

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

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE CATALIST RULES

Pursuant to Rule 706A of the Listing Manual Section B: Rules of Catalist of Singapore Exchange Securities Trading Limited, the Board of Directors (the “**Board**”) of Rex International Holding Limited (“**Rex**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to inform shareholders of the following transaction and corporate action that occurred during the half year financial period from 1 July 2021 to 31 December 2021:

ACQUISITION OF PREFERENCE SHARES IN MASIRAH OIL LTD

On 22 November 2021, the Company announced that its indirect wholly-owned subsidiary Rex Oman Ltd (“**Rex Oman**”) had entered into sale and purchase agreements to acquire a total of 10,978 preference shares from 10 parties in the Group’s 86.37% subsidiary Masirah Oil Limited (“**MOL**”) (the “**Acquisition**”) (the “**Announcement**”). As of the date of the Announcement, Rex Oman held 29,015 preference shares in MOL, a company incorporated in the British Virgin Islands and is an oil exploration and production company.

The total consideration for the Acquisition was US\$2,710,469.80. The consideration was satisfied in full in cash on the date of completion of the Acquisition, and was funded by internal resources generated from oil sales. The consideration was arrived at on a willing buyer willing seller basis, taking into account the future potential of oil prices and MOL’s oil production rate. Upon conversion of the preference shares, Rex Oman currently holds approximately 91.81% of the total issued capital of MOL, an increase of approximately 5.43%.

The unaudited net asset value/net tangible asset of MOL as at 30 June 2021 was approximately US\$106.62 million.

The rationale for the Acquisition, which resulted in the Group’s indirect shareholding in MOL through Rex Oman to increase from 86.37% to 91.81%, is that the Acquisition will allow the Group to have greater control over the day-to-day operations of MOL, which has become an oil-producing company since 2020.

Save as disclosed in the Announcement, none of the Directors and to the best of the Directors’ knowledge, none of the controlling shareholders of the Company or their respective associates had any interest, direct or indirect, in the Acquisition, other than that arising from their respective capacity as Directors or shareholders of the Company.

CAPITAL INJECTION INTO LIME PETROLEUM AS

On 21 December 2021, Lime Petroleum AS (“**LPA**”) completed the allocation of Rex International Investments Pte. Ltd.’s (“**RII**”) subscription of 81,505,019 new LPA shares at NOK 2.31 per share, for a total amount of approximately NOK 188.78 million (equivalent to approximately USD20.77 million

using an exchange rate of NOK 1 : USD 0.11 as at 21 December 2021), as capital injection into LPA (“**Capital Injection**”). The LPA subscription was open to all shareholders of LPA, namely, RII and Schrodgers. RII is an indirect wholly-owned subsidiary of the Company. Prior to the Capital Injection, Rex had an effective interest of 90% in LPA through RII.

The Capital Injection was necessary to allow LPA to pursue its exploration and production activities and continue its operations in Norway, as well as for general working capital requirements; and was fully satisfied in cash by RII.

The issue price of NOK 2.31 per LPA share was arrived at on a willing seller willing buyer basis, taking into consideration LPA’s unaudited net assets value/net tangible asset value of USD 13.94 million as at 30 June 2021 and its portfolio of assets and growth potential which is further elaborated in the ensuing paragraph.

The Board considers the Capital Injection to be in the interests of and beneficial to the Group as LPA is finalising its acquisition of a 33.8434% interest in the producing Brage Field, has a portfolio of development assets with estimated contingent resources of 27.74 mmboe and several exploration assets.

Pursuant to the completion of the Capital Injection, RII now holds 198,793,019 LPA shares, representing approximately 91.65% direct interest in the enlarged issued and paid-up share capital of LPA. Schrodgers holds the remaining 8.35% interest in the enlarged issued and paid-up share capital of LPA. Accordingly, the Group’s effective interest in LPA has increased from approximately 90.00% to 91.65%.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

Dan Broström
Executive Director and Chairman

28 February 2022

*This announcement has been prepared by the Company and reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd. (the “**Sponsor**”), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

The contact person for the Sponsor is Mr Pong Chen Yih, Chief Operating Officer, 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.