

REX INTERNATIONAL HOLDING LIMITED

(Company Number: 201301242M)
(Incorporated in the Republic of Singapore)

**REX INTERNATIONAL AWARDED TWO PRODUCTION SHARING CONTRACTS
BY PETRONAS IN MALAYSIA – RELINQUISHMENT
RESPONSE TO SGX QUERIES**

Rex International Holding Limited (the “**Company**” or “**Rex**” and together with its subsidiaries, the “**Group**”) has received the following queries from the Singapore Exchange Securities Trading Limited (the “**SGX Queries**”) on 28 September 2023, in relation to the Company’s announcement dated 18 September 2023, entitled “Rex International awarded two production sharing contracts by PETRONAS in Malaysia – Relinquishment” (the “**Announcement**”). The board of directors (the “**Board**”) of the Company has provided the following responses to the SGX Queries.

(i) Please explain the reasons for the Relinquishment.

Following feasibility studies conducted by the Group in Malaysia, the Company’s indirect wholly-owned subsidiary Pantai Rhu Energy Sdn Bhd made a Field Development Plan (FDP) based on the Group’s internal financial viability threshold for the project. The FDP was submitted but not accepted. Under the terms of the Production Sharing Contracts (“**PSCs**”), in the absence of FDPs two years from the effective date of 1 September 2021, the PSCs were accordingly relinquished.

(ii) Please disclose the financial impact on the Company arising from the Relinquishment.

Pursuant to the relinquishment, the Company envisages the financial impact on the Group’s operating expenses and impairment provision to be approximately US\$5.2 million as at 30 June 2023, attributed to the past geological, geophysical and resources studies conducted on the Rhu-Ara and Diwangsa Clusters since the award of the PSCs in 2021.

(iii) Please explain the delay in the Company’s announcement of the Relinquishment.

Under the terms of the PSCs, all announcements pertaining to the PSCs have to be approved by the regulatory authority in Malaysia. Confirmation of authority’s approval was received on 18 September 2023 and the Company had made the Announcement as soon as it was practicable.

BY ORDER OF THE BOARD OF

Rex International Holding Limited

John d’Abo
Executive Vice Chairman

28 September 2023