

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

REX SELLS TOTAL STAKE IN MARINE ASSET JOINT VENTURE

*Unless otherwise defined, capitalised terms in this announcement shall have the same meaning given to them in the Company's announcements dated 12 November 2021, 14 December 2021 and 21 April 2023, in relation to the joint venture company Crescent Marine Holding Ltd ("**CMH**"), which is 80.1% owned by Monarch Marine Holding Ltd ("**MMH**") and 19.9% owned by Rex's indirect wholly-owned subsidiary, Rex International Holding Ltd (British Virgin Islands) ("**RIHBVI**").*

1. INTRODUCTION

The board of directors (the "**Board**") of Rex International Holding Limited (the "**Company**" or "**Rex**" and together with its subsidiaries, the "**Group**") wishes to announce that MMH has exercised its call option in accordance to the CMH Shareholder's Deed of Agreement dated 20 April 2023, to acquire all 9,950 shares (the "**CMH Shares**"), representing 19.9% of the total share capital of CMH held by Rex's indirect wholly-owned subsidiary RIHBVI, for a total consideration of US\$1,094,500 (the "**Divestment**").

2. CHAPTER 9 OF THE MAINBOARD RULES

Dr Karl Lidgren and Mr Hans Lidgren are controlling shareholders ("**Controlling Shareholders**") of the Company with a 34.71% deemed interest in the Company held through Limea, in which each of Mr Hans Lidgren and 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. As such, each of Cresta and Limea is an "interested person" pursuant to Chapter 9 of Mainboard Rules (the "**Mainboard Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Accordingly, entry into the agreements in connection with CMH between Rex and MMH is an "interested person transaction" ("**IPT**") pursuant to Chapter 9 of the Mainboard Rules.

Based on the Company's financial statements for the financial year ending 31 December 2023, the latest audited net tangible assets ("**NTA**") of the Group as at 31 December 2023 is US\$95.02 million. The value of the transaction is US\$1.12 million based on 19.9% of the net asset value of CMH as at 30 September 2024. The aggregate value of all transactions entered into with the Controlling Shareholders and their associates for the current financial year ending 31 December 2024 ("**FY2024**") (including the value of the Divestment of the CMH shares to the Controlling Shareholders) is approximately US\$171.2 million, representing approximately 180.17% of the Group's NTA as at 31 December 2023. For shareholders' reference, the key transaction entered

into relates to the provision of a temporary guarantee of approximately US\$164.63 million, which can be referred to in the Company's announcement dated 16 July 2024.

For the purposes of Chapter 9 of the Mainboard Rules, the aggregate value of all transactions entered into with the Controlling Shareholders and their associates in FY2024 (including the Divestment to Controlling Shareholders but excluding transactions which are exempted from complying with Rule 906 of the Mainboard Rules pursuant to Rule 916 of the Mainboard Rules) is US\$4.64 million, representing approximately 4.88% of the Group's NTA as at 31 December 2023.

As such, the Divestment to Controlling Shareholders is an IPT which requires announcement in accordance with Rule 905 of the Mainboard Rules but is not subject to shareholders' approval pursuant to Rule 906 of the Mainboard Rules. Save for the Divestment to the Controlling Shareholders and as disclosed in the Company's announcements dated 19 June 2024, 16 July 2024, 23 July 2024 and 6 September 2024, there have been no other interested person transactions entered into between the Group and any interested person with a value of S\$100,000 or more for FY2024.

3. RATIONALE FOR THE DIVESTMENT

MMH has exercised their call option in accordance with the CMH Shareholder's Deed of Agreement where MMH was granted an option to purchase all of RIHBVI's 9,950 shares in CMH at the share price of US\$110 per share, equal to a total consideration of US\$1,094,500; subject to the full repayment of the third-party loan, which as of the date of this announcement, has been repaid. RIHBVI will benefit from the Divestment as it would not be subject to future obligations to provide security to any third-party financial institution(s) for any additional investments or funding in the marine assets and the Group's strategy is to focus on its core exploration and production assets.

4. CHAPTER 10 OF THE LISTING MANUAL

The Divestment will see a disposal of RIHBVI's entire 19.9% interest in CMH, a company that owns marine assets. Based on the Group's latest unaudited consolidated financial statements for the financial results for the six months ended 30 June 2024 ("**1H FY2024**"), and subject to the disclosure below, the relative figures of the Divestment computed on the bases of Rule 1006 of the Mainboard Rules are less than 5%, and the Divestment is a "non-disclosable" transaction.

Pursuant to Mainboard Rule 1007(1), if any of the relative figures computed pursuant to Rule 1006 involves a negative figure, Chapter 10 of the Mainboard Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10.1. Having considered paragraph 4.3(e) of Practice Note 10.1 of the Mainboard Rules, (a) the absolute relative figure computed on the basis of each of Rule 1006(a) and Rule 1006(c) does not exceed 5%; and (b) the Divestment does not result in a loss on disposal. As such, having taken into consideration the negative figure, the Divestment is a "non-disclosable" transaction.

Pursuant to Mainboard Rules 1008(2), 1010(3), 1010(5) and 917(2):

- (i) The total consideration for the Divestment is US\$1,094,500, which will be fully satisfied in cash. The consideration is based on the call option terms in accordance with the CMH Shareholder's Deed of Agreement.
- (ii) The unaudited consolidated net asset value / net tangible value of 19.9% of the issued share capital of CMH that is being disposed is US\$1.12 million as of 30 September 2024.
- (iii) The unaudited consolidated net loss attributed to the asset of 19.9% of the entire issued share capital of CMH as of 30 September 2024 is US\$1.62 million.

5. STATEMENT FROM THE AUDIT COMMITTEE

The Company's Audit Committee has considered the terms and conditions of the Divestment and is of the view that the Divestment is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed herein, 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 Divestment, other than that arising from their respective capacities as directors of the Company and other Group companies or shareholders of the Company.

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

Pursuant to the completion of the Divestment on 26 November 2024, RIHBVI no longer holds any shares in CMH.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

John d'Abo
Executive Director and Chairman

26 November 2024