

Noble Group Holdings Limited
(Incorporated in Bermuda with limited liability)

Noble Announces 9 Months 2020 Results

Hong Kong, 6 November 2020 – The Board of Directors of Noble Group Holdings Limited (together with its subsidiaries “Noble Holdings” or the “Group”), Asia’s leading independent energy products and industrial raw materials supply chain manager, today announces financial and operational results for the nine months ended 30 September 2020 (“9M 2020”).

- ❖ **COVID-19 pandemic continues to impact our markets** with disruption of global supply chains expected to continue through to the end of 2020 and possibly into Q1 2021
- ❖ **Trading volumes from offtake and marketing of 46 million tonnes** (9M 2019 37 million tonnes), **up 24% y-o-y**, driven by the energy segment with consistent volumes in the freight business
- ❖ Compressed margins, material non-cash elements and items outside of underlying performance resulted in a **Group and Trading Co operating loss from supply chains of US\$(51) million and US\$(25) million respectively**
- ❖ **Group EBITDA loss of US\$(13) million with adjusted EBITDA of US\$9 million** excluding material non-cash elements and items outside of underlying performance
- ❖ **Overall after-tax loss of US\$(377) million**, reflecting current market conditions
- ❖ **Robust cash position of US\$511 million and net debt of US\$1,152 million** at 9M 2020 end
- ❖ **Focus on liquidity position** as Group continues to selectively deploy capital to maximize profitability in margin generating business lines and support selected growth opportunities
- ❖ **Continued focus on cost management** in light of COVID-19’s impact on trading
- ❖ **Completed tender offer** for Trading Co Senior Secured Notes due 2023 with final consideration being US\$50.0 million
- ❖ **Completed tender offer** for Asset Co Tranche B Senior Secured PIK Notes due 2022 with final consideration being US\$50.7 million
- ❖ **Announced a second tender offer** for Asset Co Tranche B Senior Secured PIK Notes due 2022 with final consideration being US\$170.0 million **settled in October 2020**

Jim Dubow, Executive Chairman of Noble Holdings, commented:

“Trading conditions remain very challenging but our commercial teams are well prepared to manage through this period and continue to meet the needs of our customers.

Pricing of our high-volume commodities remains depressed and this inevitably puts pressure on margins which were compressed in the period. Some of our suppliers have significantly cut production as a response to the price environment.

We made good progress in respect of the Jamalco reorganisation and our partners Clarendon Alumina Production Limited (“CAP”) made full repayment of our loan to them in the quarter.

The Board have prioritised capital structure, so we were particularly pleased to have bond tenders for US\$270 million of the Group’s bonds successfully launched in the third quarter.

Finally, we announced last month that I have become Executive Chairman, leading the Group full-time, delivering the strategy and business performance and that our business leaders Ajay Mishra and Tim Gazzard have joined the Board, to lead and develop the trading business, as Managing Directors and Co-Heads of Global Trading. I am delighted

- ❖ **Disposal of M/V Ocean Sapphire and Ocean Garnet for US\$12.75 million and US\$11.0 million, respectively**
- ❖ **Jacques Erni joined as CFO, Jeremy East, Garrett Soden and Jacques Gabillon** joined the Noble Holdings Board as Independent Non-Executive Directors and **Paul Copley** as Non-Executive Director
- ❖ **Jim Dubow becomes Executive Chairman** of Noble Group Holdings Limited
- ❖ **Ajay Mishra and Tim Gazzard** joined the Noble Holdings Board as **Managing Directors and Co-Heads of Global Trading**
- ❖ **Jim Dubow, Ajay Mishra and Tim Gazzard** formed a new executive committee tasked with optimizing the day-to-day management of the trading business
- ❖ **Will Randall stepped down from the Board and his role as CEO** to focus primarily on Asset Co. and his role as Chairman of its key asset, Jamalco, as it moves towards privatization
- ❖ **Full repayment received from Clarendon Alumina Production Limited (“CAP”)** in respect of a loan of US\$135.77 million
- ❖ **Jamalco reorganization in progress**, paving the way for a potential IPO on the Jamaican Stock Exchange in 2021

to have such experienced and talented individuals in these newly created roles and I am confident of their continued success.

As part of the management changes, Will Randall has stepped down from the Board and his role as CEO in order to focus primarily on Asset Co. and his role as Chairman of its key asset, Jamalco, as it prepares for privatisation. Will has made an immeasurable contribution to the Group and we are grateful for his commitment and hard work over the years.”

Performance impacted by trading conditions

During 9M 2020 COVID-19 had a significant impact on global trade, and Trading Co¹ and Asset Co² both recorded negative operating income from supply chains driven by poor trading conditions. Trading Co achieved EBITDA of US\$30 million and Asset Co a loss of US\$(32) million. Group operating loss from supply chains was US\$(51) million for the period with a Group EBITDA loss of US\$(13) million, which improves to US\$9 million when excluding material non-cash elements and items outside of underlying performance, which related to trades/investments entered by the Group prior to its restructuring in 2018. The Group saw an overall after-tax loss of US\$(377) million.

Total Trading Co volumes (including offtake and marketing) were 44.0 million tonnes, with 30.1 million tonnes in the Energy segment and 13.9 million tonnes in the Metals, Minerals & Ores segment, including Freight. The Energy Coal business continued to face challenges and constraints driven by COVID-19 pandemic across regions and markets which impacted trade flows and profitability. Despite the difficult market conditions the Energy Coal business leveraged its experience, expertise and global energy market intelligence, to manage exposure to risks. Our Met Coal and Coke business was affected by the lockdown in India during Q1. In Q2 the business was able to move substantial coke tonnages into China and in Q3 the business pushed a large volume of Japanese coke at higher margins into India. Continued sale of coke into China helped the business Q3 results. The Freight business revenue and volume remained consistent with the prior year despite a very challenging first half. Margins have been compressed, especially as freight rates plummeted in the early part of the year. Trading Co produced an operating loss from supply chains of US\$(25) million and EBITDA of US\$30 million.

Asset Co's performance was primarily driven by Jamalco, which was impacted by the declining alumina price and one-off impairments to the CAP offtake, which was terminated when the CAP loan of US\$135.8 million was repaid, along with a loss on supply chains due to the impairment on vessel held for sale and plantation. Asset Co's operating loss of US\$(141) million was significantly impacted by the revaluation of Harbour Energy of US\$(92) million, due to major volatility in the oil liquids sector.

Total volumes (including both offtake and marketing) for the Group were 46 million tonnes, up 24% year-on-year, driven by the energy segment with consistent volumes in the freight business. Noble Holdings' revenues were proportionally lower at US\$2,042 million due to depressed market conditions compared to 9M 2019.

Other notable developments

During 9M 2020, Asset Co announced two tender offers for Tranche B Senior Secured PIK Notes due 2022 with final consideration being US\$50.7 million and US\$170.0 million settled in July and October 2020, respectively. Trading Co announced a tender offer for its Senior Secured Notes due 2023 with final consideration of US\$50.0 million settled in September 2020. Additionally, the sale of

¹ Trading Co is Noble Holdings' operating entity that controls and operates the asset-light commodities supply chain management business in the Energy and Metals, Minerals and Ores segments and provides management services to Asset Co.

² Asset Co was formed as part of the restructuring to hold and manage, or sell, certain assets of the former group. Asset Co holds the interest in Harbour Energy, three dry bulk carrier vessels (as at 31 December 2019), the Group's beneficial interests in Jamalco and Noble Plantations.

the M/V Ocean Sapphire and M/V Ocean Garnet for US\$12.75 million and US\$11.0 million, respectively resulted in a payment against Asset Co notes of US\$17.2 million.

Noble Holdings also took steps to strengthen its management and board, with the appointment of former Gunvor Group CFO Jacques Erni as Group Chief Financial Officer, while Jeremy East, Garrett Soden and Jacques Gabillon joined the Noble Holdings Board as Independent Non-Executive Directors and Paul Copley as Non-Executive Director.

Jamalco's reorganization also progressed during 9M 2020 and is expected to deliver a positive impact going forwards, paving the way for a potential listing on the Jamaican Stock Exchange in 2021. Additionally, Noble's technology metals focused business Talaxis continued to sign targeted agreements, including a strategic partnership with Australian rare earths business RareX and a strategic engagement agreement with European Lithium, strengthening its position in this important commodity segment.

COVID-19 impact remains uncertain

The COVID-19 pandemic continues to impact our markets and the disruption of global supply chains is expected to continue through to the end of 2020 and possibly into Q1 2021. To help manage the impact of COVID-19 on trading, we continue to focus on streamlining our operations and managing our cost base proactively.

The 2018 restructuring set the Group on a firm footing for a new sustainable growth journey. Despite a challenging macroeconomic environment, positive strides have been made, creating a platform to drive further long-term improvement through 2020 and beyond. The coming years will be transformative for the Group and the markets in which it operates, and Noble Holdings will be leaner and more cost efficient as it resizes the business to maximize the opportunities developing across its markets.

About Noble Group Holdings Limited

Noble Group Holdings Limited ("Noble") is Asia's leading independent energy products and industrial raw materials supply chain manager.

Noble Group Holdings Limited is the parent of the Noble group of companies which underwent a restructuring in the second-half of 2018.

Noble operates in the supply chain of energy raw materials, technology metals, special ores and industrial minerals, and base metals, and is supported by its freight and logistics operations. Noble leverages its extensive regional network to facilitate the marketing, processing, financing and transportation of these raw materials, predominantly in Asia. It also provides supply chain and risk management services to clients.

Noble Group Limited, the former holding company of the group (which was previously listed in Singapore) but which is now unrelated to Noble following the restructuring, is undergoing a winding up process in Bermuda.

For more information visit www.noblegroup Holdings.com

For media enquiries please contact:

Finsbury

Citadel-MAGNUS

MEDIA RELEASE



Alastair Hetherington / Humza Vanderman / Richard Crowley
Tel: +44 207 251 3801
Email: noble@finsbury.com

Peter Brookes / Helen McCombie
Tel: +61 2 8234 0100
Email: media@citadelmagnus.com
