JBF Industries Limited

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National Stock Exchange of India
Exchange Plaza
Bandra, Mumbai – 400 051.

Sub : **Announcement**

Sir,

JBF Group has entered into an arrangement with KKR, an existing financial investor, for restructuring of the equity holding and management structure of JBF Global Pte Limited (Singapore), a subsidiary of JBF Industries Limited. Until now, JBF Global Pte Limited held 100 percent of JBF Petrochemicals Limited and JBF RAK LLC. Under a new arrangement, encapsulated in a signed, binding Term Sheet, following are the highlights:

A. KKR will hold 51 percent economic interest whereas JBF Industries Limited will have 49 percent economic interest, in the PTA business.

B. KKR will arrange for last mile funding to complete the PTA plant, expected to be completed in 4-5 months time.

C. This arrangement will effectively reduce around USD 500 Mn of debt, on a consolidated basis, in JBF Industries Limited, while retaining 49 percent economic interest in the PTA business.

D. The PTA business is expected to produce a sizeable EBITDA in the first full year of operations.

The above is subject to approval of the lenders to JBF Petrochemicals Limited. In addition, JBF Industries Limited has entered into discussions with its consortium of lenders for a restructuring of its debt of around Rs.2600 Crores. The restructuring process is expected to be completed by August 2018.

The above measures are aimed at aggressively deleveraging the balance sheet. Steps taken to monetize portfolio holdings, as in the PTA Company, over the next couple of years, is expected to further bring down debt of the Group.

Valueline Advisors and Prime Securities were the exclusive Investment Bankers to JBF Industries in the transaction with KKR.

This is for the information of members.

Thanking you,

Yours faithfully,
For **JBF INDUSTRIES LIMITED**

R. Gothi

RAKESH GOTHI
MANAGING DIRECTOR

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