, its wholly-owned subsidiary, Core Forte Limited, Aeolian Spirit Shipping Limited and Transmed Shipping Limited in relation to the proposed disposal of Ocean Forte, as may be amended or supplemented from time to time
“Proposed Disposal”	:	The proposed sale by NGL of the Vessels to the Buyers in accordance with the terms and conditions of the MOAs
“Proposed Disposal of Ocean Ambition”	:	The proposed sale by NGL of Ocean Ambition to Fairnyl Shipping Limited in accordance with the terms and conditions of the Ocean Ambition MOA
“Proposed Disposal of Ocean Forte”	:	The proposed sale by NGL of Ocean Forte to Aeolian Spirit Shipping Limited in accordance with the terms and conditions of the Ocean Forte MOA
“Proxy Form”	:	The proxy form, in respect of the SGM, accompanying this Circular (as a separate enclosure)
“Restructuring”	:	The proposed financial and corporate restructuring of Noble Group substantially in accordance with the restructuring support agreement, as announced by NGL on 14 March 2018
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SGM”	:	The special general meeting of NGL to be held on 27 August 2018 (or any adjournment thereof), notice of which is set out on pages 17 and 18 of this Circular
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holders of the Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares

DEFINITIONS

“Shares”	:	Ordinary shares of par value of HK\$2.50 each in the capital of NGL
“Substantial Shareholder”	:	A person who has an interest in not less than 5% of all the issued voting Shares
“Valuations”	:	Has the meaning ascribed to it in paragraph 2.4(ii) of this Circular
“Vessels”	:	Two Kamsarmax dry bulk carrier vessels, namely, “Ocean Ambition” and “Ocean Forte”
“U.S.”	:	United States of America
“HK\$”	:	Hong Kong dollars, being the lawful currency of Hong Kong
“S\$”	:	Singapore dollars, being the lawful currency of the Republic of Singapore
“US\$” and “US cents”	:	United States dollars and cents, being the lawful currency of the U.S.
“%” or “per cent.”	:	Per centum or percentage

The term **“Depositor”** shall have the same meaning ascribed to it in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

The term **“controlling shareholder”** shall have the same meaning ascribed to it in the Listing Manual.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing a specific gender shall, where applicable, include the other genders. References to persons shall, where applicable, include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning ascribed to that word under the Listing Manual or any statutory modification thereof, as the case may be.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date unless otherwise stated.

Any discrepancy with the figures in this Circular between the listed amounts and the totals thereof is due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

NOBLE GROUP LIMITED

(Incorporated in Bermuda with limited liability)

Directors

Executive Directors

Paul Jeremy Brough (Executive Chairman)
William James Randall (Chief Executive Officer)

Independent Non-Executive Directors

David Gordon Eldon (Vice Chairman)
Andrew William Herd
Christopher Dale Pratt
David Yeow
Fraser James Pearce
Timothy Keith Isaacs
Wayne Robert Porritt

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office

11th Floor
33 Cavendish Square
London W1G 0PW
United Kingdom

10 August 2018

To: The Shareholders of Noble Group Limited

Dear Shareholders

1. INTRODUCTION

- 1.1 SGM.** The Directors are convening the SGM to be held on 27 August 2018 to seek Shareholders' approval for the Proposed Disposal.
- 1.2 Circular.** The purpose of this Circular is to provide Shareholders with information relating to the Proposed Disposal.

2. THE PROPOSED DISPOSAL

- 2.1 Proposed Disposal.** On 15 June 2018 and 22 June 2018, NGL announced that NGL and its wholly-owned subsidiaries had entered into the MOAs with the Buyers and Transmed Shipping Limited (which shall guarantee the performance of the Buyers) in connection with the proposed sale by NGL of the Vessels to the Buyers, in accordance with the terms and conditions of the MOAs.

The Proposed Disposal does not impact the proposed Restructuring under the restructuring support agreement, as announced by NGL on 14 March 2018.

The completion of the Proposed Disposal is subject to, *inter alia*, the approval of Shareholders.

LETTER TO SHAREHOLDERS

2.2 Major Transaction. The relative figures for the Proposed Disposal computed on the relevant bases set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006(a)	Proposed Disposal of Ocean Forte	Proposed Disposal of Ocean Ambition
Net asset value of the Vessel(s)	US\$23.76 million ⁽¹⁾	US\$22.72 million ⁽¹⁾
Net liability value of Noble Group	(US\$902 million) ⁽¹⁾	(US\$902 million) ⁽¹⁾
Relative figure	-3%	-3%
Rule 1006(b)		
Net profit attributable to the Vessel(s)	US\$0.3 million ⁽²⁾	US\$0.3 million ⁽²⁾
Net loss of Noble Group	(US\$64 million) ⁽²⁾	(US\$64 million) ⁽²⁾
Relative figure	-0.4%	-0.5%
Rule 1006(c)		
Value of the consideration	US\$23.79 million ⁽³⁾	US\$23.415 million ⁽³⁾
Market capitalisation of NGL	US\$53 million ⁽⁴⁾	US\$126 million ⁽⁵⁾
Relative figure	45%	19%
Rule 1006(d)		
Number of equity securities issued by NGL as consideration for an acquisition	Not applicable	Not applicable
Number of equity securities previously in issue	Not applicable	Not applicable
Relative figure	Not applicable	Not applicable
Rule 1006(e)		
Aggregate volume or amount of proved and probable reserves to be disposed of	Not applicable	Not applicable
Aggregate of the group's proved and probable reserves	Not applicable	Not applicable
Relative figure	Not applicable	Not applicable

Notes:

- (1) The aggregate net asset value attributable to the Vessels of approximately US\$46.48 million is the aggregate carrying value of the Vessels based on the Noble Group 3M2018 Results. Noble Group's net liability value of approximately US\$902 million is based on the Noble Group 3M2018 Results.
- (2) Net profit/loss is defined as profit/loss before income tax, minority interest and extraordinary items. The aggregate net profit of NGL attributable to the Vessels based on the Noble Group 3M2018 Results is approximately US\$0.6 million. Noble Group's net loss based on the Noble Group 3M2018 Results is approximately US\$64 million.
- (3) Based on the Consideration of US\$47.205 million.
- (4) The market capitalisation of NGL of approximately US\$53 million is based on a total number of 1,327,483,781 Shares in issue as at 14 June 2018 (Singapore time), at the volume-weighted average price of S\$0.0529 per Share transacted on 14 June 2018 (Singapore time), being the market day preceding the signing of the Ocean Forte MOA, and an exchange rate of US\$1.00 to S\$1.3342.
- (5) The market capitalisation of NGL of approximately US\$126 million is based on a total number of 1,327,483,781 Shares in issue as at 22 June 2018 (Singapore time), at the volume-weighted average price of S\$0.1290 per Share transacted on 22 June 2018 (Singapore time), being the market day preceding the signing of the Ocean Ambition MOA, and an exchange rate of US\$1.00 to S\$1.3563.

LETTER TO SHAREHOLDERS

Rule 1014 of the Listing Manual states, *inter alia*, that where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20%, the transaction is classified as a “major transaction” and must be made conditional upon approval by the Shareholders in general meeting. The Proposed Disposal of Ocean Forte is classified as a “major transaction” for the purposes of Chapter 10 of the Listing Manual and is subject to approval of the Shareholders in general meeting, while the Proposed Disposal of Ocean Ambition is classified as a “discloseable transaction” for the purposes of Chapter 10 of the Listing Manual.

The parent company of Fairnyl Shipping Limited is also the parent company of Aeolian Spirit Shipping Limited. In view that the Vessels are proposed to be sold to the same ultimate parent company and having regard to Rule 1005 of the Listing Manual (which states that in determining whether a transaction falls into category (a), (b), (c) or (d) of Rule 1004 of the Listing Manual, the SGX-ST may aggregate separate transactions completed within the last 12 months and treat them as if they were one transaction), NGL is seeking approval of the Shareholders for the Proposed Disposal (on an aggregated basis).

2.3 Terms of the Proposed Disposal. The salient terms of the Proposed Disposal are as follows:

- (i) the aggregate consideration for the Proposed Disposal shall be US\$47.205 million (the “**Consideration**”) payable on completion of the Proposed Disposal and will be satisfied in cash. The Consideration was arrived at after arm’s length negotiations between NGL and the Buyers, on a “willing buyer willing seller” basis, and taking into account, *inter alia*, the valuation of the Vessels (as further described in paragraph 2.4(ii) below) and the Vessels’ specifications and age;
- (ii) as security for the fulfilment of the MOAs, the Buyers shall place a deposit of 10 per cent. of the Consideration with an escrow agent;
- (iii) the Proposed Disposal is subject to approval of the Proposed Disposal by Shareholders; and
- (iv) the cancelling date for the delivery of the Vessels to the Buyers is 30 September 2018.

If the condition referred to in sub-paragraph (iii) is not satisfied before 31 August 2018, the MOAs shall be null and void.

The completion of the Proposed Disposal is currently expected to take place between 1 August 2018 and 30 September 2018. In the event that any of the MOAs is terminated and the Vessels are not disposed of to the relevant Buyers, NGL intends to source for other potential buyers of the Vessel(s). Any such disposal will be on terms which are not less favourable to NGL than the terms set out in the MOAs.

2.4 Information on the Vessels.

- (i) **Details of the Vessels.** The Vessels (namely, “Ocean Ambition” and “Ocean Forte”) are registered under the flag of Hong Kong. Ocean Ambition was built in 2014 and has a capacity of 81,616 dwt; Ocean Forte was built in 2015 and has a capacity of 81,616 dwt. The Vessels are employed to service external customers as well as Noble Group’s internal freight requirements. They are included in Noble Group’s Metals, Minerals and Ores segment for reporting purposes.

LETTER TO SHAREHOLDERS

- (ii) **Asset Value of the Vessels.** As at 31 March 2018, based on the Noble Group 3M2018 Results, the book value of the Vessels was approximately US\$46.48 million and the NTA value of the Vessels was approximately US\$46.48 million.

The excess of the Consideration over the book value of the Vessel as at 31 March 2018 (as set out above) is approximately US\$0.725 million.

Valuations of, among others, the Vessels were recently commissioned by Noble Group. A valuation (the “**Arrow Valuation**”) was conducted on 13 June 2018 by Arrow Valuations, which is affiliated to the broker that had been appointed by Noble Group to procure purchasers for certain of its vessels and two other valuations (the “**Clarkson Valuations**”) and together with the Arrow Valuation, the “**Valuations**”) were conducted on 13 June 2018 (in respect of Ocean Forte) and 21 June 2018 (in respect of Ocean Ambition) by Clarkson Valuations Limited, an independent valuer. Based on both the Arrow Valuation and the Clarkson Valuations, the Vessels were valued at an aggregate of US\$47.5 million and US\$46.75 respectively. Taking an average of the Valuations, the average aggregate valuation of the Vessel is US\$47.125 million.

The Arrow Valuation was arrived at based on certain assumptions, including assumptions that the Vessels are available for prompt charter-free delivery for cash on normal commercial terms, and is in good and seaworthy condition. The Clarkson Valuations were prepared based on recent transactions and broker’s market knowledge. The Clarkson Valuations also assume charter-free delivery on a “willing buyer, willing seller” basis and the Vessels to be in a good and seaworthy condition. The Arrow Valuation relates to 13 June 2018 and the Clarkson Valuations relate to 13 June 2018 and 21 June 2018 (as the case may be) and the relevant Valuation is not a guide to the market value of the Vessels at any other time. Market values in the shipping industry are highly volatile.

Based on publicly available information as at the Latest Practicable Date, Arrow Valuations was established in 2001 to provide valuations across all major vessel classes. Arrow Valuations has access to sale and purchase market intelligence through its broking network spanning more than 10 countries. Its client base comprises a variety of businesses engaged in shipping – from owners to banks, funds and other financial institutions, as well as insurance companies and law firms.

Based on publicly available information and information provided by Clarkson Valuations Limited as at the Latest Practicable Date, Clarkson Valuations Limited is a subsidiary of Clarkson Research Services Limited and is part of the Clarkson PLC Group, the world’s leading supplier of integrated shipping services. Clarkson Valuations Limited is a leading provider of valuations to owners and the financial community. It handles over 20,000 valuations a year covering the full range of vessel types in the shipping and offshore fleet. It is supported by expertise from across its affiliate’s broker network and its parent’s research services database. It provides portfolio valuation services to an extensive range of ship finance banks, publicly listed companies and large private owners.

LETTER TO SHAREHOLDERS

- (iii) **Net Profit of the Vessels.** The net profit (before income tax, minority interests and extraordinary items) attributable to the Vessels, based on the Noble Group 3M2018 Results, is approximately US\$0.6 million.
- (iv) **Gain on Proposed Disposal.** The gain on the Proposed Disposal would amount to approximately US\$0.725 million based on the carrying value of the Vessels as at 31 March 2018 (as set out above).

2.5 Pro Forma Financial Effects of the Proposed Disposal.

- (i) **Assumptions.** The pro forma financial effects of the Proposed Disposal on the NTA per Share, the book value per Share, the loss per Share and the share capital of NGL as set out below are prepared purely for illustration only and do not reflect the actual future financial situation of Noble Group after the Proposed Disposal. The pro forma financial effects have been prepared based on (a) the Noble Group FY2017 Results and (b) the Noble Group 3M2018 Results.
- (ii) **NTA – FY2017.** Purely for illustrative purposes only and assuming that the Proposed Disposal had been completed on 31 December 2017, being the end of FY2017, the effect on the NTA per Share as at 31 December 2017 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA (US\$'000)	(807,211)	(806,486)
NTA per Share (US\$)	(0.61)	(0.61)

- (iii) **NTA – 3M2018.** Purely for illustrative purposes only and assuming that the Proposed Disposal had been completed on 31 March 2018, being the end of 3M2018, the effect on the NTA per share of Noble Group as at 31 March 2018 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA (US\$'000)	(908,522)	(907,797)
NTA per Share (US\$)	(0.68)	(0.68)

- (iv) **Book Value – 3M2018.** Purely for illustrative purposes only and assuming that the Proposed Disposal had been completed on 31 March 2018, being the end of 3M2018, the effect on the book value per Share as at 31 March 2018 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Book value (US\$'000)	(902,222)	(901,497)
Book value per Share (US\$)	(0.68)	(0.68)

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- (v) **Loss – FY2017.** Purely for illustrative purposes only and assuming that the Proposed Disposal had been completed on 1 January 2017, being the beginning of FY2017, the effect on the loss per Share for FY2017 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Loss attributable to the Shareholders (US\$'000)	(4,938,234)	(4,937,509)
Less: Capital securities dividend (US\$'000)	(24,388)	(24,388)
Adjusted loss attributable to the Shareholders (US\$'000)	(4,962,622)	(4,961,897)
Weighted average number of Shares ('000)	1,309,253	1,309,253
Loss per Share (US cents)	(379.04)	(378.99)

- (vi) **Loss – 3M2018.** Purely for illustrative purposes only and assuming that the Proposed Disposal had been completed on 1 January 2018, being the beginning of 3M2018, the effect on the loss per Share for 3M2018 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Loss attributable to the Shareholders (US\$'000)	(71,534)	(70,809)
Less: Capital securities dividend (US\$'000)	(6,365)	(6,365)
Adjusted loss attributable to the Shareholders (US\$'000)	(77,899)	(77,174)
Weighted average number of Shares ('000)	1,326,188	1,326,188
Loss per Share (US cents)	(5.87)	(5.82)

- (vii) **Share Capital.** The Proposed Disposal will not have any impact on the issued share capital of NGL.

2.6 Rationale for the Proposed Disposal. Reference is made to NGL's announcement "Noble Group Announces Binding Agreement for Financial Restructuring" and presentation "Noble Group Progress Update on Proposed Financial Restructuring dated 14 March 2018 (the "**Restructuring Announcements**"). As further described in the Restructuring Announcements, the Vessels and certain other vessels owned by Noble Group, including any proceeds of sale received by Noble Group before or after the Restructuring Effective Date (as defined in the Restructuring Announcements), will form part of the new Asset Co (as defined in the Restructuring Announcements) assets. Noble Group has decided to avail itself of favourable market conditions to monetise the Vessels.

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The Vessels are currently operated as part of Noble Group's Freight¹ business. Following the completion of the Proposed Disposal, Noble Group intends to charter back Ocean Ambition on a time charter basis. In addition, Noble Group has access to other wholly-owned vessels, vessels which are co-owned with third parties under joint venture structures, vessels under bareboat charter structures and time-chartered vessels. Accordingly, the Proposed Disposal will not significantly impact the operations of Noble Group's Freight business as such vessels are expected to provide Noble Group with sufficient carrying capacity to fulfil Noble Group's internal and external cargo commitments.

The Freight business services external customers, as well as Noble Group's internal freight requirements, with ocean transport in the dry bulk segment. Additionally, the Freight business provides both external and internal customers with long term freight solutions and freight market guidance.

- 2.7 Use of Proceeds.** The Vessels are currently mortgaged to a financial institution and part of the proceeds from the Proposed Disposal will be used by Noble Group to pay down the amounts owed under the relevant facilities. As at the Latest Practicable Date, the aggregate amounts owed under the relevant facilities is approximately US\$30.8 million.

The net proceeds arising from the Proposed Disposal ("**Net Proceeds**") (after taking into account the repayment of the relevant facilities and deducting the estimated transaction costs relating to the Proposed Disposal) will amount to approximately US\$16.4 million.

The Net Proceeds (save for any excluded amounts as may be agreed with the Ad Hoc Group, which in any event are not expected to be material) will form part of the Asset Co assets, or will be used towards repayment of facilities on other vessels owned by Noble Group which are also proposed to be sold and transferred to Asset Co under the proposed Restructuring.

- 2.8 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.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 3.1 Interests.** Save for their interests in the Shares (if any), none of the Directors or controlling shareholders of NGL has any interest, direct or indirect, in the Proposed Disposal.

- 3.2 Shareholding Interests.** The following table shows the shareholding interests of the Directors and the Substantial Shareholders of NGL as at the Latest Practicable Date:

	Direct Interest	(%)(¹)	Deemed Interest	(%)(¹)	Total Interest	(%)(¹)
Directors						
Paul Jeremy Brough	—	—	—	—	—	—
William James Randall ^{(2)^}	7,814,195	0.5886	—	—	7,814,195	0.5886
David Gordon Eldon	—	—	—	—	—	—
Andrew William Herd	—	—	—	—	—	—
Christopher Dale Pratt ^{(2)#}	40,000	0.0030	—	—	40,000	0.0030
David Yeow ^{(2)#}	2,000	0.0002	—	—	2,000	0.0002

¹ Results from the Freight business are included in Noble Group's Metals, Minerals and Ores segment for reporting purposes.

LETTER TO SHAREHOLDERS

	Direct Interest	(%)(⁽¹⁾)	Deemed Interest	(%)(⁽¹⁾)	Total Interest	(%)(⁽¹⁾)
Directors						
Fraser James Pearce	—	—	—	—	—	—
Timothy Keith Isaacs	—	—	—	—	—	—
Wayne Robert Porritt	—	—	—	—	—	—
Substantial Shareholders						
NHL	238,278,386	17.9496	—	—	238,278,386	17.9496
Best Investment Corporation [@]	126,111,890	9.5001	—	—	126,111,890	9.5001
China Investment Corporation ^{(3)@}	—	—	126,111,890	9.5001	126,111,890	9.5001
CIC International Co., Ltd. ^{(4)@}	—	—	126,111,890	9.5001	126,111,890	9.5001
Goldilocks Investment Company Limited ⁽⁵⁾	107,564,500	8.1029	—	—	107,564,500	8.1029
ADCM Altus Investment Management Ltd ⁽⁵⁾	—	—	107,564,500	8.1029	107,564,500	8.1029
ADCM Ltd ⁽⁵⁾	—	—	107,564,500	8.1029	107,564,500	8.1029
AD CapManage Ltd ⁽⁵⁾	—	—	107,564,500	8.1029	107,564,500	8.1029
Abu Dhabi Financial Group LLC ⁽⁵⁾	—	—	107,564,500	8.1029	107,564,500	8.1029

Notes:

Based on the latest notifications of shareholding interests filed following the completion of NGL's rights issue in 2016 and prior to the completion of NGL's 10-to-1 share consolidation in May 2017, and adjusted to take into account such share consolidation.

@ Based on confirmation from China Investment Corporation received by NGL following the completion of NGL's rights issue in 2016 and prior to the completion of NGL's 10-to-1 share consolidation in May 2017, and adjusted to take into account such share consolidation.

(1) The percentage is calculated based on 1,327,483,781 issued Shares as at the Latest Practicable Date.

(2) These Shares are registered in the name of nominees.

(3) China Investment Corporation is deemed to have an interest in the Shares held by Best Investment Corporation. Best Investment Corporation is a wholly-owned subsidiary of CIC International Co., Ltd. CIC International Co., Ltd. is a subsidiary controlled by China Investment Corporation.

(4) CIC International Co., Ltd. is deemed to have an interest in the Shares held by Best Investment Corporation. Best Investment Corporation is a wholly-owned subsidiary of CIC International Co., Ltd.

(5) Pursuant to an investment management agreement entered into between ADCM Altus Investment Management Ltd ("**Altus**") and Goldilocks Investment Company Limited, Altus is authorised to act on behalf of Goldilocks Investment Company Limited to acquire and dispose of securities in NGL. Altus is wholly-owned by ADCM Ltd, which in turn is wholly-owned by AD CapManage Ltd, a wholly-owned subsidiary of Abu Dhabi Financial Group LLC. Hence, each of Altus, ADCM Ltd, AD CapManage Ltd and Abu Dhabi Financial Group LLC is deemed to have an interest in the Shares held by Goldilocks Investment Company Limited.

4. MATERIAL LITIGATION

As announced by NGL on 21 March 2018, NGL had been served a writ of summons by Goldilocks Investment Company Limited ("**Goldilocks**") making alleged claims for, among other reliefs by way of derivative action on behalf/in the name of NGL, amounts paid by NGL to certain named officers of NGL as part of their remuneration packages, as well as leave to commence a derivative action against these officers for alleged breaches of fiduciary or equitable duties owed to NGL.

LETTER TO SHAREHOLDERS

As announced by NGL on 26 April 2018, Goldilocks had commenced the following legal claims against NGL before the High Court of Singapore (the “**Singapore Court**”):

- (a) (i) certain injunctions Goldilocks is seeking from the Singapore Court to restrain NGL from holding its annual general meeting on 30 April 2018 and/or any other general meeting of its shareholders; and (ii) in respect of certain declarations Goldilocks is seeking from the Singapore Court in respect of its claimed status as a direct shareholder of NGL; and
- (b) certain injunctions Goldilocks is seeking from the Singapore Court to restrain NGL, the Board and certain of its creditors from pursuing the Restructuring set out in the RSA.

As announced by NGL on 20 June 2018, NGL, Goldilocks and the Ad Hoc Group have entered into a settlement agreement (the “**Settlement Agreement**”) pursuant to which: (i) Goldilocks has agreed to discontinue each of the claims brought by Goldilocks against NGL, certain current and former directors and officers of NGL and the Ad Hoc Group in the Singapore Court in connection with the proposed Restructuring (the “**Goldilocks Claims**”); and (ii) NGL has agreed to discontinue the claim brought against Goldilocks in the Supreme Court of Bermuda (the “**Noble Claim**”). NGL has agreed to pay Goldilocks US\$5 million as a reimbursement of documented legal costs and expenses incurred by Goldilocks in connection with the Goldilocks Claims and the Noble Claim. The Settlement Agreement is not an admission of liability or wrongdoing on the part of any of the parties thereto. Separately, NGL and Abu Dhabi Financial Group (“**ADFG**”, which NGL understands is the ultimate parent entity of the fund manager of Goldilocks) have agreed to work together to enhance and expand Noble Group’s footprint in the Middle East. In this regard, NGL’s subsidiary, Noble Resources International Pte. Ltd. (“**NR IPL**”), had entered into a strategic partnership agreement with ADCM Resources Ltd (“**ADCM Resources**”, an affiliate of ADFG) (the “**Strategic Partnership Agreement**”) pursuant to which it has become NR IPL’s strategic partner in the Middle East with respect to new business opportunities and will assist in developing and maintaining new customer relationships in the Middle East. To facilitate the strategic partnership, Noble Group and ADCM Resources have agreed to establish a new joint venture entity to source new supply contracts with a term of two years or more in respect of new business opportunities entered into as a result of the services provided by ADCM Resources under the Strategic Partnership Agreement. Against the strategic partnership agreed between the parties, Goldilocks has provided NGL with an irrevocable undertaking, in respect of its entire shareholding in NGL, to support the proposed Restructuring. Furthermore, it has been agreed that Goldilocks shall be entitled to nominate one person to be appointed to the board of directors of a new company to be incorporated for the purposes of acquiring substantially all of the assets of Noble Group in connection with the proposed Restructuring (“**New Noble**”).

As announced by NGL on 23 March and 29 March 2018, NGL became aware that PT Atlas Resources Tbk, a coal producer listed on the Indonesia Stock Exchange, had filed a lawsuit in Indonesia against NGL seeking compensation in excess of US\$260 million. An advertisement has been placed on behalf of PT Atlas Resources Tbk in The Jakarta Post on 29 March 2018 with a brief description of the claim against NGL and its subsidiary, NR IPL. As at the Latest Practicable Date, NGL and NR IPL have not been served with a statement of claim relating to such claim. NGL is of the view that based on the brief description in the advertisement, the lawsuit filed by PT Atlas Resources Tbk in Indonesia is completely frivolous and vexatious. As far as NGL is aware, and based on the brief description in the advertisement, NGL and NR IPL are not liable as alleged by PT Atlas Resources Tbk, or at all. NGL and NR IPL will defend the lawsuit vigorously and will not hesitate to take all

LETTER TO SHAREHOLDERS

appropriate action to preserve their rights. It appears that the lawsuit in Indonesia has been filed as a response to earlier actions and positions taken by NGL's subsidiaries against PT Atlas Resources Tbk in arbitration proceedings in Singapore for non-performance. For reasons of confidentiality under the proceedings, NGL is unable to disclose any further details of the arbitration proceedings.

As announced by NGL on 25 July 2018, a lawsuit was filed in the District Court of South Jakarta by PT Alhasanie (a subsidiary of PT Atlas Resources Tbk) against PT Pinang Coal Indonesia (a subsidiary of NGL) ("**PT PCI**") and PT McMahon Mining Services (which is not related to PT PCI or NGL), seeking damages in excess of US\$20 million from PT PCI. The lawsuit was served on PT PCI on 9 July 2018 and concerned the alleged breach of a technical services and management consulting agreement dated 30 June 2015. NGL is of the view that the lawsuit is completely without merit. PT PCI is not liable as alleged or at all, and will defend the claim vigorously. It appears the lawsuit was filed as a response to a legal demand which PT PCI's external solicitors had sent to PT Alhasanie previously. PT PCI will be submitting its claim to Singapore arbitration, which is the contractually agreed forum for determination of all disputes arising out of or in connection with the technical services and management consulting agreement. For reasons of confidentiality, NGL is unable to disclose further details of PT PCI's claim.

As announced by NGL on 20 June 2018, a lawsuit was filed on 13 June 2018 by Pinpoint Asset Management Ltd and Value Partners Limited who are Existing Perpetual Capital Securities Holders in the High Court of Justice of England and Wales, seeking an injunction restraining the transfer of assets pursuant to the proposed Restructuring. NGL was not served with the suit and on 19 June 2018, NGL received a copy of a notice of discontinuance of the claim by the plaintiffs.

In addition to the foregoing, a summary of certain legal proceedings which are material to New Noble and in the context of the proposed Restructuring is set out below. For the avoidance of doubt, such legal proceedings were not material to NGL at the time the relevant legal proceeding arose:

- (a) in 2012, NGL's former chief executive officer, Ricardo Leiman, and Rothschild Trust Guernsey Limited, the trustee of Mr Leiman's family trust, commenced proceedings for approximately US\$48 million in the Singapore Court against NGL and its subsidiary, Noble Resources Limited, in respect of bonus, restricted shares and options which were withheld from Mr Leiman following the termination of his employment and certain other related costs and expenses. The trial took place in July and August 2017 and as announced by NGL on 26 July 2018, the judgment was granted in favour of NGL and Noble Resources Limited and the plaintiffs' claims were dismissed. The Singapore Court further ordered the plaintiffs to pay two-thirds of the costs of NGL and Noble Resources Limited in the proceedings;
- (b) in 2017, a customer commenced the pursuit of Hong Kong arbitration against NRIPL for approximately US\$36 million. The claim arose out of an alleged breach of contract in 2016 for the sale of metallurgical coal. NRIPL disputes the claim and intends to vigorously defend it. For reasons of confidentiality, NGL is unable to disclose any further details of the arbitration proceedings; and
- (c) in May 2018, a supplier of NGL's wholly-owned subsidiary, NRIPL, commenced London arbitration proceedings against NRIPL in relation to a dispute over a coal supply contract, seeking compensation of approximately US\$40 million. NRIPL had been

LETTER TO SHAREHOLDERS

served with a notice of arbitration. NRIPL intends to vigorously defend the claim. NRIPL has counterclaims against the same counterparty and its wholly owned subsidiary in relation to a dispute over marketing fees. NRIPL had issued a formal demand for payment, foreshadowing its intention to file litigation proceedings seeking damages of at least US\$127 million. For reasons of confidentiality, NGL is unable to disclose any further details of the arbitration proceedings.

Subsequent to the Latest Practicable Date, as announced by NGL on 3 August 2018, NRIPL had filed a claim against Gloucester Coal Limited and Yancoal Australia Limited, seeking damages estimated as at least US\$127 million.

Save as disclosed in paragraph 4 of this Circular, as at the Latest Practicable Date, neither NGL nor any of its subsidiaries is engaged in any litigation or claims, either as plaintiff or defendant, which might materially and adversely affect the financial position of NGL or Noble Group taken as a whole. The Directors have no knowledge of any proceedings or claims pending or threatened against NGL or any of its subsidiaries, or any facts likely to give rise to any such proceedings which, in the opinion of the Directors, might materially and adversely affect the financial position of NGL and its subsidiaries taken as a whole.

5. DIRECTORS' RECOMMENDATIONS

Having considered, *inter alia*, the terms of and rationale for the Proposed Disposal, the Directors are of the opinion that the Proposed Disposal is in the best interests of NGL. Accordingly, the Directors recommend that Shareholders vote in favour of Resolution 1, being the ordinary resolution relating to the Proposed Disposal, to be tabled at the SGM.

6. SPECIAL GENERAL MEETING

The SGM, notice of which is set out on pages 17 and 18 of this Circular, will be held at M Hotel Singapore, Banquet Suite Ballroom, Level 10, 81 Anson Road, Singapore 079908 on Monday, 27 August 2018 at 3.00 p.m. (Singapore time) (or as soon thereafter following the conclusion or adjournment of the special general meeting convened to consider and if thought fit to approve the proposed Restructuring and the related whitewash resolution to be held at 2.30 p.m. on the same day and at the same place) for the purpose of considering, and if thought fit, passing with or without any modification(s), the resolutions set out in the Notice of SGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

The Proxy Form appointing a proxy/proxies must be lodged at the office of NGL in London, United Kingdom at 11th floor, 33 Cavendish Square, Marylebone, London W1G 0PW, United Kingdom or at the office of NGL's Share Transfer Agent, B.A.C.S. Private Limited, at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, not less than 72 hours before the time appointed for the SGM or the adjourned SGM, failing which the Proxy Form will not be valid.

8. CONSENT

Each of Arrow Valuations and Clarkson Valuations Limited has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, and all references thereto, in the form and context in which they are respectively included in this Circular.

LETTER TO SHAREHOLDERS

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, and NGL and its subsidiaries which are relevant to the Proposed Disposal, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of NGL at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and at the offices of Allen & Gledhill LLP, 30th Floor, One Marina Boulevard, Singapore 018989 from the date of this Circular up to the later of (a) the date of the SGM and (b) the date falling three months from the date of the Disposal Announcements:

- (i) the MOAs;
- (ii) the reports in respect of the Valuations;
- (iii) the letters of consent referred to in paragraph 8 above;
- (iv) the bye-laws of NGL; and
- (v) the annual report of NGL for FY2017.

Yours faithfully
For and on behalf of
The Board of Directors of
NOBLE GROUP LIMITED

Paul Jeremy Brough
Executive Chairman

NOTICE OF SPECIAL GENERAL MEETING

REFRESHMENTS AT THE SPECIAL GENERAL MEETING
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Only coffee and tea will be served at the Special General Meeting.
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NOBLE GROUP LIMITED

(Incorporated in Bermuda with limited liability)

NOTICE IS HEREBY GIVEN that a Special General Meeting of Noble Group Limited (the “**Company**”) will be held at M Hotel Singapore, Banquet Suite Ballroom, Level 10, 81 Anson Road, Singapore 079908 on Monday, 27 August 2018 at 3.00 p.m. (Singapore time) (or as soon thereafter following the conclusion or adjournment of the special general meeting convened to consider and if thought fit to approve the proposed restructuring of the Company and the related whitewash resolution to be held at 2.30 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modification(s), the following resolution, which will be proposed as an ordinary resolution:

RESOLUTION 1: ORDINARY RESOLUTION

APPROVAL FOR THE PROPOSED DISPOSAL OF VESSELS

That:

- (i) the proposed disposal of the Vessels (as defined in the circular to shareholders of Noble Group Limited (the “**Company**”) dated 10 August 2018 (the “**Circular**”)) to the Buyers (as defined in the Circular) upon the terms and conditions of the MOAs (as defined in the Circular and subject to any further amendment as may be approved by the directors of the Company or any person(s) authorised by the directors of the Company) or, in the event that any of the MOAs is terminated and the Vessels are not disposed to the relevant Buyers, to such other buyer on terms which are not less favourable to the Company than the terms set out in the relevant MOA as determined and approved by the directors of the Company, and the transactions contemplated thereunder, be and are hereby approved (such proposed disposal of the Vessels to the Buyers under the MOAs or to person(s) other than the Buyers on terms no less favourable to the Company than the terms set out in the MOAs, the “**Proposed Disposal**”);
- (ii) the directors of the Company and each of them be and are/is hereby authorised to complete and do all such acts and things (including approving, amending, modifying, supplementing and executing the MOAs and all such documents as may be required under or pursuant to the MOAs and/or the Proposed Disposal), as they and/or he may consider necessary, desirable, expedient or in the interests of the Company to give effect to this Ordinary Resolution and/or the Proposed Disposal as they or he may deem fit; and
- (iii) all actions and steps taken by any and each of the directors and officers of the Company in connection with the MOA and/or the Proposed Disposal be and are hereby approved, confirmed and ratified.

BY ORDER OF THE BOARD

Chee Ying Lim
Company Secretary
10 August 2018

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the Special General Meeting may appoint another person as his/her/its proxy to attend and vote in his/her/its stead. A proxy need not be a member of the Company but must be present in person to represent the member.
 2. With the exception of The Central Depository (Pte) Limited (“CDP”), who may appoint more than two proxies, a member of the Company entitled to attend and vote at the Special General Meeting is entitled to appoint no more than two proxies to attend and vote in his/her/its stead.
 3. A Depositor(s) who is a natural person(s) need not submit a Depositor Proxy Form(s) if he/she is attending the Special General Meeting in person.
 4.
 - (a) A Depositor(s) who is not a relevant intermediary may appoint not more than two appointees, who shall be natural persons, to attend and vote in his/her/its place as proxy/proxies of CDP in respect of his/her/its shareholding. Where such a Depositor(s) wishes to nominate more than one appointee, he/she/it must specify the proportion of the shareholdings (expressed as a percentage of the whole) to be represented by such appointee.
 - (b) A Depositor(s) who is a relevant intermediary may appoint more than two appointees, who shall be natural persons, to attend and vote in its place as proxies of CDP in respect of its shareholding. Where such a Depositor(s) wishes to appoint more than two appointees, such appointee must be appointed to exercise the rights attached to a different share or shares held by such Depositor(s), and the number and class of shares in relation to which each appointee has been appointed shall be specified.
- “Relevant Intermediary” has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.
5. Completion and return of the Depositor Proxy Form(s) by a Depositor(s) who is a natural person(s) will not prevent him/her from attending and voting in person at the Special General Meeting as proxy/proxies of CDP if he/she subsequently wishes to do so and in such event, the Depositor Proxy Form(s) shall be deemed to be revoked and the proxy form issued by CDP shall be re-instated and become effective for the appointment of the relevant Depositor(s) as the proxy/proxies of CDP as if the Depositor(s) had not delivered any Depositor Proxy Form(s).
 6. The instrument or Depositor Proxy Form appointing the proxy/proxies must be lodged at the office of the Company in London, United Kingdom at 11th floor, 33 Cavendish Square, Marylebone, London W1G 0PW, United Kingdom or at the office of the Company’s Share Transfer Agent, B.A.C.S. Private Limited, at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, not less than 72 hours before the time appointed for the Special General Meeting or the adjourned Special General Meeting, failing which the instrument or Depositor Proxy Form will not be valid.

Personal data privacy:

By submitting a proxy form (including a Depositor Proxy Form) appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Special General Meeting and/or any adjournment thereof, a member of the Company and/or a Depositor (i) consents to the collection, use and disclosure of personal data of the member and/or the Depositor by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Special General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Special General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member and/or the Depositor discloses the personal data of the proxy(ies) and/or representative(s) of the member and/or the Depositor to the Company (or its agents or service providers), the member and/or the Depositor has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member and/or the Depositor will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the breach of warranty of the member and/or the Depositor.