

CIRCULAR DATED 7 APRIL 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR ATTENTION

IF YOU ARE IN ANY DOUBT AS TO ITS CONTENTS OR THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your ordinary shares (the “**Shares**”) in the capital of Rex International Holding Limited (the “**Company**”), you should immediately forward this Circular, the enclosed Notice of Extraordinary General Meeting and the enclosed Proxy Form immediately to the purchaser or the transferee, or to the bank, stockbroker or agent through whom you effected the sale or the transfer for onward transmission to the purchaser or the transferee.

This circular (the “**Circular**”) has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”), for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”). The Sponsor has not verified the contents of this Circular.

This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.



REX INTERNATIONAL HOLDING LIMITED

(Incorporated in the Republic of Singapore on 11 January 2013)
(Company Registration No. 201301242M)

**CIRCULAR TO SHAREHOLDERS
IN RELATION TO**

**(1) PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE; AND
(2) PROPOSED PARTICIPATION BY AND GRANT OF AWARDS TO ASSOCIATES OF A CONTROLLING
SHAREHOLDER UNDER THE REX INTERNATIONAL PERFORMANCE SHARE PLAN**

IMPORTANT DATES AND TIMES:

Last date and time for lodgment of Proxy Form	:	27 April 2016 at 3.45 p.m.
Date and time of EGM	:	29 April 2016 at 3.45 p.m. (or immediately after the conclusion of the AGM (as defined herein) convened at 3 p.m. on the same day and at the same place)
Place of EGM	:	STI Auditorium, Level 9 Capital Tower 168 Robinson Road Singapore 068912

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DEFINITIONS

The following definitions apply throughout in this Circular unless otherwise stated:

<i>“AGM”</i>	:	The annual general meeting of the Company
<i>“Awards”</i>	:	A contingent award of Shares granted under the rules of the Rex PSP
<i>“Board”</i>	:	The board of Directors of the Company as at the date of this Circular
<i>“Catalist”</i>	:	The sponsor-supervised listing platform of the SGX-ST
<i>“Catalist Rules”</i>	:	Section B of the listing manual of the SGX-ST, dealing with the rules of Catalist, as may be amended, varied or supplemented from time to time
<i>“CDP” or “Depository”</i>	:	The Central Depository (Pte) Limited
<i>“CEO”</i>	:	Chief executive officer of the Company
<i>“Companies Act”</i>	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
<i>“Company”</i>	:	Rex International Holding Limited
<i>“Concert Party Group” and “Concert Party”</i>	:	Has the meaning ascribed to it in Paragraph 2.11.2 of this Circular
<i>“Constitution”</i>	:	The constitution of the Company, as may be amended or modified from time to time
<i>“Director”</i>	:	The director of the Company as at the date of this Circular or as appointed from time to time
<i>“EGM”</i>	:	The extraordinary general meeting of the Company to be held on 29 April 2016 at 3.45 p.m. (or immediately after the conclusion of the AGM (as defined herein) convened at 3 p.m. on the same day and at the same place), notice of which is given in the notice of EGM
<i>“EPS”</i>	:	Earnings per Share
<i>“Equus”</i>	:	Equus Consulting AB, a wholly-owned subsidiary of the Company
<i>“FY”</i>	:	Financial year ended 31 December
<i>“Group”</i>	:	The Company and its subsidiaries
<i>“Group Employee”</i>	:	A confirmed full-time employee of the Company (or any of its subsidiaries)
<i>“Independent Shareholders”</i>	:	Shareholders other than the Concert Party Group as well as parties not independent of them

<i>“Latest Practicable Date”</i>	:	28 March 2016, being the latest practicable date prior to the printing of this Circular
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading in securities
<i>“Market Purchase”</i>	:	Has the meaning ascribed to it in Paragraph 2.4 of this Circular
<i>“NAV”</i>	:	Net asset value
<i>“Off-Market Purchase”</i>	:	Has the meaning ascribed to it in Paragraph 2.4 of this Circular
<i>“Ordinary Resolution”</i>	:	The ordinary resolution as set out in the notice of EGM
<i>“Proposals”</i>	:	Shall have the meaning as set out in page 6 of this Circular
<i>“Relevant Period”</i>	:	The period commencing from the date on which the EGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier
<i>“Registrar”</i>	:	The Registrar of Companies
<i>“Rex PSP”</i>	:	The performance share plan of the Company which was approved on 24 June 2013 pursuant to a resolution passed by Shareholders, as amended or modified from time to time
<i>“Rex Technology Management”</i>	:	Rex Technology Management Ltd., a wholly-owned subsidiary of the Company
<i>“Securities Account”</i>	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
<i>“Securities and Futures Act”</i>	:	The Securities and Futures Act, Chapter 289 of Singapore
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Share Buyback Mandate”</i>	:	A general mandate given by Shareholders to authorise the Directors to purchase or otherwise acquire, on behalf of the Company, Shares in accordance with the terms set out in this Circular as well as the rules and regulations set forth in the Companies Act and the Catalist Rules
<i>“Shareholders”</i>	:	Persons who are registered as holders of Shares in the Register of Shareholders of the Company except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors in the Depository Register maintained by CDP and into whose securities accounts those Shares are credited
<i>“Shares”</i>	:	Ordinary shares in the share capital of the Company
<i>“SIC”</i>	:	The Securities Industry Council of Singapore
<i>“Take-over Code”</i>	:	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time
<i>“%” or “per cent.”</i>	:	Percentage or per centum

“S\$” : Singapore dollars

“US\$”, “\$” and “cents” : United States dollars and cents
respectively

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them, respectively, in Section 81SF of the Securities and Futures Act or any statutory modification thereof, as the case may be.

The expressions “**associate**”, “**associated company**”, “**subsidiary**”, “**Controlling Shareholder**” and “**Substantial Shareholder**” shall have the meaning ascribed to them respectively in the Companies Act and the Catalist Rules.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act and the Catalist Rules or any modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the Securities and Futures Act and the Catalist Rules or modification as the case may be.

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

Any discrepancy with the tables in this Circular between the listed amounts and the totals thereof is due to rounding.

Exchange Rates

Unless otherwise stated, the exchange rate between US\$ and S\$ was US\$1: S\$1.3722 as at the Latest Practicable Date. This exchange rate should not be construed as a representation that the US\$ amounts could have been, or could be, converted into Singapore dollars at the rate stated, or at all, and *vice versa*.

REX INTERNATIONAL HOLDING LIMITED
(Incorporated in the Republic of Singapore on 11 January 2013)
(Company Registration No. 201301242M)

Board of Directors:

Mr Dan Broström (*Executive Director and Chairman*)
Dr Karl Lidgren (*Executive Director*)
Mr Sin Boon Ann (*Lead Independent Non-Executive Director*)
Mr Abderahmane Fodil (*Independent Non-Executive Director*)
Mr Muhammad Sameer Yousuf Khan (*Independent Non-Executive Director*)
Dr Christopher Atkinson (*Independent Non-Executive Director*)

Registered Office:

80 Robinson Road, #02-00
Singapore 068898

7 April 2016

To: The Shareholders of Rex International Holding Limited

Dear Sir/Madam

- (1) **PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE;**
- (2) **THE PROPOSED GRANT OF AWARDS TO MR MÅNS LIDGREN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, UNDER THE REX PSP;**
- (3) **THE PROPOSED PARTICIPATION BY AND GRANT OF AN AWARD TO MRS LINA BERNTSEN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, UNDER THE REX PSP;**
- (4) **THE PROPOSED PARTICIPATION BY AND GRANT OF AN AWARD TO MR MARTIN LIDGREN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, UNDER THE REX PSP; AND**
- (5) **PROPOSED PARTICIPATION BY AND GRANT OF AN AWARD TO MR MAGNUS LIDGREN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER, UNDER THE REX PSP (COLLECTIVELY, THE "PROPOSALS")**

1. INTRODUCTION

- 1.1 The Directors wish to refer Shareholders to the notice of EGM of the Company dated 7 April 2016 convening the EGM to be held on 29 April 2016 to seek approval of the Shareholders in relation to (a) the proposed renewal of the Share Buyback Mandate; and (b) the proposed participation by and grant of Awards to associates of a Controlling Shareholder under the Rex PSP.
- 1.2 The purpose of this Circular is to provide Shareholders with information relating to the Proposals, details of which are set out in Paragraphs 2 and 3 of this Circular, and to seek Shareholders' approval in relation thereto at the EGM.
- 1.3 The Sponsor and the SGX-ST take no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made, or reports contained in this Circular.

2. THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

2.1 The Share Buyback Mandate

It is a requirement under the Catalist Rules that a company which wishes to purchase or acquire its own shares should obtain approval of its shareholders at a general meeting. The Share Buyback Mandate was adopted in an extraordinary general meeting of the Company on 16 October 2015. The mandate will, unless renewed again, expire on the date of the forthcoming AGM.

In this regard, Shareholders' approval is being sought at the EGM for the renewal of the Share Buyback Mandate by ordinary resolution, pursuant to which authority will be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares on the terms of the Share Buyback Mandate.

If approved by the Shareholders at the EGM, the authority conferred by the Share Buyback Mandate will take effect from the date of the EGM and continue in force until the date of the next AGM of the Company or such date as the next AGM is required by law or by the Constitution to be held, whereupon it will lapse, unless renewed at such meeting, or unless prior thereto, the share buybacks are carried out to the full extent mandated or the Share Buyback Mandate is revoked or varied by the Company in a general meeting.

Sections 76B, 76C, 76D, 76DA, and 76E of the Companies Act allow a listed company to purchase its own shares. The Constitution provides that the Company may purchase its own Shares in accordance with the Companies Act. The information required in compliance with Catalist Rule 868(1) and the Companies Act is provided below.

2.2 Rationale for the Proposed Renewal of the Share Buyback Mandate

The Company strives to increase Shareholders' value in the Company by improving, *inter alia*, the return on equity of the Group. A share buyback at the appropriate price level is one of the ways in which the return on equity of the Group may be enhanced.

Share buybacks provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. It will also provide the Directors with greater flexibility over the Company's share capital structure with a view to lead to enhancing the EPS and/or NAV per Share.

The Directors believe that a share buyback by the Company will also help mitigate short-term market volatility, offset the effects of short-term speculation and bolster shareholder confidence. Further, share buybacks will allow Management to effectively manage and minimise the dilution impact, if any, that may be associated with any share-based incentive scheme of the Company. The Directors may also purchase existing Shares to be held in treasury, and such treasury shares may consequently be transferred for the purposes of employee share schemes implemented by the Company.

If and when circumstances permit, the Directors will decide whether to effect the share purchases via Market Purchases or Off-Market Purchases, after taking into account factors such as the amount of cash available, the prevailing market conditions and the most cost-effective and efficient approach. The Directors do not propose to carry out purchases pursuant to the Share Buyback Mandate to such an extent that would, or in circumstances that might, result in a material adverse effect on the float, liquidity, orderly trading of the Shares and/or financial position of the Group.

2.3 Authority and Limits of the Share Buyback Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buyback Mandate are summarised below.

2.3.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares that may be purchased or acquired by the Company is limited to that number of Shares representing not more than 10% of the issued ordinary shares of the Company (excluding treasury shares) as at the date of the EGM at which the Share Buyback Mandate is approved, unless the Company has, at any time during the Relevant Period, effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time).

For illustrative purposes only, on the basis of 1,266,259,963 Shares in issue (excluding treasury shares) as at the Latest Practicable Date, and assuming no further Shares are issued on or prior to the EGM, not more than 126,625,996 Shares (representing 10% of the issued ordinary shares of the Company (excluding treasury shares) as at the date of the EGM) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate during the period referred to in Paragraph 2.3.2 of this Circular.

While the Share Buyback Mandate would authorise a purchase or acquisition of Shares up to the 10% limit, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may not be carried out up to the full 10% limit as authorised, or at all. In particular, no purchase or acquisition of the Shares would be made in circumstances which would have or may have a material adverse effect on the float, liquidity, orderly trading of the Shares and/or financial position of the Group.

2.3.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM at which the proposed renewal of the Share Buyback Mandate is approved, up to the earliest of:

- (a) the date on which the next AGM is held or is required by law to be held; or
- (b) the date on which the purchases or acquisitions of Shares are carried out to the full extent of the Share Buyback Mandate; or
- (c) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Shareholders in a general meeting.

The authority conferred on the Directors by the Share Buyback Mandate to purchase Shares may be renewed by Shareholders in the next AGM or at an extraordinary general meeting to be convened immediately after the conclusion or adjournment of the next AGM. When seeking the approval of the Shareholders for the renewal of the Share Buyback Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Share Buyback Mandate made during the previous 12 months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases.

2.4 Manner of Purchase or Acquisition of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases ("**Market Purchases**"), transacted on the SGX-ST through the SGX-ST's trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchases**") in accordance with an equal access scheme(s), which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules.

The Directors may impose such terms and conditions which are not inconsistent with the Share Buyback Mandate, the Catalist Rules and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must also satisfy all of the following conditions as set out under the Companies Act:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and

- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (a) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements, (b) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid (if applicable) and (c) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

The Catalist Rules further provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed share buyback;
- (4) the consequences, if any, of share purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (5) whether the share buybacks, if made, could affect the listing of the Company's equity securities on the SGX-ST;
- (6) details of any share buybacks made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of the Shares purchased, the purchase price per Share or the highest or lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (7) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.5 Maximum Purchase Price

The purchase price to be paid for the Shares will be determined by the Directors. However, the purchase price to be paid for the Shares pursuant to the share buyback (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Market Price (as defined below); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Market Price (as defined below),

(the "**Maximum Price**") in either case, excluding related expenses of the purchase.

For the purposes of determining the Maximum Price:

"Average Closing Market Price" means the average of the closing market prices of a Share over the last five Market Days on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of the Shares was made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five day period;

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.6 Status of Purchased or Acquired Shares

Any Share which is purchased by the Company is deemed cancelled immediately on purchase (and all rights and privileges attached to that Share will expire on such cancellation), unless such Share is held by the Company as a treasury share. All Shares (excluding Shares held by Company as treasury shares) purchased by the Company will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased by the Company and which are not held as treasury shares. At the time of each purchase of Shares by the Company, the Directors will decide whether the Shares purchased will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company at that time.

2.7 Treasury Shares

Under the Companies Act, Shares purchased by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

(a) *Maximum Holdings*

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares. Any Shares in excess of this limit shall be disposed or cancelled in accordance with the applicable provisions of the Companies Act.

(b) *Voting and Other Rights*

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number, is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as the total value of the treasury shares before the subdivision or consolidation, as the case may be.

(c) *Disposal and Cancellation*

Where Shares are held as treasury shares, the Company may at any time:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

Under the Catalist Rule 704(31), an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the "usage"). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares comprised in the usage, the number of shares before and after the usage, the percentage of the number of treasury shares against the

total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage, and the value of the treasury shares if they are used for a sale or transfer or cancelled.

2.8 Reporting and Catalist Rules Requirements

Within 30 days of the passing of a Shareholders' ordinary resolution to approve the purchases or acquisitions of Shares by the Company, the Company shall lodge a copy of such resolution with the Registrar.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Directors shall lodge with the Registrar the notice of cancellation or disposal of treasury shares in the prescribed form as required by the Registrar.

The Company shall notify the Registrar within 30 days of a purchase of Shares on the SGX-ST or otherwise. Such notification shall include the date of the purchases, the total number of Shares purchased by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before the purchase of Shares and after the purchase of Shares, the amount of consideration paid by the Company for the purchases, whether the Shares were purchased out of profits or the capital of the Company and such other particulars as may be required in the prescribed form.

Catalist Rule 871 specifies that a listed company shall announce all purchases or acquisitions of its shares via SGXNET not later than 9.00 a.m.,

- (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

The notification of such purchases or acquisition of Shares via SGXNET shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications via SGXNET.

While the Catalist Rules do not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buyback Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares pursuant to the Share Buyback Mandate during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements.

The Catalist Rules requires a listed company to ensure that at least 10% of the total number of any class of its listed securities must be held by public shareholders. The "public", as defined under the Catalist Rules, are persons other than the Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, 705,910,003 Shares representing 55.75% of the issued Shares (excluding treasury shares) are held by public Shareholders. In the event that the Company purchases the maximum of 10% of its issued ordinary share capital from such public Shareholders, the resultant percentage of the issued Shares held by the public Shareholders would be reduced to approximately 50.83% of the issued Shares (excluding treasury shares). Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the

Share Buyback Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

2.9 Source of Funds

The Companies Act permits the Company to purchase its Shares out of capital, as well as from its distributable profits so long as the Company is solvent (as defined in Section 76F(4) of the Companies Act).

The Company intends to use internal sources of funds, or a combination of internal resources and external borrowings, to finance purchases of Shares pursuant to the Share Buyback Mandate.

2.10 Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the amount borrowed by the Group (if any) to fund the purchases or acquisitions, whether the Shares are purchased or acquired out of capital or profits, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Group and the Company, based on the audited financial statements of the Group and the Company for FY2015, are based on the assumptions set out below.

(a) Purchase or acquisition out of capital or profits

The Companies Act permits the Company to purchase its Shares out of capital, as well as from its distributable profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (including related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

(b) Number of Shares purchased or acquired

As at the Latest Practicable Date, the issued capital of the Company comprised 1,266,259,963 Shares (excluding treasury shares). Based on the issued and paid-up ordinary share capital of the Company as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the EGM, the purchase by the Company of up to the maximum limit of 10% of its issued Shares will result in the purchase or acquisition of 126,625,996 Shares.

(c) Maximum price paid for Shares purchased or acquired

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 126,625,996 Shares at the Maximum Price of S\$0.103 for one Share (being the price equivalent to five per cent. above the Average Closing Market Price of the Shares for the last five Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 126,625,996 Shares is S\$13,042,000 (equivalent to approximately US\$9,505,000).

In the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires 126,625,996 Shares at the Maximum Price of S\$0.118 for one Share (being the price equivalent to 20% above the Average Closing Market Price of the Shares as recorded for the last five Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 126,625,996 Shares is S\$14,942,000 (equivalent to approximately US\$10,889,000).

For illustrative purposes only, and based on the assumptions set out in the sub-paragraphs (a) to (c) above, and assuming that (i) the purchase of Shares is financed by internal sources of funds; (ii) the Share Buyback Mandate had been effective on 1 January 2015; (iii) transaction costs incurred for the purchase or acquisition of Shares pursuant to the Share Buyback Mandate are assumed to be insignificant and have been ignored for the purpose of computing the financial effects; and (iv) the Company had purchased the 126,625,996 Shares (representing 10% of the total number of issued Shares of the Company as at the Latest Practicable Date) on 1 January 2015, the financial effects of the purchase of 126,625,996 Shares by the Company pursuant to the Share Buyback Mandate:

- (1) by way of purchases made entirely out of capital and held as treasury shares; and
- (2) by way of purchases made entirely out of capital and cancelled,

on the audited financial statements of the Company and the Group for FY2015 are set out on pages 14 and 15 of this Circular.

Based on the audited financial statements of the Company and the Group for FY2015, the Company and the Group has no distributable profits to effect any Share buyback. As such, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of Market Purchases and Off-Market Purchases made entirely out of profits is not disclosed in this Circular.

(1) Purchases made entirely out of capital and held as treasury shares

	Group			Company		
	After Share Buyback			After Share Buyback		
	Before Share Buyback	Market Purchase	Off-Market Purchase	Before Share Buyback	Market Purchase	Off-Market Purchase
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
As at 31 December 2015						
Share capital	254,055	254,055	254,055	254,055	254,055	254,055
Other reserves	6,841	6,841	6,841	1,744	1,744	1,744
Accumulated losses	(127,220)	(127,220)	(127,220)	(119,598)	(119,598)	(119,598)
Treasury shares	-	(9,505)	(10,889)	-	(9,505)	(10,889)
Non-controlling interests	19,282	19,282	19,282	-	-	-
Total equity	152,958	143,453	142,069	136,201	126,696	125,312
Intangible assets	7,615	7,615	7,615	-	-	-
Net tangible assets ⁽¹⁾	126,061	116,556	115,172	136,201	126,696	125,312
Current assets	159,861	150,356	148,972	69,202	59,697	58,313
Current liabilities	60,364	60,364	60,364	1,692	1,692	1,692
Total borrowings	33,720	33,720	33,720	-	-	-
Total issued number of shares ('000)	1,264,157	1,137,531	1,137,531	1,264,157	1,137,531	1,137,531
Weighted average number of shares ('000)	1,264,118	1,137,492	1,137,492	1,264,118	1,137,492	1,137,492
Number of treasury shares ('000)	-	126,626	126,626	-	126,626	126,626
Loss for the year, net of tax	(56,897)	(56,897)	(56,897)	(57,875)	(57,875)	(57,875)
Loss attributable to Shareholders	(56,630)	(56,630)	(56,630)	(57,875)	(57,875)	(57,875)
Financial Ratios						
Net tangible assets per share (US cents) ⁽²⁾	9.97	10.25	10.12	10.77	11.14	11.02
Gearing (%) ⁽³⁾	22	24	24	-	-	-
Current ratio (times) ⁽⁴⁾	2.65	2.49	2.47	40.90	35.28	34.46
Basic loss per share (US cents) ⁽⁵⁾	(4.48)	(4.98)	(4.98)	(4.58)	(5.09)	(5.09)

Notes:

⁽¹⁾ Net tangible assets as disclosed above excludes non-controlling interests.

⁽²⁾ Net tangible assets per share is calculated based on net tangible assets divided by the total number of shares (excluding treasury shares) as at 31 December 2015.

⁽³⁾ Gearing is calculated based on total borrowings divided by total equity.

⁽⁴⁾ Current ratio is calculated based on current assets divided by current liabilities.

⁽⁵⁾ Basic loss per share is calculated based on loss for the year (net of tax) attributable to the Shareholders, divided by the weighted average number of shares as at 31 December 2015.

(2) Purchases made entirely out of capital and cancelled

	Group			Company		
	After Share Buyback			After Share Buyback		
	Before Share Buyback	Market Purchase	Off-Market Purchase	Before Share Buyback	Market Purchase	Off-Market Purchase
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
As at 31 December 2015						
Share capital	254,055	244,550	243,166	254,055	244,550	243,166
Other reserves	6,841	6,841	6,841	1,744	1,744	1,744
Accumulated losses	(127,220)	(127,220)	(127,220)	(119,598)	(119,598)	(119,598)
Treasury shares	-	-	-	-	-	-
Non-controlling interests	19,282	19,282	19,282	-	-	-
Total equity	152,958	143,453	142,069	136,201	126,696	125,312
Intangible assets	7,615	7,615	7,615	-	-	-
Net tangible assets ⁽¹⁾	126,061	116,556	115,172	136,201	126,696	125,312
Current assets	159,861	150,356	148,972	69,202	59,697	58,313
Current liabilities	60,364	60,634	60,634	1,692	1,692	1,692
Total borrowings	33,720	33,720	33,720	-	-	-
Total issued number of shares ('000)	1,264,157	1,137,531	1,137,531	1,264,157	1,137,531	1,137,531
Weighted average number of shares ('000)	1,264,118	1,137,492	1,137,492	1,264,118	1,137,492	1,137,492
Number of treasury shares ('000)	-	-	-	-	-	-
Loss for the year, net of tax	(56,897)	(56,897)	(56,897)	(57,875)	(57,875)	(57,875)
Loss attributable to Shareholders	(56,630)	(56,630)	(56,630)	(57,875)	(57,875)	(57,875)
Financial Ratios						
Net tangible assets per share (US cents) ⁽²⁾	9.97	10.25	10.12	10.77	11.14	11.02
Gearing (%) ⁽³⁾	22	24	24	-	-	-
Current ratio (times) ⁽⁴⁾	2.65	2.49	2.47	40.90	35.28	34.46
Basic loss per share (US cents) ⁽⁵⁾	(4.48)	(4.98)	(4.98)	(4.58)	(5.09)	(5.09)

Notes:

⁽¹⁾ Net tangible assets as disclosed above excludes non-controlling interests.

⁽²⁾ Net tangible assets per share is calculated based on net tangible assets divided by the total number of shares (excluding treasury shares) as at 31 December 2015.

⁽³⁾ Gearing is calculated based on total borrowings divided by total equity.

⁽⁴⁾ Current ratio is calculated based on current assets divided by current liabilities.

⁽⁵⁾ Basic loss per share is calculated based on loss for the year (net of tax) attributable to the Shareholders, divided by the weighted average number of shares as at 31 December 2015.

Shareholders should note that the financial effects set out above are purely for illustrative purposes only. Although the proposed renewal of the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of issued Shares. In addition, the Company may cancel all or part of the Shares purchased, or hold all or part of the Shares repurchased in treasury.

2.11 Take-over Code Implications

Pursuant to Rule 14 of the Take-over Code, a person will be required to make a general offer for a public company if:

- (a) he acquires 30% or more of the voting rights of the company; or
- (b) he holds between 30% and 50% of the voting rights of the company and he increases his voting rights in the company by more than one per cent. in any six-month period.

If the proportionate shareholding in the voting capital of the company of a shareholder and persons acting in concert with him increases as a result of the company buying back its shares, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in the shareholder and persons acting in concert with him obtaining or consolidating effective control of the company, they may be obliged to make a take-over offer under Rule 14 of the Take-over Code.

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

The following individuals will, *inter alia*, be presumed to be acting in concert unless the contrary is established:

- (a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;
- (b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a *bona fide* offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above persons, and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above for the purchase of voting rights.

The circumstances under which Shareholders of the Company, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.11.1 Effect of Rule 14 and Appendix 2 “Share Buy-Back Guidance Note” of the Take-over Code

Generally, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors of the Company and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company’s voting rights, if the voting rights of such Directors and their concert parties would increase by more than one per cent. in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its own Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company’s voting rights, the voting rights of such Shareholder would increase by more than one per cent. in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

Shareholders are advised to consult their professional advisers and/or the SIC at the earliest opportunity as to whether an obligation on them to make a mandatory take-over offer would arise by reason of any purchases or acquisitions of Shares by the Company.

2.11.2 Information on the Concert Party Group

As at the Latest Practicable Date, Rex Commercial Ltd. holds 556,921,960 Shares, representing approximately 43.98% of the issued Shares (excluding treasury shares). Rex Commercial Ltd. is a wholly-owned subsidiary of Rex Partners Ltd. which is in turn held 80% and 20% by Limea Ltd. and Mr Svein Kjellesvik, respectively. Limea Ltd. is held 50% and 50% by Dr Karl Lidgren and Mr Hans Lidgren, respectively. Dr Karl Lidgren is presently an executive director of the Company. Mr Måns Lidgren, the Chief Executive Officer, who is the son of Dr Karl Lidgren, was granted a contingent award of up to 1,161,600 ordinary shares (“**Award Shares**”) pursuant to the Rex PSP, of which none of the Award Shares have vested. As such, the abovementioned persons would be presumed to be concert parties for the purposes of the Take-over Code (the “**Concert Party Group**”, each a “**Concert Party**”).

Pursuant to Appendix 2 read together with Rule 14 of the Take-over Code, if, as a result of any purchase or acquisition by the Company of the Shares, the proportionate interest in the voting rights held by the Concert Parties or the Concert Party Group increases, such increase will be treated as an acquisition for the purpose of Rule 14 of the Take-over Code. Consequently, the Concert Parties could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

For illustrative purposes only, the purchase or acquisition of 126,625,996 Shares by the Company (representing 10% of the issued Shares (excluding any treasury shares) as at the Latest Practicable Date) from the Independent Shareholders pursuant to the maximum limit permitted under the Share Buyback Mandate, would result in the interest in Shares of each of the relevant Concert Party and the Concert Party Group increasing from approximately 43.98% to approximately 48.87% of the issued Shares (excluding treasury shares).

2.11.3 Conditional Exemption from Having to Make a Take-over Offer

Under Appendix 2 of the Take-over Code, the Concert Party Group will be exempted from the requirement to make a general offer under Rule 14 of the Take-over Code, subject to the following conditions:

- (a) the circular to Shareholders on the resolution to authorise the Share Buyback Mandate to contain advice to the effect that by voting for such resolution, Shareholders are waiving their right to a general offer at the required price from the Concert Party Group which, as a result of the Company buying back its Shares, would, in aggregate, increase the Concert Party Group's voting rights by more than one per cent. in any period of six months, and the names of the members of the Concert Party Group, their voting rights at the time of the resolution and after the proposed share buyback;
- (b) the resolution to authorise a share buy-back to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the buy-back of Shares by the Company;
- (c) the Concert Party Group to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the Share Buyback Mandate;
- (d) within seven days after passing the resolution to authorise the Share Buyback Mandate, Dr Karl Lidgren to submit to the SIC a duly signed form as prescribed by the SIC;
- (e) the Concert Party Group not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the renewal of the Share Buyback Mandate proposal is imminent and the earlier of (a) the date on which the authority of the Share Buyback Mandate expires, and (b) the date on which the Company announces it has bought back such number of Shares as authorised by the Share Buyback Mandate or it has decided to cease buying back its Shares, as the case may be, if such acquisitions, taken together with the buyback of Shares by the Company, would cause the voting rights in the Company of any Concert Party to increase to 30% or more; and
- (f) the Concert Party Group not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the renewal of the Share Buyback Mandate proposal is imminent and the earlier of (a) the date on which the authority of the Share Buyback Mandate expires, and (b) the date on which the Company announces it has bought back such number of Shares as authorised by the Share Buyback Mandate or it has decided to cease buying back its Shares, as the case may be, if such acquisitions, taken together with the buyback of Shares by the Company, would cause their aggregate voting rights in the Company to increase by more than one per cent. in the preceding six months.

Form 2 (Submission by directors pursuant to Appendix 2 "Share Buy-Back Guidance Note" of the Take-over Code) is the prescribed form to be submitted to the SIC by a director acting in concert with a shareholder of a listed company who could become obliged to make a take-over offer under Rule 14 of the Take-over Code as a result of the buyback of Shares by the Company pursuant to the conditions for exemption (as set out above).

As at the Latest Practicable Date, Dr Karl Lidgren has informed the Company that he will submit a Form 2 to the SIC within seven days after the passing of the ordinary resolution relating to the proposed renewal of the Share Buyback Mandate.

CAUTIONARY NOTE TO INDEPENDENT SHAREHOLDERS

SHAREHOLDERS ARE ADVISED THAT BY VOTING IN FAVOUR OF THE ORDINARY RESOLUTION RELATING TO THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE, THEY WILL BE WAIVING THEIR RIGHT TO A GENERAL OFFER AT THE REQUIRED PRICE FROM THE CONCERT PARTY AND/OR THE CONCERT PARTY GROUP WHO, AS A RESULT OF THE COMPANY BUYING BACK ITS SHARES, WOULD INCREASE THEIR VOTING RIGHTS BY MORE THAN ONE PER CENT. IN ANY PERIOD OF SIX MONTHS OR WHO, AS A RESULT OF THE COMPANY BUYING BACK ITS SHARES, WOULD INCREASE ITS VOTING RIGHTS TO 30% OR MORE IF APPLICABLE.

2.12 No Share Buybacks in the Previous 12 Months

The Company has not purchased or acquired any Shares during the 12-month period preceding the Latest Practicable Date.

2.13 Tax Implications

Shareholders who are in doubt as to their tax positions or any tax implications arising from the Share Buyback Mandate in their respective jurisdictions should consult their own professional advisers.

3. THE PROPOSED PARTICIPATION BY AND GRANT OF AWARDS TO ASSOCIATES OF A CONTROLLING SHAREHOLDER UNDER THE REX PSP

3.1 Introduction

The Rex PSP was adopted by the Company at an extraordinary general meeting of the Company held on 24 June 2013, as amended pursuant to Shareholders' approval at an extraordinary general meeting of the Company held on 30 April 2014.

Approval of Shareholders is being sought in relation to the participation by and grant of Awards to the following associates of a Controlling Shareholder, namely, Mr Måns Lidgren, CEO of the Company, Mrs Lina Berntsen, Chief Technology Officer of the Company, Mr Martin Lidgren, employee of the Company's wholly-owned subsidiary, Equus, and Mr Magnus Lidgren, employee of Equus.

3.2 Participation by Associates of a Controlling Shareholder

The Rex PSP was implemented to promote higher performance goals and recognising the achievements of Group Employees by providing them with an opportunity to participate in the equity of the Company, and seeks to motivate Group Employees towards better performance in the long-term coupled with loyalty to our Group.

The purpose for the participation by Group Employees who are Controlling Shareholders or associates of Controlling Shareholders in the Rex PSP is to provide an opportunity for eligible Group Employees who are Controlling Shareholders or associates of Controlling Shareholders who have contributed or continue to contribute significantly to the growth and performance of the Group to participate in the equity of the Company.

The rules of the Rex PSP do not differentiate between the Controlling Shareholders or associates of Controlling Shareholders from other Group Employees in determining the eligibility of such persons to be granted Awards. Controlling Shareholders or associates of Controlling Shareholders should not be excluded from participating in the Rex PSP solely for the reason that they are Controlling Shareholders or associates of Controlling Shareholders. To deny participation by the Controlling Shareholders or associates of Controlling Shareholders may undermine the objectives of the Rex PSP.

The Company acknowledges that the services and contributions of the Group Employees who are Controlling Shareholders or associates of Controlling Shareholders have been instrumental and will continue to be crucial to the development and success of the Group. The extension of the Rex PSP to the Controlling Shareholders or associates of Controlling Shareholders allows the Company to have a fair and equitable system for rewarding these Group Employees who have made and continue to make important contributions to the long-term growth of the Group notwithstanding that they are Controlling Shareholders or associates of Controlling Shareholders, and seeks to align the long-term interest of the Group Employee with that of the Group's. Allowing Group Employees who are Controlling Shareholders or associates of Controlling Shareholders to be remunerated under the Rex PSP would also conserve the Company's cash and allow the Company increased flexibility to use their existing cash for the Group's operations.

As a safeguard against abuse, all members of the Board who are neither Controlling Shareholders nor their associates will be involved in deliberations in respect of the Awards to be granted to or held by Controlling Shareholders or associates of Controlling Shareholders and the terms and conditions, including the Vesting Periods attached to such Awards.

Specific approval of the independent Shareholders is required for the participation and grant of Awards to Controlling Shareholders or Associates of Controlling Shareholders, as well as the specific terms of such Awards and the number of New Shares which are the subject of the Awards. In seeking such independent Shareholders' approval, clear justification as to their participation, the number of New Shares and the terms of Awards to be granted to the Controlling Shareholders or Associates of Controlling Shareholders will need to be provided.

The Company is of the view that there are sufficient safeguards against abuse resulting from the participation by the Controlling Shareholders or Associates of Controlling Shareholders in the Rex PSP.

3.3 Rationale for the Proposed Grant of an Award under the Rex PSP to Mr Måns Lidgren

3.3.1 Mr Måns Lidgren is the CEO of the Company and the son of Dr Karl Lidgren, an Executive Director and a Controlling Shareholder of the Company. The participation of Mr Måns Lidgren in the Rex PSP was previously approved by Shareholders at an extraordinary general meeting of the Company convened on 30 April 2014. Mr Måns Lidgren is integral to the Group's core management team, providing leadership and strategic direction, and is responsible for making major business and finance decisions. He oversees the business strategies of the Company and steers corporate expansion plans. Under his management, the Group has expanded and his contributions are essential in ensuring the continual growth of the Group and successful ventures with its partners.

3.3.2 The Directors propose to grant an Award to Mr Måns Lidgren in accordance with the rules of the Rex PSP and on, *inter alia*, the following terms:

Proposed date of grant of Award	:	29 April 2016
Number of Shares comprised in the Award	:	Up to 7,909,600 Shares (representing approximately 0.62% of the total issued Shares as at the Latest Practicable Date, and approximately 4.16% of the maximum number of Shares available under the Rex PSP and any other similar schemes of the Company)
Vesting period of the proposed Award	:	The number of Shares to be issued pursuant to the proposed award will range from 0% to 100% subject to certain pre-determined performance benchmarks and the satisfactory completion of time-based service condition(s) decided by the committee administering the Rex PSP (the "Committee"). The proposed Award shall only be fully released in one tranche as soon as reasonably practicable after the end of a two year vesting period from the date of grant of the proposed Award

The performance targets set for Mr Måns Lidgren are based on short to medium-term corporate objectives, including market competitiveness, quality of returns, business growth and productivity growth.

3.3.3 Mr Måns Lidgren's remuneration package which includes his salary, benefits and bonus, was S\$1,250,928 for FY2015. The Directors are of the view that the extension of the Rex PSP to Mr Måns Lidgren is consistent with the Company's objectives to motivate its Group Employees to achieve and maintain a high level of performance and contribution which are vital to the success of the Company. Rewarding Mr Måns Lidgren for his performance by extending participation in the Rex PSP to him will ensure that his interests remain aligned with that of the

Company and will enhance his long-term commitment to the Group with a view to achieving long-term growth for the Group. The extension of the Rex PSP to Mr Måns Lidgren would generally allow the Company greater flexibility with their cash and compensation structure, and would conserve more of the Company's cash.

3.4 Rationale for the Proposed Participation by and Grant of an Award under the Rex PSP to Mrs Lina Berntsen

3.4.1 Mrs Lina Berntsen is the Group's Chief Technology Officer and the daughter of Mr Hans Lidgren, a Controlling Shareholder of the Company. Mrs Lina Berntsen joined the Group in 2012 as the Rex Virtual Drilling specialist to Lime Petroleum Norway AS, and is currently responsible for overseeing and co-ordinating the use of Rex Technologies, which the Group relies on for its exploration activities. Prior to the listing of the Company on the Catalist, Mrs Berntsen had also worked on Rex Virtual Drilling and has years of familiarity with the processes.

3.4.2 The Directors propose to grant an Award to Mrs Lina Berntsen in accordance with the rules of the Rex PSP and on, *inter alia*, the following terms:

Proposed date of grant of Award	:	29 April 2016
Number of Shares comprised in the Award	:	Up to 1,748,700 Shares (representing approximately 0.14% of the total issued Shares as at the Latest Practicable Date, and approximately 0.92% of the maximum number of Shares available under the Rex PSP and any other similar schemes of the Company)
Vesting period of the proposed Award	:	The number of Shares to be issued pursuant to the proposed Award will range from 0% to 100%, subject to certain pre-determined performance benchmarks and the satisfactory completion of time-based service condition(s) decided by the Committee. The proposed Award shall only be fully released in one tranche as soon as reasonably practicable after the end of a two year vesting period from the date of grant of the proposed Award

The performance targets set for Mrs Lina Berntsen are based on short to medium-term corporate objectives, including market competitiveness, quality of returns, business growth and productivity growth.

3.4.3 Mrs Lina Berntsen's remuneration for FY2015 was in the band of S\$100,000 to S\$150,000. The Directors are of the view that Mrs Lina Berntsen's contributions are vital to the growth and expansion of the Group's interest, and the Group's ability to retain its key management is important to its continued success. Although Mrs Berntsen is an associate of a Controlling Shareholder, the extension of the Rex PSP to Mrs Lina Berntsen will allow her to be equally entitled with other employees who are not Controlling Shareholders or their associates to take part in and benefit from this system of remuneration, and would therefore align her interests with those of the Company and enhance her long-term commitment to the Group with a view of achieving long-term growth for the Group. The participation by Mrs Lina Berntsen under the Rex PSP will be consistent with the objectives of the Rex PSP and will also allow the Company greater flexibility and will conserve the Company's cash.

3.5 Rationale for the Proposed Participation by and Grant of an Award under the Rex PSP to Mr Martin Lidgren

3.5.1 Mr Martin Lidgren is a key employee of Equus, a subsidiary of the Company, and is the son of Dr Karl Lidgren. Mr Martin Lidgren has been working with Equus since 2011 as a technology specialist providing consulting services on technical calculations for Rex Technology Management. His technical knowledge is key in the utilisation of Rex Technologies and he has provided high level guidance to the Group's employees. Mr Martin Lidgren's experience and knowledge is essential to the Group in its exploration efforts.

3.5.2 The Directors propose to grant an Award to Mr Martin Lidgren in accordance with the rules of the Rex PSP and on, *inter alia*, the following terms:

Proposed date of grant of Award	:	29 April 2016
Number of Shares comprised in the Award	:	Up to 874,400 Shares (representing approximately 0.07% of the total issued Shares as at the Latest Practicable Date, and approximately 0.46% of the maximum number of Shares available under the Rex PSP and any other similar schemes of the Company)
Vesting period of the proposed Award	:	The number of Shares to be issued pursuant to the proposed Award will range from 0% to 100% subject to certain pre-determined performance benchmarks and the satisfactory completion of time-based service condition(s) decided by the Committee administering the Rex PSP. The proposed Award shall only be fully released in one tranche as soon as reasonably practicable after the end of a two year vesting period from the date of grant of the proposed Award

The performance targets set for Mr Martin Lidgren are based on short to medium-term corporate objectives, including market competitiveness, quality of returns, business growth and productivity growth.

3.5.3 Mr Martin Lidgren's remuneration for FY2015 was in the band of S\$100,000 to S\$150,000. The Directors are of the view that allowing Mr Martin Lidgren to participate in the Rex PSP would be in line with the objectives of the Rex PSP to promote higher performance goals by providing them with an opportunity to participate in the equity of the Company, and to recognise the contributions made to the Group. Participation in the Rex PSP would ensure that Mr Martin Lidgren's interests remain aligned with the Group's and would give the Directors flexibility in structuring his remuneration package and would conserve the Company's cash. Allowing Mr Martin Lidgren's participation in the Rex PSP would provide the Company the flexibility in structuring his remuneration package and allow him equal treatment with employees who are not associates of a Controlling Shareholder.

3.6 Rationale for the Proposed Participation by and Grant of an Award under the Rex PSP to Mr Magnus Lidgren

3.6.1 Mr Magnus Lidgren is a key employee of Equus and the brother of Dr Karl Lidgren. Mr Magnus Lidgren joined Equus in 2012 as a technology specialist and is responsible for providing technical calculations to Rex Technology Management. Mr Magnus Lidgren's services as a Group Employee is crucial to the Group in their use of Rex Technologies for the Group's exploration activities, which is the Group's core business. Mr Magnus Lidgren is familiar with Rex Technologies and his intricate knowledge of the highly technical analyses required is vital to the Group.

3.6.2 The Directors propose to grant an Award to Mr Magnus Lidgren in accordance with the rules of the Rex PSP and on, *inter alia*, the following terms:

Proposed date of grant of Award	:	29 April 2016
Number of Shares comprised in the Award	:	Up to 874,400 Shares (representing approximately 0.07% of the total issued Shares as at the Latest Practicable Date, and approximately 0.46% of the maximum number of Shares available under the Rex PSP and any other similar schemes of the Company)

Vesting period of the proposed Award : The number of Shares to be issued pursuant to the proposed Award will range from 0% to 100% subject to certain pre-determined performance benchmarks and the satisfactory completion of time-based service condition(s) decided by the Committee administering the Rex PSP. The proposed Award shall only be fully released in one tranche as soon as reasonably practicable after the end of a two year vesting period from the date of grant of the proposed Award

The performance targets set for Mr Magnus Lidgren are based on short to medium-term corporate objectives, including market competitiveness, quality of returns, business growth and productivity growth.

3.6.3 Mr Magnus Lidgren's remuneration for FY2015 was in the band of S\$100,000 to S\$150,000. Mr Magnus Lidgren has been essential in the continued contributions to the Group through his work at Equus, and the Directors are of the view that he will continue to play an important part in the growth and development of the Group. Through the alignment of his interests with the Company's by the extension of the Rex PSP to him, Mr Magnus Lidgren's contributions can be acknowledged and the Group will have more flexibility while conserving the Company's cash. The Directors are of the view that the grant of the proposed Award will motivate Mr Magnus Lidgren toward maintaining a high level of performance and contribution to the Group.

3.7 Existing Shareholdings

Save for the contingent Award comprising up to 1,161,600 Award Shares granted to Mr Måns Lidgren, which have not yet vested in him, none of Mr Måns Lidgren, Mrs Lina Berntsen, Mr Martin Lidgren or Mr Magnus Lidgren hold any Shares in the Company.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST

As at the Latest Practicable Date, the interests of Directors and Substantial Shareholders of the Company are as follows:

	Direct interest		Deemed interest	
	Number of shares	% of total issued shares	Number of shares	% of total issued shares
Directors				
Mr Dan Broström	428,000	0.03	3,000,000 ⁽¹⁾	0.24
Dr Karl Lidgren	-	-	556,921,960 ⁽²⁾	43.98
Mr Sin Boon Ann ⁽³⁾	-	-	-	-
Mr Abderahmane Fodil ⁽³⁾	-	-	-	-
Mr Muhammad Sameer Yousuf Khan ⁽³⁾	-	-	-	-
Mr Christopher Atkinson	-	-	-	-
Substantial Shareholders				
Rex Commercial Ltd.	556,921,960 ⁽²⁾	43.98	-	-
Rex Partners Ltd.	-	-	556,921,960 ⁽⁴⁾	43.98
Limea Ltd.	-	-	556,921,960 ⁽⁵⁾	43.98
Dr Karl Lidgren	-	-	556,921,960 ⁽⁵⁾	43.98
Mr Hans Lidgren	-	-	556,921,960 ⁽⁵⁾	43.98
Mr Svein Kjellesvik	-	-	556,921,960 ⁽⁶⁾	43.98

Notes:

⁽¹⁾ Mr Dan Broström holds 100% of the issued and paid-up capital of Cathay Ltd and is deemed interested in the 3,000,000 ordinary shares of Rex International Holding Limited held by Cathay Ltd by virtue of Section 7 of the Companies Act.

⁽²⁾ The 556,921,960 shares are held in the name of Citibank Nominees Singapore Pte Ltd.

⁽³⁾ Each of Mr Sin Boon Ann, Mr Abderahmane Fodil and Mr Muhammad Sameer Yousuf Khan has been granted and has accepted 375,000 options in respect of 375,000 unissued ordinary Shares of the Company.

- ⁽⁴⁾ Rex Partners Ltd. holds 100% of the issued share capital of Rex Commercial Ltd. and is deemed to be interested in the holdings of Rex Commercial Ltd.
- ⁽⁵⁾ Limea Ltd. holds 80% of the issued share capital of Rex Partners Ltd. and is deemed to be interested in the holdings of Rex Commercial Ltd. by virtue of Section 7 of the Companies Act. Each of Dr Karl Lidgren and Mr Hans Lidgren hold 50% of Limea Ltd., and are deemed interested in the holdings of Rex Commercial Ltd.
- ⁽⁶⁾ Mr Svein Kjellesvik holds 20% of the issued share capital of Rex Partners Ltd. and is deemed to be interested in the holdings of Rex Commercial Ltd. by virtue of Section 7 of the Companies Act.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 26 of this Circular, will be held on 29 April 2016 at the STI Auditorium, Level 9, Capital Tower, 168 Robinson Road, Singapore 068912 at 3.45 p.m. (or immediately after the conclusion of the AGM of the Company to be held at 3 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolutions set out in the notice of EGM.

6. DIRECTORS' RECOMMENDATIONS

In accordance with the exemption referred to in Paragraph 2.11.3 above, Dr Karl Lidgren has abstained from making any recommendation to Shareholders on the Ordinary Resolution 1 relating to the proposed renewal of the Share Buyback Mandate.

The Directors are all eligible to participate in and are therefore interested in the Rex PSP. Dr Karl Lidgren, who is an Executive Director and a Controlling Shareholder of the Company, which Mr Måns Lidgren, Mr Martin Lidgren and Mr Magnus Lidgren are associates of, has abstained from making any recommendations to the Shareholders in respect of Ordinary Resolutions 2, 3, 4, 5, 6, 7 and 8 as set out in the notice of EGM.

The Directors (other than Dr Karl Lidgren) are of the opinion that the proposed Ordinary Resolutions 1, 2, 3, 4, 5, 6, 7 and 8 are in the best interests of the Company. Accordingly, the Directors (other than Dr Karl Lidgren) recommend that Shareholders vote in favour of the said Ordinary Resolutions to be proposed at the EGM as set out in the notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy/proxies to attend and vote on their behalf will find enclosed with this Circular, a proxy form ("**Proxy Form**") which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the office of the Company's share registrar at 80 Robinson Road, #11-02, Singapore 068898 not less than 48 hours before the time appointed for the holding of the EGM. The completion and return of the Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy/proxies if he finds that he is able to do so. In such an event, the Proxy Form will be deemed to be revoked.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at 72 hours before the time fixed for the EGM.

8. ABSTENTIONS FROM VOTING

The Concert Party Group, including Dr Karl Lidgren, will not be accepting any appointment as proxy, corporate representative, attorney or otherwise for purposes of voting on the Ordinary Resolution 1 relating to the proposed renewal of the Share Buyback Mandate.

In accordance with the exemption referred to in Paragraph 2.11.3 above, the Concert Party Group shall abstain from voting at the EGM in respect of the Ordinary Resolution 1 relating to the proposed renewal of the Share Buyback Mandate.

Rex Commercial Ltd. and their associates, and Shareholders who are eligible to participate in the Rex PSP shall abstain from voting in respect of Ordinary Resolutions 2, 3, 4, 5, 6, 7 and 8 to be proposed at the EGM. Rex Commercial Ltd. and their associates and each of Dr Karl Lidgren, Mr Måns Lidgren, Mrs Lina Berntsen, Mr Martin Lidgren and Mr Magnus Lidgren shall also decline to accept appointment as proxies or nominees, as the case may be, for any Shareholder to vote in respect of the said Ordinary Resolutions unless the Shareholder appointing them has given specific instructions in his proxy form as to the manner in which his votes are to be cast in respect of the said Ordinary Resolutions.

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 Proposals, the Company and its subsidiaries, 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 at the registered office of the Company during normal business hours up to and including the date of the EGM:

- (a) the rules of the Rex PSP;
- (b) the Constitution of the Company; and
- (c) the annual report of the Company for FY2015.

Yours faithfully,
REX INTERNATIONAL HOLDING LIMITED

For and on behalf of the Board of Directors
Dan Broström
Executive Director and Chairman

REX INTERNATIONAL HOLDING LIMITED

(the “Company”)

(Company Number: 201301242M)

(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in this Circular dated 7 April 2016 issued by the Company.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “EGM”) of Rex International Holding Limited will be held at the STI Auditorium, Level 9, Capital Tower, 168 Robinson Road, Singapore 068912 on Friday, 29 April 2016 at 3.45 p.m. (or immediately after the conclusion of the AGM of the Company to be held at 3 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), the following resolution:

ORDINARY RESOLUTIONS

ORDINARY RESOLUTION 1: PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

(a) THAT, for the purposes of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”) and Section B of the listing manual of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the share capital of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as defined herein), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined herein), whether by way of:

- (i) on-market purchases (“**Market Purchases**”), transacted on the SGX-ST through the SGX-ST’s trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (ii) off-market purchases (“**Off-Market Purchases**”) in accordance with an equal access scheme(s), which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules,

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the Catalist Rules, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buyback Mandate**”);

(b) unless varied or revoked by the shareholders of the Company (“**Shareholders**”) in a general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:

- (i) the date on which the next annual general meeting is held or is required by law to be held; or
- (ii) the date on which the purchases or acquisitions of Shares are carried out to the full extent of the Share Buyback Mandate; or
- (iii) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by Shareholders in a general meeting.

(c) in this Resolution:

“**Maximum Limit**” means the number of Shares representing not more than 10% of the issued ordinary shares of the Company (excluding treasury shares) as at the date of this Resolution at which the Share Buyback Mandate is approved unless the Company has effected a reduction of

the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding treasury shares that may be held by the Company from time to time);

“**Maximum Price**” to be paid for the Shares to be purchased or acquired by the Company must not exceed:

- (i) in the case of a Market Purchase, 105% of the Average Closing Market Price; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Market Price,

in either case, excluding related expenses (such as brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) of the purchase;

“**Average Closing Market Price**” means the average of the closing market prices of a Share over the last five Market Days on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of the Shares was made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five day period;

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

“**Market Day**” means a day on which the SGX-ST is open for trading in securities.

- (d) THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including without limitation, executing such documents as may be required) as they may consider desirable, expedient or necessary to give effect to this Resolution.

ORDINARY RESOLUTION 2: PROPOSED GRANT OF AN AWARD TO MR MÅNS LIDGREN UNDER THE REX PSP

THAT,

- (a) the proposed grant of an Award to Mr Måns Lidgren, an associate of a Controlling Shareholder of the Company, in accordance with the terms under the Rex PSP and on the following terms be and is hereby approved:

Proposed date of grant of Award : 29 April 2016

Number of Shares comprised in the Award : Up to 7,909,600 Shares (representing approximately 0.62% of the total issued Shares as at the Latest Practicable Date, and approximately 4.16% of the maximum number of Shares available under the Rex PSP and any other similar schemes of the Company)

Vesting period of the proposed Award : The number of Shares to be issued pursuant to the proposed award will range from 0% to 100% subject to certain pre-determined performance benchmarks and the satisfactory completion of time-based service condition(s) decided by the committee administering the Rex PSP (the “**Committee**”). The proposed Award shall only be fully released in one tranche as soon as reasonably practicable after the end of a two-year vesting period from the date of grant of the proposed Award

- (b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution.

ORDINARY RESOLUTION 3: PROPOSED PARTICIPATION BY MRS LINA BERNTSEN IN THE REX PSP

THAT,

- (a) the participation of Mrs Lina Berntsen, an associate of a Controlling Shareholder of the Company, in the Rex PSP be and is hereby approved; and
- (b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution.

ORDINARY RESOLUTION 4: PROPOSED GRANT OF AN AWARD TO MRS LINA BERNTSEN UNDER THE REX PSP

THAT,

- (a) subject to and contingent upon the passing of ordinary Resolution 3, the proposed grant of an Award to Mrs Lina Berntsen, an associate of a Controlling Shareholder of the Company, in accordance with the terms under the Rex PSP and on the following terms be and is hereby approved:

Proposed date of grant of Award : 29 April 2016

Number of Shares comprised in the Award : Up to 1,748,700 Shares (representing approximately 0.14% of the total issued Shares as at the Latest Practicable Date, and approximately 0.92% of the maximum number of Shares available under the Rex PSP and any other similar schemes of the Company)

Vesting period of the proposed Award : The number of Shares to be issued pursuant to the proposed Award will range from 0% to 100%, subject to certain pre-determined performance benchmarks and the satisfactory completion of time-based service condition(s) decided by the Committee. The proposed Award shall only be fully released in one tranche as soon as reasonably practicable after the end of a two year vesting period from the date of grant of the proposed Award

- (b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution.

ORDINARY RESOLUTION 5: PROPOSED PARTICIPATION BY MR MARTIN LIDGREN IN THE REX PSP

THAT,

- (a) the participation of Mr Martin Lidgren, an associate of a Controlling Shareholder of the Company, in the Rex PSP be and is hereby approved; and
- (b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution.

ORDINARY RESOLUTION 6: PROPOSED GRANT OF AN AWARD TO MR MARTIN LIDGREN UNDER THE REX PSP

THAT,

- (a) subject to and contingent upon the passing of ordinary Resolution 5, the proposed grant of an Award to Mr Martin Lidgren, an associate of a Controlling Shareholder of the Company, in accordance with the terms under the Rex PSP and on the following terms be and is hereby approved:

Proposed date of grant of Award : 29 April 2016

Number of Shares comprised in the Award : Up to 874,400 Shares (representing approximately 0.07% of the total issued Shares as at the Latest Practicable Date, and approximately 0.46% of the maximum number of Shares available under the Rex PSP and any other similar schemes of the Company)

Vesting period of the proposed Award : The number of Shares to be issued pursuant to the proposed Award will range from 0% to 100% subject to certain pre-determined performance benchmarks and the satisfactory completion of time-based service condition(s) decided by the Committee administering the Rex PSP. The proposed Award shall only be fully released in one tranche as soon as reasonably practicable after the end of a two year vesting period from the date of grant of the proposed Award

- (b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution.

ORDINARY RESOLUTION 7: PROPOSED PARTICIPATION BY MR MAGNUS LIDGREN IN THE REX PSP

THAT,

- (a) the participation of Mr Magnus Lidgren, an associate of a Controlling Shareholder of the Company, in the Rex PSP be and is hereby approved; and
- (b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution.

ORDINARY RESOLUTION 8: PROPOSED GRANT OF AN AWARD TO MR MAGNUS LIDGREN UNDER THE REX PSP

THAT,

- (a) subject to and contingent upon the passing of ordinary Resolution 7, the proposed grant of an Award to Mr Magnus Lidgren, an associate of a Controlling Shareholder of the Company, in accordance with the terms under the Rex PSP and on the following terms be and is hereby approved:

Proposed date of grant of Award : 29 April 2016

Number of Shares comprised in the Award : Up to 874,400 Shares (representing approximately 0.07% of the total issued Shares as at the Latest Practicable Date, and approximately 0.46% of the maximum number of Shares available under the Rex PSP and any other similar schemes of the Company)

Vesting period of the proposed Award : The number of Shares to be issued pursuant to the proposed Award will range from 0% to 100% subject to certain pre-determined performance benchmarks and the satisfactory completion of time-based service condition(s) decided by the Committee administering the Rex PSP. The proposed Award shall only be fully released in one tranche as soon as reasonably practicable after the end of a two year vesting period from the date of grant of the proposed Award

- (b) any Director be and is hereby authorised to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they may consider necessary, desirable or expedient to give effect to this Resolution.

By Order of the Board

Cheo Meng Ching
Company Secretary
Singapore

7 April 2016

NOTES:

1. The Concert Party Group shall abstain from voting in respect of the ordinary resolution to approve the proposed renewal of the Share Buyback Mandate.
2. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Chapter 50 of Singapore (the "Companies Act"), a member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. Such proxy need not be a member of the Company.
3. Where a member who is not a Relevant Intermediary, appoints more than one proxy, the appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy in the instrument appointing the proxies.
4. Pursuant to Section 181(1C) of the Companies Act, a member who is a Relevant Intermediaries such as banks and capital markets services licence holders which provide custodial services and are members of the Company may appoint more than two proxies provided each proxy is appointed to exercise the rights attached to different shares held by the member. In such event, the Relevant Intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.
5. If the member is a corporation, the instrument appointing the proxy must be given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
6. The instrument appointing a proxy, duly executed, must be deposited at the registered office of the Company at 80 Robinson Road, #11-02, Singapore 068898 not less than 48 hours before the time appointed for holding the EGM.

PERSONAL DATA PRIVACY

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

REX INTERNATIONAL HOLDING LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 201301242M)

EXTRAORDINARY GENERAL MEETING PROXY FORM

Important:

1. Pursuant to Section 181(1C) of the Companies Act, Chapter 50 of Singapore, Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. For investors who have used their CPF/SRS monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF/SRS investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies.

I/We, _____ (Name)

_____ (NRIC No./Passport No./Company Registration No.)

of _____ (Address)

member/members of REX INTERNATIONAL HOLDING LIMITED (the “Company”), hereby appoint

Name	NRIC / Passport No.	Proportion of shareholdings	
		No. of Shares	%
Address			

* and/or

Name	NRIC / Passport No.	Proportion of shareholdings	
		No. of Shares	%
Address			

or failing him/her/they, the Chairman of the Extraordinary General Meeting (“EGM”), as *my/our *proxy/proxies to attend and to vote for *me/us on *my/our behalf at the EGM of the Company to be held at the STI Auditorium, Level 9, Capital Tower, 168 Robinson Road, Singapore 068912 on Friday, 29 April 2016 at 3.45 p.m. (or immediately after the conclusion of the AGM of the Company to be held at 3 p.m. on the same day and at the same place) and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Ordinary Resolution to be proposed at the EGM as indicated hereunder. If no specified directions as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as he/she/they will on any other matter arising at the EGM.

No.	Ordinary Resolution	No. of Shares For [#]	No. of Shares Against [#]
1.	To approve the Proposed Renewal of the Share Buyback Mandate		
2.	To approve the grant of an award under the Rex PSP comprising up to 7,909,600 Shares to Mr Måns Lidgren		
3.	To approve the participation of Mrs Lina Berntsen, an associate of a controlling shareholder of the Company, in the Rex PSP		
4.	To approve the grant of an award under the Rex PSP comprising up to 1,748,700 Shares to Mrs Lina Berntsen		
5.	To approve the participation of Mr Martin Lidgren, an associate of a controlling shareholder of the Company, in the Rex PSP		
6.	To approve the grant of an award under the Rex PSP comprising up to 874,400 Shares to Mr Martin Lidgren		
7.	To approve the participation of Mr Magnus Lidgren, an associate of a controlling shareholder of the Company, in the Rex PSP		
8.	To approve the grant of an award under the Rex PSP comprising up to 874,400 shares to Mr Magnus Lidgren		

[#] If you wish to exercise all your votes “For” or “Against”, please indicate with an “X” within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2016

Total No. of Shares in	No. of Shares
CDP Register	
Register of Members	

Signature of Member (s) / Common Seal

* Delete accordingly

IMPORTANT: Please Read Notes for This Proxy Form.



NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Chapter 50 of Singapore (the "Companies Act"), a member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. Such proxy need not be a member of the Company.
3. Where a member appoints two proxies, the member must specify the proportion of shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry one hundred per cent (100%) of the shareholdings of his/its appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.
4. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer of the corporation or attorney duly authorised.
5. Pursuant to Section 181(1C) of the Companies Act, a member who is a Relevant Intermediaries such as banks and capital markets services licence holders which provide custodial services and are members of the Company may appoint more than two proxies provided each proxy is appointed to exercise the rights attached to different shares held by the member. In such event, the Relevant Intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898 not less than 48 hours before the time appointed for holding the EGM. If a shareholder submits a proxy form and subsequently attends the meeting in person and votes, the appointments of the proxy should be revoked.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.
9. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Extraordinary General Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Extraordinary General Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Extraordinary General Meeting.

GENERAL:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

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