

REX INTERNATIONAL HOLDING LIMITED
(Company Number: 201301242M)
(Incorporated in the Republic of Singapore)

LIME PETROLEUM HOLDING BONDS UPDATE

1. INTRODUCTION

The board of directors (the “**Board**”) of Rex International Holding Limited (the “**Company**” or “**Rex**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 19 June 2024 and 16 July 2024 and press releases dated 19 June 2024 and 4 July 2024, and wishes to announce that pursuant to the bond issued (“**Bond**”) by Lime Petroleum Holding AS (“**LPH**”) (the “**Joint Venture**”), the Joint Venture partners - Rex’s indirect wholly-owned subsidiary, Rex International Investments Pte. Ltd. (“**RII**”) (83.74%), Monarch Marine Holding Ltd (“**MMH**”) (14.74%) and Peter M. Steimler (“**PS**”) (1.52%) - are required, *inter alia*, to enter into the agreements listed in Appendix A as transaction security for the Bond (the “**Security Documents**”).

The Security Documents are provided as required by the terms of the Bond.

2. CHAPTER 9 OF THE MAINBOARD RULES

Dr Karl Lidgren and Mr Hans Lidgren are controlling shareholders of the Company with a 34.71% deemed interest in the Company held through Limea Ltd. (“**Limea**”), in which each of Mr Hans Lidgren and Cresta Group Ltd (“**Cresta**”) have a 50% shareholding interest respectively. Cresta is in turn wholly-owned by Dr Karl Lidgren, and also holds direct interests of 1.09% in the Company. Accordingly, Dr Karl Lidgren is deemed interested in 35.80% of the Company’s shares.

MMH is 40% held by Cresta, 40% held by Riton Holding Ltd (100% held by Mr Hans Lidgren), and 20% held by Mr Svein Kjellesvik, Chief Operating Officer of the Company and a substantial shareholder of the Company. As such, MMH is an “interested person” pursuant to Chapter 9 of the Mainboard Rules (the “**Mainboard Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Accordingly, entry into transactions between the Group and MMH is an “interested person transaction” pursuant to Chapter 9 of the Mainboard Rules.

Based on the Company’s financial statements for the financial year ended 31 December 2023, the Group’s latest audited NTA as at 31 December 2023 is US\$95.02 million.

The Security Documents entered into by RII and the temporary guarantee (announced on 16 July 2024) (the “**Temporary Guarantee**”) are part of the security package to be provided by RII as security for the secured obligations of the Bond. As such, the aggregate value at risk to RII, as a result of the Security Documents, is the same as when the Temporary Guarantee was entered into. As per the 16 July 2024 announcement, the aggregate value of all transactions entered into with Dr Karl Lidgren, Mr Hans Lidgren and their associates in FY2024 (which includes the Security Documents) is approximately US\$166.56 million, representing approximately 175.29% of the Group’s latest audited net tangible assets (“**NTA**”) as at 31 December 2023.

Save as disclosed in this announcement, the 19 June 2024 announcement and the 16 July 2024 announcement, there have been no other interested person transactions with a value or S\$100,000 or more for the current financial year.

Pursuant to Rule 916(3) of the Mainboard Rules, the provision of a loan to a joint venture with an interested person is exempted from the requirement to obtain shareholders' approval under Rule 906 of the Mainboard Rules, if:

- (i) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;
- (ii) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and
- (iii) the issuer confirms by an announcement that its audit committee is of the view that:
 - (a) the provision of the loan is not prejudicial to the interests of the issuer and its minority shareholders; and
 - (b) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders.

The Security Documents are effectively extended by all Joint Venture partners in proportion to their respective equity in the Joint Venture and on substantively the same terms. Existing shareholder loans from RII to LPA, which are required to be subordinated and secured in favour of Nordic Trustee AS, the security agent for the secured parties under the Bond ("**Security Agent**"), were provided to LPA prior to the entering of the Joint Venture and are currently subordinated to and secured in favour of the bond trustee for LPA's existing bond. Dr Karl Lidgren, Mr Hans Lidgren and their associates do not, as at the date of this Announcement, own any shares, directly or indirectly in LPA, other than through the Company.

With respect to the Subordination Security (as defined in Appendix A), MMH and PS will contribute to the security for the Bond and bear the risks in proportion to their respective equity in LPH, as (i) Limea, on behalf of MMH, and (ii) PS will provide an irrevocable deed of counter indemnity and undertaking ("**Deed of Counter Indemnity**") to RII, pursuant to which Limea and PS will indemnify RII for all amounts paid to or recovered by the Security Agent, pursuant to the Subordination Security and all costs, expenses, losses and liabilities with respect to RII's obligations under the Subordination Security ("**RII Exposure**"), such that Limea, on behalf of MMH, bears 14.74%¹ of the RII Exposure and PS bears 1.52% of the RII Exposure².

Dr Karl Lidgren and Mr Hans Lidgren, controlling shareholders of the Company, and their associates (as defined by the Mainboard Rules) did not have an existing equity interest in LPH prior to RII's participation in the Joint Venture.

¹ MMH's percentage shareholding in LPH

² PS's percentage shareholding in LPH

3. STATEMENT FROM THE AUDIT COMMITTEE

The Company's Audit Committee has considered the terms and conditions of the Security Documents and the Deed of Counter Indemnity and is of the view that (a) the provision of the Security Documents by RII is not prejudicial to the interests of the Company and its minority shareholders, (b) the risks and rewards are in proportion to the Joint Venture partners' respective equity interests in LPH, and (c) the terms of the Joint Venture are not prejudicial to the interests of the Company and its minority shareholders.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed above, none of the Directors and to the best of the Directors' knowledge, none of the controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Joint Venture, other than that arising from their respective capacity as directors of a Group company or shareholders of the Company.

As good corporate governance practice, Dr Mathias Lidgren, son of Mr Hans Lidgren and nephew of Dr Karl Lidgren, and a Non-Independent Non-Executive Director of the Company, recused himself on the Board decisions relating to the Joint Venture.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

John d'Abo
Executive Chairman

23 July 2024

APPENDIX A

S/N	Security Document	Parties
1	Share pledge agreement in respect of the shares in LPH owned by RII (" RII Share Pledge Agreement (LPH) ")	RII Security Agent
2	Share pledge agreement in respect of the shares in LPH owned by MMH ³	MMH Security Agent
3	Share pledge agreement in respect of the shares in LPH owned by PS ⁴	PS Security Agent
4	Share pledge agreement in respect of the shares in LPA owned by RII ⁵ (" Share Pledge Agreement (LPA) ")	RII Security Agent
5	Share pledge agreement in respect of the shares in Porto Novo Resources Ltd (" PNR ") owned by RII ^{6,7}	RII Security Agent
6	Share pledge agreement in respect of the shares in PNR owned by MMH ⁸	MMH Security Agent
7	Share pledge agreement in respect of the shares in PNR owned by PS ⁹	PS Security Agent
8	Subordination and security over existing shareholders loans granted by RII to LPA (" LPA Shareholder Loans ") ¹⁰ : (a) a subordination and turn-over agreement; and (b) a security agreement in respect of RII's monetary claims from time to time in respect the LPA Shareholder Loans, collectively the " Subordination Security ".	RII as subordinated creditor LPA as subordinated debtor Security Agent RII Security Agent

The maximum aggregate liability of RII under each of the Security Documents to be entered by RII shall never exceed NOK 2,100,000,000 (approximately US\$196.60 million) plus interest thereon, and fees, costs, expenses and indemnities as set out in the finance documents for the Bond.

³ On similar terms as the RII Share Pledge Agreement (LPH)

⁴ On similar terms as the RII Share Pledge Agreement (LPH)

⁵ As security for LPA's existing bond, the shares in LPA owned by RII are currently pledged to the bond trustee. Under the terms of the Joint Venture, and as announced on 19 June 2024, RII shall contribute all of its shares in LPA to LPH in exchange for additional shares ("**Lime Norway Transaction**"). The Lime Norway Transaction is pending regulatory approval and registration and hence RII is required to enter into the Share Pledge Agreement (LPA). LPH will assume the obligations as the pledgor under the Share Pledge Agreement (LPA) upon the completion of the Lime Norway Transaction.

⁶ Immediately prior to the entering of this Security Document, Rex International Holding Ltd. (incorporated in the British Virgin Islands) ("**RIHBVI**"), a wholly owned subsidiary of the Company, will transfer all of its shares in PNR to RII, a wholly owned subsidiary of the Company.

⁷ Under the terms of the Joint Venture, and as announced on 19 June 2024, the Group, MMH and PS shall contribute all of their shares in PNR to LPH in exchange for additional shares ("**Lime Benin Transaction**"). The Lime Benin Transaction is pending regulatory approval and registration and hence RII, MMH and PS are required to provide the share pledges referred to in S/N 5 to 7 ("**PNR Share Pledges**"). LPH will assume the obligations as the pledgor under the PNR Share Pledges upon the completion of the Lime Benin Transaction.

⁸ On similar terms as S/N 5

⁹ On similar terms as S/N 5

¹⁰ As security for LPA's existing bond, the Shareholder Loans are currently subordinated and secured in favour of the bond trustee.