

PRESS RELEASE

Rex reports higher year-on-year revenue for 1H FY2023

- *Adjusted EBITDA* of US\$47.13 million in 1H FY2023*
- *Revenue of US\$106.92 million, profit after tax of US\$3.69 million in 1H FY2023*

SINGAPORE, 11 August 2023 – Rex International Holding Limited (“Rex International Holding”, “Rex” or the “Company”, and together with its subsidiaries, the “Group”), an oil exploration and production company, today announced its financial results for the six months ended 30 June 2023 (“1H FY2023”). For 1H FY2023, the Group recorded revenue of US\$106.92 million, from subsidiary Masirah Oil Ltd’s share of sales of produced oil after the Oman government’s take and from the inclusion of oil liftings from the Brage and Yme Fields in Norway, in which subsidiary Lime Petroleum AS holds 33.8434 per cent and 10 per cent interests respectively. This was a 7.5 per cent increase from revenue of US\$99.45 million in the six months ended 30 June 2022 (“1H FY2022”). The Group recorded profit after tax (“PAT”) of US\$3.69 million in 1H FY2023, as compared to a total profit after tax of US\$6.04 million for 1H FY2022. Adjusted earnings before interest, taxes, depreciation and amortisation (“EBITDA”) for 1H FY2023 was a positive US\$47.13 million.

US\$ million	1H 2023	1H 2022	Change (%)
Revenue	106.92	99.45	7.5
Profit after tax	3.69	6.04	(38.9)
Adjusted EBITDA*	47.13	50.10	(5.9)
Earnings per share (US cents/SG cents)[#]	0.23/0.31	0.37/0.51	(37.8)/(39.2)

**Adjusted EBITDA = Earnings – depletion of oil & gas properties – depreciation of property, plant & equipment – amortisation of intangible assets – taxes – interest expense and income – impairment losses on exploration & evaluation assets*
Exchange rate 1H FY2023: USD1 = SGD1.3362; and 1H FY2022: USD1 = SGD1.3650

[#]based on Profit attributable to Owners of the Company

As at 30 June 2023, the Group’s cash and cash equivalents and quoted investments totalled US\$75.49 million (31 December 2022: US\$138.80 million); with cash and cash equivalents at US\$53.36 million

(31 December 2022: US\$115.76 million); and quoted investments at US\$22.13 million (31 December 2022: US\$23.04 million).

The increase in revenue was due to an increase in the volume of oil lifted and sold from the Yumna Field in Oman at an average realised oil sale price of US\$76.17 per barrel and the inclusion of oil liftings from the Yme Field in Norway (the acquisition of 10 per cent of which was completed on 31 December 2022). The increase in revenue was partially offset by a decrease in the volume of oil lifted and sold from the Brage Field in Norway in 1H FY2023, following unforeseen production stoppages arising from technical issues and power outage.

The decrease in profit after tax was mainly due to i) an increase in production and operating expenses to US\$43.56 million in 1H FY2023, from US\$33.61 million in 1H FY2022, mainly as a result of the inclusion of production costs from the Yme Field in Norway; and ii) an increase in depletion of oil and gas properties to US\$22.40 million in 1H FY2023 from US\$17.32 million in 1H FY2022, as a result of an increase in volume of oil lifted and sold.

Mr Dan Broström, Executive Chairman of Rex, said, “Production from the Yumna Field in Oman and the Yme Field in Norway has helped lift the Group’s revenue in 1H FY2023, despite lower production from the Brage Field, reaffirming once again the Group’s strategy to have different legs of production to balance out the ups and downs in the ordinary course of upstream production. As of 31 December 2022, the Yumna Field had produced 7.1 MMstb. The Summary Qualified Person’s Report dated 2 March 2023 estimates remaining 2P gross reserves in the Yumna Field to have increased to 8.7 MMstb, making a total of 15.8 MMstb. In Norway, as at 31 December 2022, 2P reserves attributable to Lime Petroleum AS are estimated to be 3.66 MMboe at the Brage Field¹ and at 5.47 MMboe at the Yme Field², totalling 9.13 MMboe. **The Group’s remaining 2P reserves, including non-controlling interests, total 17.83 MMboe.**”

“Production at the Brage Field is expected to be stable with a high uptime and at a higher rate in the second half of the year on the back of new producer wells, while a new producer well in the Yme Field has been drilled and is being prepared for completion. In tandem with the recognition of oil production from the Yme Field, production costs and operating expenses from the field has also been

included. It is to be noted that income tax receivables of US\$63.54 million for exploration activities in Norway are expected in end-2023," he said.

"In Oman, production from the Yumna Field remained steady in the first half of 2023, after technical issues that occurred in 2022 were resolved. The Group will share updates on new workover and drilling plans when these have been finalised and approved by the authorities. The Group is actively seeking solutions to restart production at the Yumna-3 well, which encountered an unplanned shutdown on 29 June 2023 due to an electrical failure of the Electrical Submersible Pump (ESP)," he added.

¹ AGR Energy Services, Brage Field – Summary Qualified Person’s Report, 21 March 2023

² AGR Energy Services, Yme Field – Summary Qualified Person’s Report, 21 March 2023

MMstb: millions of stock tank barrels

MMboe: millions of barrels of oil equivalent

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Disclaimer

This press release may contain projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are outside the control of the Company and its directors. Actual future performance, outcome and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. The Company does not assume any responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise. These statements can be recognised by the use of words such as "expects," "plans," "will," "estimates," "projects," or words of similar meaning. Such forward-looking statements are not guarantees of future performance and actual results may differ from those forecast and projected or in the forward-looking statements as a result of various factors and assumptions. There is no assurance that Rex Virtual Drilling will consistently deliver accurate analyses and results, as it is dependent on many external factors such as data quality. Shareholders and investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management of future events.

About Rex International Holding

Rex International Holding Limited (“Rex International Holding”, “Rex” or the “Company”, and together with its subsidiaries, the “Group”) is a multinational oil exploration and production (“E&P”) company listed on Singapore Exchange Securities Trading Limited’s Mainboard. The Group has interests in exploration and production licences in Oman, Norway and Malaysia, and holds operatorship for the assets in Oman and Malaysia. The Group de-risks its portfolio of exploration and development assets using its proprietary liquid hydrocarbon indicator Rex Virtual Drilling technology, which can identify liquids in the sub-surface using seismic data. Since the Company’s listing in July 2013, the Group has achieved four offshore discoveries, one in Oman and three in Norway.

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