

PRESS RELEASE**Rex to invest up to US\$4m in commercial drone company**

- *Rex takes stake in fast growing global commercial drone market, anticipated to reach US\$501.4 billion by 2028, registering Compound Annual Growth Rate (CAGR) of 57.5 per cent from 2021 to 2028¹*
- *In-house developed heavy-duty, all-weather, long-range multirotor drones, that can fly for up to four hours and have heavy net payload capability of up to 20 kg, are slated to be commercially available in the fourth quarter of 2021*
- *Rex has agreed to support Xer with management personnel from the Group*

SINGAPORE, 6 July 2021 – Rex International Holding Limited (“Rex International Holding”, “Rex” or the “Company”, and together with its subsidiaries, the “Group”), through its wholly-owned subsidiary Rex Technology Investments Pte Ltd (“RTI”), will invest up to US\$4 million into commercial drone company Xer Technologies Pte. Ltd. (“Xer”). The investment comprises US\$1 million for a 40 per cent interest in Xer, and a commitment to inject up to US\$3 million in Xer, subject to the achievement of certain technical and sales milestones by Xer within the next 18 months. This investment will allow Rex to take a stake in the fast growing global commercial drone market, which is anticipated to reach US\$501.4 billion by 2028, registering a Compound Annual Growth Rate (CAGR) of 57.5 per cent from 2021 to 2028¹.

Xer recently acquired UAV Development Sweden AB, a spin-off from a security company that has been offering commercial drone flying search and rescue and surveillance services to customers since 2011. The in-house developed heavy-duty, all-weather, long-range multirotor drones, that can fly for up to four hours and have heavy net payload capability of up to 20 kg, are in final testing and slated to be commercially available in the fourth quarter of 2021. Targeted clients are in areas such as infrastructure inspection, search and rescue operations, public safety and animal herding.

¹Source: Research and Markets, "Commercial Drone Market Size, Share & Trends Analysis Report by Product, by Application, by End-use, by Region, and Segment Forecasts, 2021-2028", May 2021

Mr Dan Broström, Executive Chairman of Rex, said, “The investment allows Rex to diversify from its core business of oil exploration and production. Xer’s unique heavy-duty drones will promote sustainable practices for corporations and government institutions on a global scale by replacing larger and heavier modes of transport such as helicopters, trucks and sea vessels for a wide range of applications, minimising environmental impact and reducing CO₂ emissions.”

The investment will bring the Group a step closer towards its approved business diversification mandate to include sustainable solutions for energy production and materials used in various industries. RTI has further agreed to support Xer with management personnel from the Group, on arm’s length terms to be agreed between the shareholders.

For further information, please see Rex’s announcement, “Rex invests in commercial drone company as part of business diversification” dated 6 July 2021.



Photo: 2020 early prototype of one of Xer’s new heavy-duty drones

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as a result of various factors and assumptions. 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 was listed on Singapore Exchange Securities Trading Limited's Catalist Board on 31 July 2013. Since the Company's listing in July 2013, the Group has achieved four offshore discoveries, one in Oman and three in Norway. Oil production in Oman started in early 2020. The Group also offers Rex Virtual Drilling screening services to other oil exploration companies as an additional tool to increase the success rate of finding oil.

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This press release 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 Catalist.

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