REX
change the game

REX INTERNATIONAL HOLDING LIMITED

(Company Registration Number: 201301242M)

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
30 JUNE 2025

CONTENTS

A. Condensed interim consolidated statement of comprehensive income

	Note	Group Six Months Ended 30-Jun-25 US$'000	Group Six Months Ended 30-Jun-24 US$'000	Change %
Revenue				
Sale of crude oil and gas	4.2	154,294	158,181	(2.5)
Sale of goods and services	4.2	203	488	(58.4)
Cost of sales				
Cost of goods sold		(499)	(316)	57.9
Cost of services		(301)	(263)	14.4
Production and operating expenses		(62,627)	(51,822)	20.9
Depletion of oil and gas properties	7, 11	(50,711)	(41,877)	21.1
Exploration and evaluation expenditure		(3,258)	(1,683)	93.6
Gross profit		37,101	62,708	(40.8)
Administrative expenses		(17,524)	(17,596)	(0.4)
Other expenses	6	(9,582)	(373)	NM
Other income		685	224	NM
Results from operating activities		10,680	44,963	(76.2)
Finance income	22	3,251	5,325	(38.9)
Finance expense	22	(12,334)	(11,779)	4.7
Foreign currency exchange loss		(3,987)	(507)	NM
Net finance expense		(13,070)	(6,961)	87.8
Share of profit of equity-accounted investees, net of tax		–	682	NM
(Loss)/ Profit before tax	7	(2,390)	38,684	NM
Tax expense	8	(27,264)	(49,136)	(44.5)
Loss for the period, net of tax		(29,654)	(10,452)	NM
Other comprehensive (loss)/ income				
– Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences from foreign operations, representing total other comprehensive (loss)/ income for the period, net of tax		(4,841)	243	NM
Total comprehensive loss for the period, net of tax		(34,495)	(10,209)	NM

A. Condensed interim consolidated statement of comprehensive income (continued)

	Note	Group Six Months Ended 30-Jun-25 US$'000	30-Jun-24 US$'000	Change %
Loss attributable to:				
Owners of the Company		(24,203)	(8,637)	NM
Non-controlling interests		(5,451)	(1,815)	NM
Loss for the period, net of tax		(29,654)	(10,452)	NM
Total comprehensive loss attributable to:				
Owners of the Company		(28,264)	(8,393)	NM
Non-controlling interests		(6,231)	(1,816)	NM
Total comprehensive loss for the period, net of tax		(34,495)	(10,209)	NM
Loss per share				
Basic loss per share (cents)	7.1	(1.86)	(0.66)	NM
Diluted loss per share (cents)	7.1	(1.86)	(0.66)	NM

NM: Not meaningful

REX
change the game

B. Condensed interim statements of financial position

		Group		Company	
	Note	30-Jun-25 US$'000	31-Dec-24 US$'000	30-Jun-25 US$'000	31-Dec-24 US$'000
Assets					
Exploration and evaluation assets	10	35,628	34,903	–	–
Oil and gas properties	11	208,351	173,856	–	–
Goodwill and intangible assets	12	4,169	4,967	–	–
Property, plant and equipment	13	2,453	2,650	308	402
Subsidiaries		–	–	79,023	79,023
Other receivables	14	127,232	110,352	–	–
Non-current assets		377,833	326,728	79,331	79,425
Inventories	15	46,810	36,287	–	–
Trade and other receivables	14	99,655	78,795	11,324	10,174
Contract assets	16	2,458	–	–	–
Derivative financial instruments		–	297	–	–
Quoted investments		11,083	12,976	11,082	12,901
Cash and cash equivalents		96,579	117,196	1,976	4,281
Current assets		256,585	245,551	24,382	27,356
Total assets		634,418	572,279	103,713	106,781
Equity					
Share capital	17	89,581	89,581	89,581	89,581
Reserves		177	4,142	1,178	1,082
Accumulated losses		(55,530)	(31,327)	(8,908)	(7,865)
Equity attributable to owners of the Company		34,228	62,396	81,851	82,798
Non-controlling interests		(4,663)	1,568	–	–
Total equity		29,565	63,964	81,851	82,798
Liabilities					
Loans and borrowings	18	170,496	142,083	–	–
Provisions	19	236,843	208,326	–	–
Lease liabilities		1,097	1,146	–	17
Deferred tax liabilities		50,374	49,588	–	–
Non-current liabilities		458,810	401,143	–	17
Provisions	19	2,349	2,088	–	–
Lease liabilities		623	646	120	203
Trade and other payables	20	67,242	55,438	21,742	23,763
Contract liabilities	16	24,520	30,340	–	–
Income tax payable		51,309	18,660	–	–
Current liabilities		146,043	107,172	21,862	23,966
Total liabilities		604,853	508,315	21,862	23,983
Total equity and liabilities		634,418	572,279	103,713	106,781

REX change the game

C. Condensed interim statement of changes in equity

	Attributable to owners of the Company									
	Share capital US$'000	Treasury shares US$'000	Merger reserve US$'000	Capital reserve US$'000	Share-based payment reserve US$'000	Translation reserve US$'000	Accumulated losses US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Group										
At 1 January 2025	89,581	(716)	4,129	2,180	1,536	(2,987)	(31,327)	62,396	1,568	63,964
Total comprehensive loss for the period										
Loss for the period	–	–	–	–	–	–	(24,203)	(24,203)	(5,451)	(29,654)
Other comprehensive loss										
Foreign currency translation differences, representing total other comprehensive loss	–	–	–	–	–	(4,061)	–	(4,061)	(780)	(4,841)
Total comprehensive loss for the period	–	–	–	–	–	(4,061)	(24,203)	(28,264)	(6,231)	(34,495)
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Recognition of share-based payments	–	–	–	–	96	–	–	96	–	96
Total contributions by and distributions to owners	–	–	–	–	96	–	–	96	–	96
Total transactions with owners	–	–	–	–	96	–	–	96	–	96
At 30 June 2025	89,581	(716)	4,129	2,180	1,632	(7,048)	(55,530)	34,228	(4,663)	29,565

C. Condensed interim statement of changes in equity (continued)

	Attributable to owners of the Company									
	Share capital US$'000	Treasury shares US$'000	Merger reserve US$'000	Capital reserve US$'000	Share-based payment reserve US$'000	Translation reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
<u>Group</u>										
At 1 January 2024	89,581	(716)	4,129	2,180	1,536	(4,932)	13,733	105,511	9,256	114,767
Total comprehensive loss for the period										
Loss for the period	–	–	–	–	–	–	(8,637)	(8,637)	(1,815)	(10,452)
Other comprehensive income										
Foreign currency translation differences, representing total other comprehensive income	–	–	–	–	–	244	–	244	(1)	243
Total comprehensive loss for the period	–	–	–	–	–	244	(8,637)	(8,393)	(1,816)	(10,209)
Contributions from non-controlling interests	–	–	–	–	–	–	–	–	616	616
At 30 June 2024	89,581	(716)	4,129	2,180	1,536	(4,688)	5,096	97,118	8,056	105,174

C. Condensed interim statement of changes in equity (continued)

	Share capital US$'000	Treasury shares USD$'000	Capital reserve US$'000	Share-based payment reserve US$'000	Accumulated losses US$'000	Total equity US$'000
<u>**Company**</u>						
At 1 January 2025	89,581	(716)	505	1,293	(7,865)	82,798
Total comprehensive loss for the period						
Loss for the period, representing total comprehensive loss for the period	–	–	–	–	(1,043)	(1,043)
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Recognition of share-based payments	–	–	–	96	–	96
At 30 June 2025	89,581	(716)	505	1,389	(8,908)	81,851
At 1 January 2024	89,581	(716)	505	1,293	171	90,834
Total comprehensive profit for the period						
Profit for the period, representing total comprehensive profit for the period	–	–	–	–	3,754	3,754
At 30 June 2024	89,581	(716)	505	1,293	3,925	94,588

D. Condensed interim consolidated statement of cash flows

	Note	Group Six Months Ended 30-Jun-25 US$'000	30-Jun-24 US$'000
Cash flows from operating activities			
Loss after tax		(29,654)	(10,452)
Adjustments for:			
Impairment loss on exploration and evaluation assets	6, 10	8,734	146
Depletion of oil and gas properties	7, 11	50,711	41,877
Amortisation of intangible assets	7, 12	798	632
Depreciation of property, plant and equipment	7	550	452
Net finance expense		9,083	6,454
Share of profit of equity-accounted investees, net of tax		–	(682)
Change in fair value of derivative financial instruments	7	325	–
Change in fair value of quoted investments	7	379	163
Loss on disposal of quoted investments		14	–
Share-based payment expenses	7	96	–
Operating cash flows before movements in working capital		41,036	38,590
Changes in:			
– Inventories		(9,098)	(3,910)
– Trade and other receivables, and contract assets		(23,259)	7,691
– Trade and other payables, and contract liabilities		3,035	(6,989)
– Income taxes		23,465	49,136
– Restricted bank deposits		2,000	(109)
Net cash from operating activities		37,179	84,409

D. Condensed interim consolidated statement of cash flows (continued)

	Note	Group Six Months Ended 30-Jun-25 US$'000	30-Jun-24 US$'000
Cash flows from investing activities			
Interest received		378	2,295
Exploration and evaluation expenditure	10	(7,663)	(1,988)
Additions to oil and gas properties	11	(66,155)	(61,166)
Purchase of patents	12	–	(15)
Purchase of property, plant and equipment	13	(125)	(44)
Proceeds from disposal of quoted investments		1,500	500
Net cash used in investing activities		(72,065)	(60,418)
Cash flows from financing activities			
Interest paid		(6,728)	(7,031)
Payment for transaction costs related to loans and borrowings		(197)	–
Proceeds from issuance of bonds by a subsidiary	18	9,166	–
Repayment of bonds	18	–	(17,752)
Repayment of bank overdraft		–	(4,000)
Repayment of lease liabilities		(380)	(250)
Contributions from non-controlling interests in a subsidiary		–	616
Net cash from/ (used in) financing activities		1,861	(28,417)
Net decrease in cash and cash equivalents		**(33,025)**	**(4,426)**
Cash and cash equivalents at beginning of the year		108,876	86,394
Effect of exchange rate fluctuations on cash held		11,242	(2,371)
Cash and cash equivalents at end of the period		87,093	79,597
Cash and cash equivalents in the condensed interim statements of financial position		96,579	88,324
Less: Restricted bank deposits		(9,486)	(8,727)
Cash and cash equivalents in the condensed interim consolidated statement of cash flows		87,093	79,597

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Rex International Holding Limited (the "**Company**") is a company incorporated and domiciled in the Republic of Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 ("**1H FY2025**") comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activities of the Company are those relating to investment holding.

The principal activities of the Group are relating to oil and gas exploration and production, oil exploration technology and industrial robots.

2. Basis of preparation

The condensed interim consolidated financial statements ("**condensed interim financial statements**") for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in United States ("**US**") dollars, the Company's functional currency. All financial information presented in US dollars have been rounded to the nearest thousand, unless otherwise stated.

2.1. New standards and interpretations

In the current financial period, the Group and the Company have applied all the new and revised SFRS(I) that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption is assessed to have no material financial effect on the results and financial position of the Group and Company for the financial year ending 31 December 2025.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, Management has made judgements, estimates and assumptions that affect the application of material accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Critical judgements made in applying the Group's material accounting policies

Information about critical judgements in applying material accounting policies that have the most significant effect on the amounts recognised in the financial statements is discussed below.

Business combination

Determining whether an acquisition meets the definition of a business combination requires judgement to be applied on a case-by-case basis. Acquisitions are assessed under the relevant SFRS(I) 3 *Business Combinations* criteria (whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce output) to establish whether the transaction represents a business combination or an asset acquisition. Depending on the specific facts, acquisitions of exploration and evaluation licences for which a development decision has not yet been made, have largely been concluded to represent asset acquisition.

Acquisition accounting is subject to substantive judgement by management. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability. The fair value of oil fields in the production and development phase is normally based on discounted cash flow models, where the determination of inputs to the model may require significant judgement. The fair value of the assets or liabilities acquired at the date of acquisition is disclosed in Note 11 to the condensed interim financial statements.

Exploration and evaluation expenditures

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether it is likely that future economic benefits are likely from future exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is itself an estimation process that requires varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact the point of deferral of exploration and evaluation expenditure.

The Group's accounting policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, whether an economically viable extraction operation can be established and executed successfully. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is written off in profit or loss in the period when the new information becomes available.

2.2. Use of judgements and estimates (continued)

<u>Critical judgements made in applying the Group's material accounting policies (continued)</u>

Hydrocarbon reserves

Hydrocarbon reserves are estimates of the amount of oil that can be economically and legally extracted by the Group in approved fields. For the purpose of estimating reserves, several factors are considered, among others, such as geological, technical and economic, production techniques, recovery rates, production costs, transportation costs, demand and prices for commodities and exchange rates. The Group engages independent qualified persons to estimate, where appropriate, the proved, probable and possible reserves for certain oil and gas properties. Estimating the quantity and grade of reserves requires determining the size, shape and depth of the reservoirs or fields by analysing geological data and drilling samples. This process may require interpreting complex geological data and making judgements. Because the economic assumptions change from period to period and the Group is still generating additional geological data during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the recovery of the carrying amount of oil properties due to changes in estimated future cash flows and the cost of depreciation recorded in profit or loss as it is based on the units of production relative to the total proven and probable reserves.

<u>Key sources of estimation uncertainty</u>

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit ("**CGU**") and choose a suitable discount rate in order to calculate the present value of those cash flows. Judgement and estimates are required in the determination of appropriate inputs to derive at forecasted cash flows and the discount rate.

Depletion of oil and gas properties

Oil and gas properties are mainly depleted on a unit of production basis at a rate calculated by reference to proved and probable reserves and incorporating the estimated future cost of developing and extracting those reserves. Future development costs are estimated using assumptions as to the number of wells required to produce those reserves, the cost of the wells, future production facilities and operating costs; together with assumptions on oil and gas realisations based on the approved field development plans. The carrying amount of the Group's oil and gas properties are disclosed in Note 11 to the condensed interim financial statements.

2.2. Use of judgements and estimates (continued)

Key sources of estimation uncertainty (continued)

Provisions

Estimates of the Group's obligations arising from exploration drilling rehabilitation that exist as at the reporting date may be affected by future events which cannot be predicted with any certainty. The assumptions and best estimates in determining these provisions are made based on management's judgement and experience and therefore, future exploration drilling rehabilitation obligations and expenses could be revised. The carrying amount of the Group's provisions are disclosed in Note 19 to the condensed interim financial statements.

3. Seasonal operations

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

4.1. Operating segments

The Group's reportable segments as described below are the Group's strategic business units. The management has determined the reportable segments based on the reports reviewed by the Group's Executive Chairman, the Chief Executive Officer ("**CEO**") and senior management that are used to make strategic decisions. Performance is measured based on segment results as included in the internal management reports that are reviewed by the Group's Executive Chairman, the CEO and senior management.

The Group has three reportable segments: Oil and Gas; Non-Oil and Gas; and Corporate. The following summary describes the operations of each of the Group's reportable segments:

- Oil and Gas: Involved in oil and gas exploration and production with concessions located in Oman, Norway, Benin and Germany.
- Non-Oil and Gas: Pertains to the oil exploration technology and industrial robots segments.
- Corporate: Pertains to corporate functions.

REX change the game

4.1. Operating segments (continued)

Information regarding the results of each reportable segment is as below:

Group 1 January 2025 to 30 June 2025	Oil and Gas US$'000	Non-Oil and Gas US$'000	Corporate US$'000	Total US$'000
Sale of crude oil and gas	154,294	–	–	154,294
Sale of goods and services	–	699	–	699
Total revenue for reportable segments	154,294	699	–	154,993
Elimination of inter-segment revenue	–	(496)	–	(496)
Consolidated revenue	154,294	203	–	154,497
Other income	150	–	535	685
Segment expense	(77,097)	(2,269)	(3,639)	(83,005)
Amortisation of intangible assets	–	(798)	–	(798)
Depreciation of property, plant and equipment	(245)	(91)	(214)	(550)
Depletion of oil and gas properties	(50,711)	–	–	(50,711)
Finance income	2,353	–	898	3,251
Finance expense	(12,297)	(1)	(36)	(12,334)
Foreign exchange (loss)/ gain	(6,323)	897	1,439	(3,987)
Other material non-cash items:				
– Impairment loss on exploration and evaluation assets	(8,734)	–	–	(8,734)
– Changes in fair values of quoted investments	–	–	(379)	(379)
– Changes in fair values of derivative financial instrument	(325)	–	–	(325)
Reportable segment profit/ (loss) before tax	1,065	(2,059)	(1,396)	(2,390)
Reportable segment assets	609,569	6,645	18,204	634,418
Segment assets include:				
Additions to:				
– Property, plant and equipment*	76	18	120	214
– Exploration and evaluation assets	7,663	–	–	7,663
– Oil and gas properties	66,155	–	–	66,155
Reportable segment liabilities	602,908	1,166	779	604,853

* Includes right-of-use assets

4.1. Operating segments (continued)

Group	Oil and Gas US$'000	Non-Oil and Gas US$'000	Corporate US$'000	Total US$'000
1 January 2024 to 30 June 2024				
Sale of crude oil and gas	158,181	–	–	158,181
Sale of goods and services	–	984	–	984
Total revenue for reportable segments	158,181	984	–	159,165
Elimination of inter-segment revenue	–	(496)	–	(496)
Consolidated revenue	158,181	488	–	158,669
Other income	224	–	–	224
Segment expense	(64,552)	(2,313)	(3,795)	(70,660)
Finance income (Note 22)	4,143	14	1,168	5,325
Finance expense (Note 22)	(11,699)	–	(80)	(11,779)
Foreign exchange gain/ (loss)	289	(254)	(542)	(507)
Depreciation of property, plant and equipment	(239)	(8)	(205)	(452)
Depletion of oil and gas properties	(41,877)	–	–	(41,877)
Amortisation of intangible assets	–	(632)	–	(632)
Share of profit of equity-accounted investees	–	682	–	682
Other material non-cash items:				
– Impairment loss on exploration and evaluation assets	(146)	–	–	(146)
– Changes in fair values of quoted investments	–	–	(163)	(163)
Reportable segment profit/ (loss) before tax	44,324	(2,023)	(3,617)	38,684
Reportable segment assets	565,551	16,393	26,046	607,990
Segment assets include:				
Additions to:				
– Property, plant and equipment*	21	19	4	44
– Patents	–	15	–	15
– Exploration and evaluation assets	1,988	–	–	1,988
– Oil and gas properties	61,166	–	–	61,166
Reportable segment liabilities	500,885	780	1,151	502,816

* Includes right-of-use assets

4.2. Disaggregation of revenue

	Group	
	Six Months Ended	
	30-Jun-25	30-Jun-24
	US$'000	US$'000
Sale of crude oil	138,109	135,448
Sale of gas	16,185	22,733
Sale of crude oil and gas	154,294	158,181
Sale of drones (revenue transferred at a point in time)	203	340
Maintenance service (revenue transferred over time)	–	148
Sale of goods and services	203	488
Total revenue	154,497	158,669

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	Group	
	Six Months Ended	
	30-Jun-25	30-Jun-24
	US$'000	US$'000
Geographical information		
Revenue		
Singapore	17,271	88
Norway	136,318	158,181
Germany	714	–
Hungary	28	340
Sweden	–	60
Switzerland	100	–
United States	66	–
Total revenue	154,497	158,669

4.2. Disaggregation of revenue (continued)

	Group	
	30-Jun-25	31-Dec-24
	US$'000	US$'000
Geographical information		
Non-current assets*		
Benin	25,723	2,299
Germany	3,181	686
Norway	179,347	162,809
Oman	37,335	44,603
Switzerland	4,707	5,578
Singapore	308	401
Total	250,601	216,376

* Excludes non-current other receivables

5. Financial assets and financial liabilities

Accounting classifications and fair values

The carrying amount and fair value of financial assets and financial liabilities are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

		Group		Company	
	Note	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
		US$'000	US$'000	US$'000	US$'000
Financial assets measured at amortised cost					
Loans to a subsidiary		–	–	79,023	79,023
Trade and other receivables*	14	76,345	67,830	11,123	10,019
Cash and cash equivalents		96,579	117,196	1,976	4,281
		172,924	185,026	92,122	93,323
Financial assets measured at fair value					
Derivative financial instruments		–	297	–	–
Quoted investments		11,083	12,976	11,082	12,901
		11,083	13,273	11,082	12,901

* Excludes decommissioning receivables, prepayments and income tax receivables.

5. Financial assets and financial liabilities (continued)

	Note	Group 30-Jun-25 US$'000	Group 31-Dec-24 US$'000	Company 30-Jun-25 US$'000	Company 31-Dec-24 US$'000
Financial liabilities measured at amortised cost					
Loans and borrowings	18	170,496	142,083	–	–
Trade and other payables	20	67,242	55,438	21,742	23,763
		237,738	197,521	21,742	23,763
Other financial liabilities					
Lease liabilities		1,720	1,792	120	220

5.1. Financial assets and financial liabilities – Fair value measurement

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a team that has overall responsibility for all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

5.1. Financial assets and financial liabilities – Fair value measurement (continued)

Measurement of fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and the Company.

Debt and equity securities

The carrying amount of investments in debt and equity securities are approximate their fair value. Fair values are determined by reference to their quoted closing bid price in an active market at the measurement date, using the Level 1 valuation inputs.

Other financial assets and liabilities

The carrying amount of financial assets and liabilities with a maturity of less than one year are assumed to approximate their respective fair values due to the relative short-term maturity of these financial instruments.

The fair value of non-current other receivables was calculated using the discounted cash flow model based on the present value of expected cashflow at the risk-free rate plus estimated credit spread of counterparty at the reporting date. The carrying amount of non-current other receivables are assumed to approximate its fair value as the Group believes that the difference between the fair value and the carrying amount, if any, is negligible.

No disclosure of fair value is made for non-current loans to subsidiaries as it is not practicable to determine their fair values with sufficient reliability since the balances have no fixed terms of repayment. The Company does not anticipate that the carrying amount recorded at the reporting date would be significantly different from the values that would eventually be received.

6. Other expenses

		Group Six Months Ended	
	Note	**30-Jun-25 US$'000**	**30-Jun-24 US$'000**
Impairment loss on exploration and evaluation assets	10	8,734	146
Other expenses		848	227
		9,582	373

7. (Loss)/ Profit before tax

The total charge for the period can be reconciled to the (loss)/ profit before tax as follows:

		Group Six Months Ended	
	Note	30-Jun-25 US$'000	30-Jun-24 US$'000
Depletion of oil and gas properties	11	(50,711)	(41,877)
Amortisation of intangible assets	12	(798)	(632)
Depreciation of property, plant and equipment		(550)	(452)
Change in fair value of derivative financial instruments		(325)	–
Change in fair value of quoted investments		(379)	(163)
Share-based payment expenses		(96)	–

7.1. Loss per share

	Group Six Months Ended	
	30-Jun-25	30-Jun-24
Calculation of basic and diluted loss per share ("**LPS**") is based on:		
Loss attributable to ordinary shareholders (US$)	(24,203,000)	(8,637,000)
Weighted average number of ordinary shares	1,302,320,991	1,302,320,991
Basic and fully diluted LPS (US cents)	(1.86)	(0.66)

There was no outstanding share award as at 30 June 2025 and 30 June 2024.

7.2. Related parties

Transactions with key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The directors and certain key executives of the management team are considered as key management of the Group.

Key management personnel compensation comprised:

	Group Six Months Ended	
	30-Jun-25 US$'000	30-Jun-24 US$'000
Short-term employment benefits		
– Directors	969	1,460
– Key executives	3,556	2,051
Post-employment benefits (including contributions to defined contribution plans)	32	5
Share-based payments	96	–
	4,653	3,516

7.2. Related parties (continued)

Other significant related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions with related parties took place at terms agreed between the parties during the period:

	Group Six Months Ended	
	30-Jun-25 US$'000	30-Jun-24 US$'000
Consultancy fees paid/payable to companies in which directors and/ or their close family members have an interest	36	113
Consultancy fees paid/payable to a company in which a controlling shareholder and/or their close family members have an interest	467	–
Capital contributions received from a company in which a controlling shareholder and/or their close family members have an interest, representing contributions from non-controlling interests in a subsidiary	–	616

8. Tax expense

	Group Six Months Ended	
	30-Jun-25 US$'000	30-Jun-24 US$'000
Current tax		
Current period	32,298	34,982
Changes in estimates related to prior years	88	286
	32,386	35,268
Deferred tax		
Origination and reversal of temporary differences	(5,122)	13,868
Total tax expense	27,264	49,136

9. Net asset value

	Group		Company	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Net asset value[#] (US$)	29,565,000	63,964,000	81,851,000	82,798,000
Total number of issued shares excluding treasury shares	1,302,320,991	1,302,320,991	1,302,320,991	1,302,320,991
Net asset value per ordinary share based on number of shares in issue as at the end of the financial period/year (US cents)	2.27	4.91	6.29	6.36

[#] Net asset value includes non-controlling interests.

10. Exploration and evaluation assets

	Note	Group 30-Jun-25 US$'000	Group 31-Dec-24 US$'000
Cost			
At beginning of period/year		95,415	95,368
Additions		7,663	17,027
Adjustments		1,784	–
Transferred to oil and gas properties	11	(4,082)	(4,343)
Translation differences		14,952	(12,637)
At end of period/year		115,732	95,415
Accumulated impairment losses			
At beginning of period/year		60,512	69,585
Impairment of capitalised exploration expenditure	6	8,734	378
Translation differences		10,858	(9,451)
At end of period/year		80,104	60,512
Carrying amount at end of period/year		35,628	34,903

Exploration and evaluation costs incurred were in respect of exploration and evaluation of hydrocarbons in Norway, Oman, Benin and Germany.

10. Exploration and evaluation assets (continued)

Impairment assessment

In 1H FY2025, the Group recognised impairment loss of US$8,734,000 with respect to relinquishment of a licence (PL1190) in Norway due to limited further prospectivity and the drilling of a dry well. In 2024, the Group recognised impairment loss of US$378,000 due to certain relinquished licences (PL867 and PL838B) in Norway.

The impairment of exploration and evaluation assets is included in 'other expenses' in the condensed interim consolidated statement of comprehensive income.

11. Oil and gas properties

		Group	
	Note	**30-Jun-25 US$'000**	**31-Dec-24 US$'000**
Cost			
At beginning of period/year		475,098	384,128
Additions		66,155	95,886
Acquisition through business combinations		–	12,884
Change in decommissioning provision	19	–	6,929
Transferred from exploration and evaluation assets	10	4,082	4,343
Adjustments		(1,425)	687
Translation differences		41,154	(29,759)
At end of period/year		585,064	475,098
Accumulated depletion and impairment losses			
At beginning of period/year		301,242	175,328
Depletion	7	50,711	97,931
Impairment of oil and gas properties previously capitalised		–	41,421
Translation differences		24,760	(13,438)
At end of period/year		376,713	301,242
Carrying amount at end of period/year		208,351	173,856

Impairment assessment

In 2024, an impairment assessment was performed over the Group's oil and gas properties. Based on the impairment assessment performed, impairment loss of US$41,421,000 was recognised with respect to oil and gas properties in Norway.

No impairment loss was recognised in 1H FY2025.

11. Oil and gas properties (continued)

Financial year ended 31 December 2024

Acquisition of additional 15% interest in producing Yme Field

On 23 September 2024, Lime Petroleum AS ("**LPA**"), an indirect subsidiary of the Group, entered into an agreement with OKEA AS ("**OKEA**") to acquire OKEA's 15% interest in the producing Yme Field on the Norwegian North Sea. The agreed purchase price was NOK 172,900,000 (equivalent to US$15.7 million), with an effective date of 1 January 2024. As a result of positive cash flow from the asset in the interim period between the effective date and the completion date on 29 November 2024, LPA received an amount of NOK 200,539,000 (equivalent to US$18.13 million) net of the agreed purchase price (the "**Acquisition**").

In addition, LPA will pay OKEA a deposit amount of US$9.2 million in 2027 as security for OKEA's secondary responsibility for abandonment of the field. The amount will be repaid to LPA in four 25% tranches upon the operator's (Repsol Norge AS) confirmation of completion of the four pre-defined stages of abandonment of the field.

The Yme Field is located in PL 316 and PL 316B on the Norwegian Continental Shelf. According to the Norwegian Petroleum Directorate, Yme is a field in the south-eastern part of the Norwegian sector of the North Sea, 130 kilometres northeast of the Ula field.

With this Acquisition, LPA increased its share in the Yme Field from 10% to 25%. The transaction was determined to constitute a business combination and was accounted for using the acquisition method of accounting as required by SFRS(I) 3 *Business Combinations*.

Details of the consideration, the assets acquired and liabilities assumed, and the effects on the cash flows of the Group, at the acquisition date, were as follows:

(a) Consideration

	2024 US$'000
Agreed purchase price	(15,700)
Adjustment for positive cash flow from asset between 1 January and 29 November 2024	33,426
Cash consideration received, recognised in the consolidated statement of cash flows	17,726
Cash consideration receivable [1]	402
Total cash consideration	18,128

[1] Received in February 2025.

(b) Acquisition-related costs

The Group incurred acquisition-related costs of US$64,000. These costs were included in 'administrative expenses' in the consolidated statement of comprehensive income.

11. Oil and gas properties (continued)

Financial year ended 31 December 2024

Acquisition of additional 15% interest in producing Yme Field (continued)

(c) Fair value of identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of the acquisition.

	2024 **US$'000**
Oil and gas properties	12,884
Inventories	4,959
Trade and other receivables	3,578
Deferred tax assets	26,189
Provisions	(37,291)
Trade and other payables	(4,431)
Income tax payable	(21,886)
Total net identifiable liabilities	(15,998)

(d) Measurement of fair values

Management primarily used a discounted cash flow model (net present value of expected future cash flows) to determine the fair value of the oil and gas properties. The model incorporated expected future cash flows based on estimates of projected revenues, production costs and capital expenditures as at the acquisition date. The cash flows were estimated using post-tax basis, in accordance with the industry practice, where the value of any acquisition of licences on the Norwegian Continental Shelf was not grossed up with a tax amortisation benefit.

The trade and other receivables comprised gross contractual amounts due of US$3,578,000, of which none were expected to be uncollectible at the date of the Acquisition.

(e) Fair values measured on a provisional basis

A preliminary purchase price allocation as at 31 December 2024 was performed and all identified assets and liabilities had been measured at their acquisition date fair values, in accordance with the requirements of SFRS(I) 3.

(f) Gain on acquisition

Gain on acquisition was recognised as follows:

	2024 **US$'000**
Total cash consideration	18,128
Fair value of identifiable net liabilities assumed	(15,998)
Bargain purchase on acquisition of additional interest in a field, recognised in 'other income' in the consolidated statement of comprehensive income	2,130

11. Oil and gas properties (continued)

Financial year ended 31 December 2024

Acquisition of additional 15% interest in producing Yme Field (continued)

(g) Revenue and profit contribution

If the Acquisition had occurred on 1 January 2024, management estimated that the Group's consolidated revenue would have increased by US$75,421,000, and consolidated loss before tax for the year would have reduced by US$58,681,000.

12. Goodwill and intangible assets

	Goodwill US$'000	Technology US$'000	Customer contracts US$'000	Development costs US$'000	Patents US$'000	Total US$'000
Group						
Cost						
At 1 January 2024	34,099	4,700	3,800	5,600	1,928	50,127
Additions	–	–	–	–	15	15
Disposal	–	–	–	–	(1,943)	(1,943)
Adjustments	(3,215)	–	–	–	–	(3,215)
Translation differences	(3,187)	–	–	–	–	(3,187)
At 31 December 2024 and 30 June 2025	27,697	4,700	3,800	5,600	–	41,797
Accumulated amortisation and impairment losses						
At 1 January 2024	22,681	4,249	3,436	–	15	30,381
Amortisation	–	451	364	633	150	1,598
Disposal	–	–	–	–	(165)	(165)
Impairment loss	7,764	–	–	–	–	7,764
Translation differences	(2,748)	–	–	–	–	(2,748)
At 31 December 2024	27,697	4,700	3,800	633	–	36,830
Amortisation	–	–	–	798	–	798
At 30 June 2025	27,697	4,700	3,800	1,431	–	37,628
Carrying amount						
At 31 December 2024	–	–	–	4,967	–	4,967
At 30 June 2025	–	–	–	4,169	–	4,169

Amortisation

The amortisation of intangible assets is included in the 'administrative expenses' in condensed interim consolidated statement of comprehensive income.

Impairment assessment

In 2024, the goodwill relating to the Yme Field was fully impaired due to the depletion and downward revision of proved and probable reserves, a shorter production period and lower applied oil price curve used in the annual assessment.

13. Property, plant and equipment

The Group acquired property, plant and equipment (excluding right-of-use assets) of US$125,000 in 1H FY2025 (six months ended 30 June 2024: US$44,000) and right-of-use assets of US$89,000 in 1H FY2025 (six months ended 30 June 2024: US$Nil).

No assets were disposed of in both financial periods.

14. Trade and other receivables

	Group		Company	
	30-Jun-25 US$'000	31-Dec-24 US$'000	30-Jun-25 US$'000	31-Dec-24 US$'000
Trade receivables (third parties)	54,507	53,391	–	–
Amounts due from subsidiaries (non-trade)	–	–	10,974	9,884
Amounts due from related parties (non-trade)	–	36	–	–
Deposits	144	133	109	98
Other receivables [(2)]	21,694	14,270	40	37
	76,345	67,830	11,123	10,019
Decommissioning receivables [(1)]	127,232	110,352	–	–
Prepayments [(3)]	22,838	10,415	201	155
Income tax receivables	472	550	–	–
Trade and other receivables	226,887	189,147	11,324	10,174
Analysed as:				
– Non-current	127,232	110,352	–	–
– Current	99,655	78,795	11,324	10,174
	226,887	189,147	11,324	10,174

The non-trade amounts due from subsidiaries and related parties are unsecured, interest-free, and are repayable on demand.

(1) The decommissioning receivables represent a Brage decommissioning carry limited to 95% of decommissioning costs for the current Brage Field infrastructure, which is guaranteed by Repsol Norge AS's parent company, Repsol Exploración S.A., in the Group's favour on completion of the acquisition. Most of the decommissioning is expected to occur after the expiration of the licences' validity. At the end of the Brage Field's production life, the Group will pay an effective 1.69% of the total estimated decommissioning costs for the current Brage Field infrastructure, in respect of its 33.8434% interest in the Brage Field. For decommissioning provision, see Note 19.

(2) Other receivables mainly relate to under-lift of petroleum products, working capital and overcall for joint operations/licences for exploration and production activities in Norway.

(3) Prepayments mainly relate to rental of Mobile Offshore Production Unit ("**MOPU**") and prepaid services for the conversion of MOPU and a Floating Storage and Offloading (FSO) unit in Benin, and prepaid services for exploration and production activities in Oman and Norway.

15. Inventories

	Group	
	30-Jun-25 US$'000	31-Dec-24 US$'000
Petroleum products	11,124	15,279
Spare parts and equipment	35,344	20,561
Work-in-progress	109	184
Finished goods	233	263
	46,810	36,287

16. Contract balances

		Group	
	30-Jun-25 US$'000	31-Dec-24 US$'000	1-Jan-24 US$'000
Contract assets	2,458	–	10,264
Contract liabilities	(24,520)	(30,340)	(39,413)

Contract assets relate to Group's rights to considerations from customers for delivered sale of gas but not billed as at balance sheet date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

Contract liabilities relate to prepaid amount received from a customer in relation to crude oil sales. Contract liabilities are recognised as revenue when the Group fulfils its performance obligation under the contract with the customer. Revenue recognised in 1H FY2025 which was included in the contract liabilities at the beginning of the year was US$30,340,000 (2024: US$39,413,000).

17. Share capital

	Group and Company			
	30-Jun-25 Number of shares '000	30-Jun-25 US$'000	31-Dec-24 Number of shares '000	31-Dec-24 US$'000
Issued and fully paid ordinary shares, with no par value:				
At beginning and end of period/year	1,315,508	89,581	1,315,508	89,581

There was no change in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on, being on 31 December 2024.

17. Share capital (continued)

The Company's issued and fully paid-up capital as at 30 June 2025 comprised 1,315,507,991 (31 December 2024: 1,315,507,991) ordinary shares, of which 13,187,000 (31 December 2024: 13,187,000) were held by the Company as treasury shares.

The number of issued shares, excluding treasury shares, was 1,302,320,991 (31 December 2024: 1,302,320,991).

The treasury shares held represent 1.01% of the total number of issued shares (excluding treasury shares) as at 30 June 2025 (30 June 2024: 1.01%). There were no sales, transfers, cancellation and/or use of treasury shares in 1H FY2025.

There were no outstanding convertibles and/or subsidiary holdings as at 30 June 2025 and 30 June 2024, and no sales, transfers, cancellation and/or use of subsidiary holdings in 1H FY2025.

18. Loans and borrowings

	Group	
	30-Jun-25	**31-Dec-24**
	US$'000	**US$'000**
<u>Non-current</u>		
Secured bond issues	170,496	142,083

There were no unsecured loans or borrowings for financial period/year ended on 30 June 2025 and 31 December 2024 respectively.

Secured bond issues

<u>Financial period ended 30 June 2025</u>

On 19 February 2025 and 26 February 2025, Lime Petroleum Holding AS ("**LPH**"), a subsidiary of the Group, raised a total of NOK 100 million (approximately US$9.17 million) through the tap mechanism in its existing bonds (the "**Bonds**") (ISIN NO0013276410). After the tap issues are carried out, the total outstanding amount of Bonds amounted to NOK 1,750 million (approximately US$173.54 million). The Bonds are listed on the Oslo Stock Exchange in 1H FY2025.

<u>Financial year ended 31 December 2024</u>

On 11 July 2024, Lime Petroleum AS ("**LPA**"), a subsidiary of the Group, issued a conditional call notice to redeem the outstanding bonds under its then-existing bond issue. The then-existing bond issue was redeemed at price equal to 103.08303 per cent of par value, plus accrued interest on the redeemed amount, with settlement date on 25 July 2024.

On 17 July 2024, LPH completed the issuance of a three-year senior secured bond issue of NOK 1,200 million (approximately US$108.83 million), with maturity date on 19 July 2027. The coupon rate is 3 months Norwegian interbank offered rate ("**NIBOR**") plus 9.25%. The Bonds were issued at 100% of the nominal amount.

18. Loans and borrowings (continued)

Secured bond issues (continued)

Financial year ended 31 December 2024 (continued)

On 29 October 2024, LPH successfully raised another NOK 450 million (approximately US$40.92 million) through the tap mechanism in its existing Bonds. After the tap issue is carried out, the total outstanding amount of the Bonds amounted to NOK 1,650 million (approximately US$149.75 million).

Assets pledged as security

The Bonds are secured with, 1) *inter alia*, a pledge over the Company's wholly-owned subsidiary, Rex International Investments Pte. Ltd.'s ("**RII**") shareholding interests in LPH, LPA and Porto Novo Resources Ltd and 2) first ranking security over existing shareholders loans granted by RII to LPA.

19. Provisions

	Group	
	30-Jun-25 US$'000	**31-Dec-24 US$'000**
Decommissioning provisions		
At beginning of period/year	210,414	215,660
Acquisition through business combinations	1,872	37,291
Unwinding of discount	4,698	7,466
Reversals	–	(19,848)
Utilisation of provision	(2,773)	(9,516)
Translation differences	24,981	(20,639)
At end of period/year	239,192	210,414
Analysed as:		
– Non-current	236,843	208,326
– Current	2,349	2,088
	239,192	210,414

Decommissioning provisions

The decommissioning provision represents the present value of the cost of rehabilitating and decommissioning oil field assets and infrastructure such as wells, pipelines and processing facilities in Oman and Norway, which are expected to be incurred when operations are ceased. These provisions have been created based on the Group's internal estimates. Assumptions based on the current economic environment have been made, which Management believes are a reasonable basis upon which to estimate future liability. These estimates, including discount rates, are reviewed regularly to take into account any material changes to the assumptions.

However, actual decommissioning costs will ultimately depend on future market prices for the necessary decommissioning works required that will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend on future oil and gas prices, which are inherently uncertain.

19. Provisions *(continued)*

Decommissioning provisions (continued)

In 2024, as part of the Group's regular review, provisions were revised following the establishment and commencement of planned drilling programmes in Oman and Norway. Accordingly, provisions decreased by US$19,848,000, with a corresponding decrease in decommissioning receivables of US$26,777,000, and an increase in oil and gas properties of US$6,929,000 (Note 11).

20. Trade and other payables

	Group		Company	
	30-Jun-25 US$'000	**31-Dec-24 US$'000**	**30-Jun-25 US$'000**	**31-Dec-24 US$'000**
Trade payables (third parties)	9,895	3,433	–	–
Amounts due to subsidiaries (non-trade)	–	–	21,121	19,984
Amounts due to related parties (non-trade)	22	14	–	–
Accruals	57,325	51,991	621	3,779
	67,242	55,438	21,742	23,763

Trade payables are non-interest bearing and are generally settled on terms ranging from two to four weeks (31 December 2024: two to four weeks). The non-trade amounts due to subsidiaries and related parties are unsecured, interest-free, and are repayable on demand.

Accruals mainly relate to accrued production costs in Norway and Oman.

21. Guarantee

KUFPEC Norway AS

The Company (hereinafter referred to as the "**Guarantor**", as a primary obligor and not merely as a surety) had provided a parent company guarantee to KUFPEC Norway AS ("**KUFPEC**") (hereinafter referred to as "**Seller**") as guarantee to the Seller that LPA (hereinafter referred to as "**Buyer**") will perform the Guaranteed Obligations and shall comply with the terms and conditions of the Decommissioning Security Agreement ("**DSA**"). This relates to LPA's acquisition of 10% in the Yme Field in 2022.

The Guarantor undertakes to pay to the Seller, within seven days upon written demand of the Seller stating that the Buyer has failed to pay any amount due and payable to the Seller under the DSA, such amount due and payable.

The Guarantor further undertakes to hold the Seller whole for any taxes that the Seller has to pay on any amount paid to the Seller under this Guarantee.

The Guarantor further undertakes, upon the request of the Seller, to immediately perform any Guaranteed Obligations not performed by the Buyer or procure that such Guaranteed Obligations are performed by a third party.

21. Guarantee (continued)

Ministry of Petroleum and Energy

The Company had provided a parent company guarantee to the Ministry of Petroleum and Energy on the basis of the Norwegian Petroleum Act. Under the Norwegian Petroleum Act, the Company undertakes financial liability as surety for obligations that may arise from exploration for and exploitation of subsea natural resources on the Norwegian Continental Shelf ("**NCS**") and any liability, including liability for any recovery claim, which may be imposed under Norwegian laws for pollution damage and for personal injury.

Management believes that the Group and the operators of licences in the NCS in which the Group has interests, are in compliance with current applicable environmental laws and regulations and hence does not consider it probable that a claim will be made against the Company under the guarantee.

22. Comparative figures

The following adjustments have been made to the prior year's condensed interim consolidated statement of comprehensive income:

(1) Comparative amount relating to "accretion of decommissioning receivables" were reclassified from finance costs to finance income in the condensed interim consolidated statement of comprehensive income.

	Group	
	Previously reported	**After reclassification**
	Six Months Ended	
	30-Jun-2024	**30-Jun-2024**
	US$'000	**US$'000**
Condensed interim consolidated statement of comprehensive income		
Finance income	2,295	5,325
Finance expense	(8,749)	(11,779)

23. Events after the reporting period

There was no known subsequent event which has led to adjustments to this set of condensed interim financial statements.

F. Other information required by Listing Rule Appendix 7.2

1. Audit or review

The condensed interim statements of financial position of Rex International Holding Limited (the Company) and its subsidiaries (collectively the Group) as at 30 June 2025 and the related condensed interim consolidated statement of comprehensive income of the Group for the six-month period then ended, condensed interim statement of changes in equity of the Company and the Group and condensed interim consolidated statement of cash flows of the Group for the six-month period then ended, and certain explanatory notes, have not been audited or reviewed by the Company's auditors.

2. Review of performance of the Group

Condensed Interim Consolidated Statement of Comprehensive Income

Revenue from sale of crude oil and gas decreased slightly to US$154.29 million in 1H FY2025, from US$158.18 million for the six-month period ended 30 June 2024 ("**1H FY2024**"), despite an increase in the volume of oil lifted and sold from the Yumna Field (after the Oman government's share of oil), and the oil fields in Norway and Germany. The increase in volume of oil lifted and sold in 1H FY2025 was partially offset by a decrease in average crude oil sale prices.

Revenue from sale of goods and services of US$0.20 million in 1H FY2025 (1H FY2024: US$0.49 million) was attributable to the sale and service maintenance of commercial drones.

Production and operating expenses increased to US$62.63 million in 1H FY2025 (1H FY2024: US$51.82 million), due to increased production activities in Oman, Norway and Germany in 1H FY2025.

Depletion of oil and gas ("**O&G**") properties increased to US$50.71 million in 1H FY2025 (1H FY2024: US$41.88 million), mainly due to an increase in volume of oil lifted and sold in 1H FY2025. In comparison, there were no crude oil sales from Yumna Field in 1H FY2024.

Exploration and evaluation expenditure ("**E&E**") increased to US$3.26 million in 1H FY2025 (1H FY2024: US$1.68 million), primarily due to the purchase of seismic data for exploration activities in Norway.

Administrative expenses remained fairly consistent at US$17.52 million and US$17.60 million in 1H FY2025 and 1H FY2024 respectively.

Other expenses increased to US$9.58 million in 1H FY2025 (1H FY2024: US$0.37 million), mainly due to an increase in impairment loss on E&E assets. The Group recognised impairment loss of US$8.73 million in 1H FY2025 from the relinquishment of a licence (PL1190) in Norway, due to limited further prospectivity and the drilling of a dry well in Norway. Comparatively, the Group recognised impairment loss of US$0.15 million on E&E assets in 1H FY2024.

Finance income of US$3.25 million was recorded in 1H FY2025 (1H FY2024: US$5.33 million), mainly from i) interest income from quoted investments and bank deposits, and ii) interest accretion of decommissioning receivables.

Finance expense mainly arose from senior secured bonds issued by a subsidiary and interest accretion from decommissioning provisions. Finance expense remained fairly consistent at US$12.33 million and US$11.78 million in 1H FY2025 and 1H FY2024 respectively.

The Group recorded a net foreign exchange loss of US$3.99 million in 1H FY2025 (1H FY2024: US$0.51 million), largely driven by the weakening of the United States dollar ("**USD**") against the Norwegian Krone ("**NOK**"). Revaluation of the USD-denominated receivables in certain subsidiaries, whose functional currency are NOK, resulted in the unrealised foreign exchange loss.

The Group's tax expense decreased to US$27.26 million in 1H FY2025 (1H FY2024: US$49.14 million), mainly due a reduction in taxable income in Norway, partially offset by the recognition of income tax from the sale of crude oil in Oman in 1H FY2025.

As a result of the aforementioned, the Group recorded a loss after tax of US$29.65 million in 1H FY2025, from a loss after tax of US$10.45 million in 1H FY2024.

<u>Condensed Interim Statements of Financial Position</u>

Non-current assets of the Group increased to US$377.83 million as at 30 June 2025 (31 December 2024: US$326.73 million) mainly due to (i) an increase in O&G properties of US$34.50 million from drilling and production activities in Norway, Benin, Oman and Germany, netted against depletion of O&G properties, and (ii) an increase in non-current decommissioning receivables of US$16.88 million mainly due to foreign currency translation gain on consolidation, as a result of the strengthening of the NOK against the USD.

Inventories increased to US$46.81 million as at 30 June 2025 (31 December 2024: US$36.29 million) mainly due to the purchase of spare parts and equipment in Benin of US$10.88 million for use in drilling activities in the second half of 2025.

Current trade and other receivables of the Group increased to US$99.66 million as at 30 June 2025 (31 December 2024: US$78.80 million) primarily due to: (i) an increase in prepayments of US$9.71 million for the conversion of the Mobile Offshore Production Unit (MOPU) and the Floating Storage & Offloading unit (FSO) in Benin; (ii) an increase in working capital requirements, overcalls from operators and prepayments in Norway amounting to US$9.82 million; and (iii) a net increase in trade receivables of US$1.11 million from the sale of crude oil in Oman and Norway.

The Group recognised contract assets of US$2.46 million as at 30 June 2025 (31 December 2024: US$Nil), due to an increase in accrued revenue, as a result of the delivery of gas in Norway in June 2025.

Quoted investments decreased to US$11.08 million as at 30 June 2025 (31 December 2024: US$12.98 million), mainly due to the maturity of certain debt instruments, and the corresponding proceeds which were used for the Group's general working capital instead of being reinvested into other quoted investments.

Non-current loans and borrowings increased to US$170.50 million as at 30 June 2025 (31 December 2024: US$142.08 million), due to funds raised through the tap mechanism of a subsidiary's existing senior secured bonds denominated in NOK, and foreign currency translation loss on consolidation of US$18.78 million, as a result of the strengthening of the NOK against the USD.

Total current and non-current decommissioning provisions increased to US$239.19 million as at 30 June 2025 (31 December 2024: US$210.41 million), mainly due to foreign currency translation loss on consolidation of US$24.98 million, as a result of the strengthening of the NOK against the USD.

Deferred tax liabilities remained fairly consistent at US$50.37 million and US$49.59 million as at 30 June 2025 and 31 December 2024 respectively.

Trade and other payables increased to US$67.24 million as at 30 June 2025 (31 December 2024: US$55.44 million), due to an increase in production activities in Norway and Oman, netted against payment of outstanding balances.

Contract liabilities decreased to US$24.52 million as at 30 June 2025 (31 December 2024: US$30.34 million), due to a decrease in advances from a customer, as a result of delivery of crude oil as at 30 June 2025.

Income tax payable increased to US$51.31 million as at 30 June 2025 (31 December 2024: US$18.66 million), mainly due to additional income tax payable recognised for 1H FY2025 in Norway. Income tax payable in relation to the taxable income for the financial year ended 2024 will be paid in the second half of 2025.

Working capital decreased to US$110.54 million as at 30 June 2025 (31 December 2024: US$138.38 million), mainly due to a decrease in cash and cash equivalents from the purchase O&G properties, an increase in trade and other payables and income tax payable, netted against an increase in trade and other receivables, and an increase in inventories.

Statement of Cash Flows

As at 30 June 2025, the Group's cash and cash equivalents and quoted investments totalled US$107.66 million (31 December 2024: US$130.17 million); with cash and cash equivalents at US$96.58 million (31 December 2024: US$117.20 million); and quoted investments at US$11.08 million (31 December 2024: US$12.98 million).

The Group reported net cash generated from operating activities of US$37.18 million in 1H FY2025, after accounting for movements in working capital. This was primarily due to the sale of crude oil and gas in Norway, and the sale of crude oil in Oman and Germany. The net cash generated from operating activities was partially offset by production and operating expenses used in production activities in Oman, as well as administrative and other operational expenses incurred in relation to the Group's business.

Net cash used in investing activities of US$72.07 million in 1H FY2025 was mainly attributable to i) additions to O&G properties of US$66.16 million; ii) exploration and evaluation expenditure of US$7.66 million; and iii) the purchase of plant and equipment of US$0.13 million. The net cash used in investing activities was partially offset by proceeds from the disposal of quoted investments of US$1.50 million and interest received of US$0.38 million.

Net cash from financing activities of US$1.86 million in 1H FY2025 was mainly due to proceeds raised through the tap mechanism of existing senior secured bonds by a subsidiary of US$9.17 million during 1H FY2025. The net cash from financing activities was partially offset by i) interest paid of US$6.73 million in relation to secured bonds issued by a subsidiary; ii) payment for transaction costs related to loans and borrowings of US$0.20 million; and iii) payment of lease liabilities of US$0.38 million.

As a result of the aforementioned, the Group recorded an overall net decrease in cash and cash equivalents of US$33.03 million in 1H FY2025.

3. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

4. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

Brent crude oil held steady at around US$76[1] a barrel for the first four months of 2025, before becoming mostly range bound at around US$65 a barrel for the remaining first half of the year, aside from a short-lived jump in mid-June. This was against the backdrop of vacillating US trade policies[2] and ever-changing geopolitical developments in the Middle East[3]. As at 30 July 2025, Brent crude oil was at around US$70 per barrel.

The oil market in 2025 looks well supplied with OPEC+ set to raise production by 548,000 bpd in August, citing a steady global economic outlook and healthy market fundamentals[4]. On the demand side, the US Energy Information Administration (EIA) projects oil demand to grow by 1 million bpd in both 2025 and 2026[5].

Operationally, it will be an eventful second half of 2025 at the Group's multinational portfolio of assets:

In Benin, a 100-day three-well work-programme to redevelop the Sèmè Field was kicked off in August 2025 by the operator Akrake Petroleum Benin S.A., Rex's indirect subsidiary. The drilling campaign includes two horizontal production wells in the H6 formation (previously developed), as well as a deeper vertical appraisal well to gather data from the H7 and H8 reservoirs, to facilitate the potential advancement to Phase 2 of the development.

In Norway, the operator of the Brage Field, in which Rex's indirect subsidiary Lime Petroleum AS (LPA) holds a 33.8434% interest, spudded on 7 July 2025, the first of three wells in a drilling campaign comprising two exploration wells and a new producer well. The first of two wells in the Bestla tie-back to Brage has also been spudded in August 2025.

In Germany, the focus will be on developing the Erfelden area, which includes the Schwarzbach Field, which is 100% owned and operated by Rex's indirect subsidiary Lime Resources Germany GmbH (LRG). LRG plans to drill two wells in Q4 2025, looking to add some 500 boepd to the production in January 2026. This will be followed by a larger drilling campaign scheduled for the second half of 2026 aimed at ramping up production.

In Oman, debt financing alternatives to fund Masirah Oil Limited's assets in Oman as well as for general corporate purposes are being explored. This follows the release of an updated Qualified Person's Report (QPR) for the Yumna Field in Block 50 Oman, which outlines ongoing efforts to optimise production from existing wells and phased introduction of new development wells.

The Group will update shareholders whenever there are material developments to its operational plan.

bpd: barrels per day
boepd: barrels of oil equivalent per day

Footnotes:

1 FactSet data
2 Business Times, Oil prices steady as market considers latest US tariff changes, 16 April 2025
3 Business Times, Oil prices drop 6% as Israel-Iran ceasefire reduces Middle East supply risk, 25 June 2025
4 Reuters, OPEC+ speeds up oil output hikes, adds 548,000 bpd in August, 5 July 2025
5 Upstream, EIA lowers oil forecast again on Opec+ supply growth, 7 May 2025

5. Dividend information

5a. Current financial period reported on

Any dividends recommended for the current financial period reported on? No.

5b. Corresponding period of the immediate preceding financial year

Any dividends declared for the corresponding period of the immediate preceding financial year? No.

5c. Date payable

Not applicable.

5d. Books closure date

Not applicable.

5e. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No interim dividend has been recommended for 1H FY2025 as the Group did not generate any net profits.

6. Interested person transactions ("IPT")

The Group has not obtained a general mandate from shareholders for IPTs.

7. Confirmation that the issuer has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that undertakings have been procured from the Board of Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

8. Use of proceeds pursuant to Rule 704(30)

The Company had on 6 November 2013, completed a placement of 70 million new ordinary shares at an issue price of S$0.755 per share (the "**2013 Placement**"), raising net proceeds of S$50.87 million (after deducting placement expenses of S$1.98 million). As at the date of this announcement, the Company had utilised all the 2013 Placement proceeds except for a part of the amount allocated to the share buyback mandate of S$5.96 million.

The Company had utilised S$0.99 million in relation to the share buyback exercise as at the date of this announcement, and the ending balance of the amount allocated to the share buyback mandate as at 30 June 2025 and the date of this announcement, was S$4.97 million.

9. Use of funds/ cash by mineral, oil and gas companies pursuant to Rule 705(6)

Actual use of funds/ cash

	Three Months Ended 30-Jun-25 US$'000
Exploration and production activities in Oman	9,380
Exploration and production activities in Norway	53,109
Exploration activities in Benin	35,448
Exploration and production activities in Germany	686
General working capital	3,395
Total	**102,018**

In the three-month period ended 30 June 2025 ("**2Q FY2025**"), US$9.38 million, US$53.11 million and US$0.69 million were used for production and exploration related activities in Oman, Norway and Germany respectively. US$35.45 million was used for exploration activities in Benin. US$3.40 million was used for the Singapore and Rex Technology offices' staff costs, operational expenses, as well as consultancy and professional fees.

The actual amount of funds used for production and exploration related activities in Oman in 2Q FY2025 was US$1.80 million, lower than the projected amount in the previous quarter ended 31 March 2025 ("**1Q FY2025**"), mainly due to lower actual operational costs, fuel and logistics costs, and a decrease in actual staff costs as compared to projection.

The actual amount of funds used for production and exploration related activities in Norway in 2Q FY2025 was fairly consistent with the projected amount in 1Q FY2025.

The actual amount of funds used for exploration in Benin in 2Q FY2025 was US$3.95 million higher than the projected amount in 1Q FY2025, due to increased exploration costs in relation to professional fees, and prepayments for the conversion of the MOPU and the FSO.

The actual amount of funds used for production and exploration in Germany in 2Q FY2025 was US$0.06 million higher than the projected amount in 1Q FY2025, due to foreign currency exchange loss, as a result of the weakening of the United States dollar against the Euro.

The actual amount of funds used for general working capital in 2Q FY2025 was US$0.18 million lower than the projected amount in 1Q FY2025, due to a decrease in professional fees.

The total actual use of funds for 2Q FY2025 amounted to US$102.02 million, which was US$2.74 million higher than the projected amount in 1Q FY2025.

Projection on the use of funds/ cash

	Three Months Ending 30-Sep-25 US$'000
Exploration and production activities in Oman	9,953
Exploration and production activities in Norway [1]	56,524
Exploration activities in Benin	47,143
Exploration and production activities in Germany	176
General working capital [2]	2,205
Total	116,001

Footnotes:

[1] For production activities and continuous drilling in the Brage and Yme Fields to increase production in Norway and capital expenditure in relation to the Bestla Field

[2] For operational expenses in the Singapore and Rex Technology offices

10. Pursuant to Rule 705(7) - Details of exploration (including geophysical surveys), development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated

In 2Q FY2025, the Group incurred US$9.38 million, US$53.11 million and US$0.69 million for production and exploration related activities in Oman, Norway and Germany respectively.

Production from the Yumna Field in Oman, the Brage Field and the Yme Field in Norway are ongoing. Continuous drillings in the Yumna, Brage and Yme Fields are ongoing to increase production in Oman and Norway.

Details of variances from previous projections are set out in paragraph 9 above.

11. Negative Confirmation by the Board pursuant to Rule 705(6) of the Listing Manual.

On behalf of the board of directors (the “**Board**”) of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board which may render the condensed interim financial statements for 1H FY2025 and the above information provided to be false or misleading in any material aspect.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

John d’Abo	Mae Heng
Executive Chairman	Independent Director

7 August 2025