

Summary

Lime Petroleum AS FRN Senior Secured NOK
1,250,000,000 Bonds 2022/2025

NO0012806787

(Temporary Bonds to be converted into NO0012559246)



Manager:



Summaries are made up of disclosure requirements due to Article 7 in the REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2017.

A - INTRODUCTION AND WARNINGS

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| Warning | This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities. |
| The Bonds | ISIN: NO0012806787 - Temporary ISIN to be converted into NO0012559246 - Lime Petroleum AS FRN Senior Secured NOK 1,250,000,000 Bonds 2022/2025. |
| The Issuer | Lime Petroleum AS is a private limited company incorporated and domiciled in Norway and existing under the laws of Norway pursuant to the Norwegian Companies Act, the Norwegian Petroleum Act and the Petroleum Taxation Act. The Company was incorporated on the 14 August 2012, and the organization number in the Norwegian Register of Business Enterprises is 998 726 441 and LEI code 549300H385IGBB58CN91. The Company's registered name is Lime Petroleum AS, colloquially known as Lime. Lime's main office is in Oslo, located at Drammensveien 145 A, 0277 Oslo, Norway. |
| The Offeror | Not applicable. There is no offeror, the Prospectus has been produced in connection with listing of the bonds at Oslo Børs. The Issuer is going to ask for admission to trading on a regulated market. |
| Competent Authority Approving the Prospectus. | The Financial Supervisory Authority of Norway (Norwegian: <i>Finanstilsynet</i>), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and with telephone number +47 22 93 98 00 has reviewed and on 02.09.2022 and 10.05.2023, approved the Prospectus. |

B - KEY INFORMATION ON THE ISSUER

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| Who is the issuer of the securities? | |
| Corporate Information | Lime Petroleum AS is a private limited company incorporated and domiciled in Norway and existing under the laws of Norway pursuant to the Norwegian Companies Act, the Norwegian Petroleum Act and the Petroleum Taxation Act. The Company was incorporated 14 August 2012, and the organisation number in the Norwegian Register of Business Enterprises is 998 726 441 and LEI code 549300H385IGBB58CN91. Website: www.limepetroleum.com |
| Principal activities | Lime Petroleum is a small and fast-growing exploration and production company. The Company was pre-qualified in February 2013 and has since then grown a portfolio of exploration licences on the Norwegian Continental shelf. The Company's goal is to grow its portfolio further through licensing rounds and farm-ins and to participate in 1-3 exploration wells per year. |

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| Major Shareholders | Lime Petroleum AS is owned by Rex International Investments Pte. Ltd. (Rex; 91.65% share capital), a wholly owned subsidiary of the Singapore-listed Rex International Holding Limited, and Schroder & Co Banque SA (8.35% share capital). | | | | | | | | | | |
|------------------------|---|-------------|-----------------|-------------|-------------------------------|----------------|---------------|-------------|---------------------|-----------------|-------------------------------|
| Key managing directors | <table border="1"> <thead> <tr> <th>Name</th> <th>Position</th> </tr> </thead> <tbody> <tr> <td>Lars Hübert</td> <td>Chief Executive Officer (CEO)</td> </tr> <tr> <td>Bjørn Berntsen</td> <td>Asset Manager</td> </tr> <tr> <td>Karsten Eig</td> <td>Exploration Manager</td> </tr> <tr> <td>Kari Loe Nystog</td> <td>Chief Financial Officer (CFO)</td> </tr> </tbody> </table> | Name | Position | Lars Hübert | Chief Executive Officer (CEO) | Bjørn Berntsen | Asset Manager | Karsten Eig | Exploration Manager | Kari Loe Nystog | Chief Financial Officer (CFO) |
| Name | Position | | | | | | | | | | |
| Lars Hübert | Chief Executive Officer (CEO) | | | | | | | | | | |
| Bjørn Berntsen | Asset Manager | | | | | | | | | | |
| Karsten Eig | Exploration Manager | | | | | | | | | | |
| Kari Loe Nystog | Chief Financial Officer (CFO) | | | | | | | | | | |
| Statutory auditor | <p>Lime Petroleum's independent auditors are KPMG AS (registration number 935 174 627) which has their registered address at Sørkedalsveien 6, 0369 Oslo, Norway. The partners of KPMG are members of The Norwegian Institute of Public Accountants (Nw.: Den Norske Revisorforening).</p> <p>The financial statements of Lime Petroleum AS as at and for the year ended 31 December 2021, with comparable figures as at and for the year ended 31 December 2020, incorporated by reference herein, have been audited by KPMG AS, independent auditors as stated in their reports incorporated by reference herein. The financial statements of Lime Petroleum AS as at and for the year ended 31 December 2020, with comparable figures as at and for the year ended 31 December 2019, incorporated by reference herein, have been audited by KPMG AS, independent auditors as stated in their reports incorporated by reference herein.</p> | | | | | | | | | | |

What is the key financial information regarding the Issuer?Lime Petroleum AS**INCOME STATEMENT DATA***(Amounts in NOK thousands)***2022****2021****2020***audited*

| | | | |
|----------------------------|----------|---------|----------|
| Operating profit (loss) | (13 862) | 71 521 | (58 804) |
| Profit (loss) for the year | (80 505) | 119 664 | (15 045) |

DATA CALCULATED FROM BALANCE SHEET DATA

Net financial debt (long term debt plus short term debt minus cash)

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|-----------|-----------|-----------|
| 1 626 629 | (437 227) | (167 383) |
|-----------|-----------|-----------|

CASH FLOW STATEMENT DATA

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|--------------------------------------|-------------|-----------|-----------|
| Cash flow from operating activities | 942 489 | 117 157 | 113 825 |
| Cash flow from investment activities | (1 098 077) | (575 885) | (149 120) |
| Cash flow from financing activities | 415 224 | 587 654 | 32 405 |

What are the key risk factors that are specific to the Issuer?

Most material key risk factors

1. The Company's business, results of operations, value of assets, any future reserves, cash flows, financial condition and access to capital depend significantly upon and may be adversely affected by the level of oil and gas prices, which are highly volatile
2. Reserves and contingent resources are by their nature uncertain in respect of the inferred volume range
3. The Company's hydrocarbon production may be restricted, delayed or terminated due to a number of internal or external factors

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| | <ol style="list-style-type: none"> 4. The Company is subject to third-party risk in terms of operators and partners 5. The Company will require a significant amount of cash to service future debt and sustain its operations, and its ability to generate sufficient cash depends on many factors beyond its control 6. The Company's working capital needs are difficult to forecast and may be subject to significant and rapid increases which could result in additional financing requirements that the Company may not be able to obtain on satisfactory terms or at all 7. The Company has a significant infrastructure risk and may be subject to loss of production due to infra-structure damages or loss. 8. The operations of the Company could potentially pollute the external environment. The Company extracts and sell oil and gas that emit CO2 that contribute to greenhouse gas emissions which affects the goal of reducing increase in temperature in the world. |
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KEY INFORMATION ON THE SECURITIES***What are the main features of the securities?***

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| Description of the securities, including ISIN | ISIN: NO0012806787 - Temporary ISIN to be converted into NO0012559246. Senior secured open callable bonds with floating rate. Issue Date Additional Bonds: 18 January 2023, Issue Date Additional Bonds - Second Tap Issue: 21 April 2023. Maturity Date: 7 July 2025. Maximum Issue Amount is NOK 1,250,000 000. The Amount of Additional Bonds is NOK 250,000,000 and the Amount of Additional Bonds - Second Tap Issue Amount is NOK 50,000,000. The Total Outstanding Bonds after the increase is NOK 1 250,000,000. Initial Nominal Amount of each Bond is NOK 1 each and among themselves pari passu ranking. Issue Price Additional Bonds: 99.25 %, and Issue Price Additional Bonds - Second Tap: 99.00%. The Bonds are floating rate bonds; 3 months NIBOR + 9.25 per cent per annum. |
| Rights attached to the securities | <p>The Bond Terms have been entered into between the Issuer and the Bond Trustee. The Bond Terms regulate the Bondholder's rights and obligations in relation to the issue. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p> <p>When Bonds are purchased, the Bondholder has accepted the Bond Terms and is bound by the terms of the Bond Terms.</p> <p>The Bond Terms include descriptions of rights and any limitations of those rights, such as:</p> <ul style="list-style-type: none"> • Voluntary early redemption - Call Option • Mandatory repurchase due to a Put Option Event • Early redemption option due to a Tax Event • Mandatory early redemption due to a Disposal Event • Change of Control Event • Events of default and acceleration of the Bonds. |
| Status of the bonds and security | <p>The Bonds will constitute senior debt obligations of each Obligor and rank:</p> <ol style="list-style-type: none"> (a) pari passu between themselves; (b) at least pari passu with any Permitted Pari Passu Bonds; |

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| | <p>(c) at least pari passu with any unsecured debt and all other obligations of the relevant Obligor, save for such obligations which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application; and</p> <p>(d) ahead of any subordinated debt.</p> <p>Subject to the exceptions expressly set out herein and/or otherwise agreed, all present, future, actual and contingent obligations and liabilities of the Obligors under the Finance Documents, including but not limited to principal, interest, premiums, and expenses, shall be secured by the following Security, granted in favour of (i) the Bond Trustee on behalf of itself and the Bondholders or, as applicable, the (ii) Bond Trustee as security agent under the Transaction Security Documents:</p> <p>(i) the Escrow Account Pledge;</p> <p>(ii) the Issuer VPS Account Pledge;</p> <p>(iii) the Issuer VPS Cash Account Pledge;</p> <p>(iv) a Norwegian law pledge over all shares issued by the Issuer granted by each Shareholder;</p> <p>(v) an assignment granted by each Shareholder of its monetary claims under any Shareholder Loan Agreement;</p> <p>(vi) a Norwegian law mortgage over the Issuer's interest in the Hydrocarbon Licences;</p> <p>(vii) an assignment of monetary claims under the Issuer's insurances related to Hydrocarbon Assets and associated infrastructure, but excluding any construction insurance taken out by an operator;</p> <p>(viii) Norwegian law floating charges over all of the Issuer's:</p> <p>(A) trade receivables (No. <i>Factoringpant</i>);</p> <p>(B) operating assets (No. <i>Driftstilbehørspant</i>); and</p> <p>(C) inventory (No. <i>Varelagerpant</i>); and</p> <p>(ix) an account charge or pledge over the Issuer's Charged Accounts.</p> |
| Where will the securities be traded? | |
| Admission to trading | The Outstanding Bonds are listed on Oslo Børs under the ticker LIME01. There is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Initial Bond Issue, the Additional Bonds are therefore issued under a separate ISIN ("Temporary Bonds") which, upon the approval of the prospectus, will be converted into the ISIN for the Initial Bond Issue. |
| What are the key risks that are specific to the securities? | |
| Most material key risks | <p>Credit risk is the risk that the Issuer fails to make the required payments under the Bonds (either principal or interest) pursuant to the obligations in the Bond Terms.</p> <p>The occurrence of specific change of control or other put option events affecting the Issuer will permit the Bondholders to require the Issuer to redeem the Bonds, the Issuer may not be able to do so if the Issuer's access to funds at the time of the redemption is limited.</p> <p>Although the Bonds are secured, there can be no assurance that the value of the Issuer's assets will be sufficient to cover all the outstanding Bonds together with accrued interest, and there can be no assurance of the value of the security.</p> <p>There is no existing trading market for the Bonds, and a trading market that provides adequate liquidity may not develop.</p> |

D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKED

| <i>Under which conditions and timetable can I invest in this security?</i> | |
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| Terms and conditions for the offer | Not applicable. The Bonds have not been subject to a public offer, the Bonds are already issued and settled. |
| <i>Why is the Prospectus being produced?</i> | |
| Admission to trading | The Prospectus is produced in connection with listing of the Additional Bonds on Oslo Børs. |
| Use of proceeds | The net proceeds – NOK 292 631 130.53 - of the Tap Issue Amount (net of fees and legal cost of the Manager and the Bond Trustee and any other cost and expenses incurred in connection with the Tap Issue) shall be employed for: <ul style="list-style-type: none"> (a) repayment in full of the KUFPEC Seller's Credit; and (b) any surplus to be released to the Issuer for general corporate purposes. |
| Material conflicts of interest | There is no interest, nor conflicting interests that is material to the issue. |