

PRESS RELEASE

Rex shows strong EBITDA, profit after tax and cash position development for FY2021

- *EBITDA of US\$110.18 million in FY2021*
- *Profit after tax of US\$78.94 million in FY2021*
- *Result improvement of US\$94.15 million comparing FY2021 to FY2020*
- *Strong cash position with cash, cash equivalents, quoted investments totalling US\$86.91 million as at 31 December 2021*
- *Brage field: Transformative acquisition completed on 31 December 2021 will contribute to the Group’s oil and gas production going forward*
- *First dividend of S\$0.005 per ordinary share proposed, possibility of additional interim dividend later in 2022. Target of quarterly dividends payment from start of 2023*

SINGAPORE, 28 February 2022 – 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 year ended 31 December 2021 (“FY2021”). For FY2021, the Group recorded revenue of US\$158.44 million, mainly from subsidiary Masirah Oil Ltd’s share of the produced oil after the Oman government’s take. This was a 240 per cent increase from revenue of US\$46.66 million in the year ended 31 December 2020 (“FY2020”). Profit after tax (“PAT”) of US\$78.94 million was recorded in FY2021, corresponding to a result improvement of more than US\$94 million, compared to a total loss after tax of US\$15.21 million for FY2020. Earnings before interest, taxes, depreciation and amortisation (“EBITDA”) for FY2021 was a positive US\$110.18 million.

US\$ million	FY2021	FY2020	Improvement
Revenue	158.44	46.66	+240%
Profit/ (loss) after tax	78.94	(15.21)	+619%
EBITDA	110.18	3.03	+3,533%

EBITDA: earnings before interest, taxes, depreciation, and amortisation

As at 31 December 2021, the Group's cash and cash equivalents and quoted investments totalled US\$86.91 million (31 December 2020: US\$46.30 million); with cash and cash equivalents at US\$60.60 million (31 December 2020: US\$20.38 million); and quoted investments at US\$26.31 million (31 December 2020: US\$25.93 million).

Mr Dan Broström, Executive Chairman of Rex, said, "The Group's revenue in FY2021 was boosted by an increase in the number of oil liftings from seven in FY2020 to 12 in FY2021, and an improvement of the average realised oil price sold from US\$34 per barrel in FY2020 to US\$67 per barrel in FY2021, against consistent operating costs in Oman. A summary qualified person's report on the Yumna Field dated 24 February 2022 states that as of 31 December 2021, the Yumna Field had produced 5.772 MMstb of oil. There are also estimated 15% more in 2P reserves, meaning that the field will be in production longer than originally anticipated."

"Our 91.65 per cent subsidiary Lime Petroleum AS's acquisition of a 33.84 per cent in the producing Brage Field for US\$42.6 million was completed on 31 December 2021, for which US\$18.24 million was booked as a bargain purchase of oil and gas properties by way of accounting treatment. Production from the Brage Field of estimated 3,440 barrels of oil equivalent per day net to Lime Petroleum will contribute to the Group's operating revenue and profit from 1 January 2022. Net 2P Reserves of about 7.3 mmboe from the Brage Field will also be added to Lime Petroleum's current attributable 2C Contingent Resources of 27.7mmboe. Our producing assets in Oman and Norway, coupled with a strong oil price, bode well for an equally strong 2022," Mr Broström added.

"The Board will endeavour to maintain strategic and sensible capital management and to create shareholders returns. The current level of oil price and market demand for oil make investments in production and reserves highly attractive if cash flow can be realised in the near term. Such investments, if successful, will further substantially increase shareholder value. The Company therefore has decided to use more of the Company's free cash flow on such near-term investments like our Yumna Field in Oman and Brage Field in Norway. For this reason, the Board is recommending a final dividend of S\$0.005 per ordinary share for the financial year ending 31 December 2021, payable in the fourth quarter of 2022. The expected record date and expected payment date will be announced together with the upcoming notice of annual general meeting. The Board may consider

paying an interim dividend, subject to the Company's performance based on the financial results for the half year ending 30 June 2022 (1H FY2022).

"We want the Company to be viewed as a stable yield generator with long-term prospects. The Group believes a sustainable and fixed level of profits can be maintained over time. The objective of the Company's dividend policy is therefore to pay a regular cash dividend, aiming at the target level of \$0.02 per ordinary share per annum, on a quarterly basis, starting from the first quarter of 2023, subject to the profitability of the Company and at the sole discretion of the Board," he said.

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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 was listed on Singapore Exchange Securities Trading Limited's Catalist Board on 31 July 2013. The Company de-risks its portfolio of exploration and development assets using its proprietary liquid hydrocarbon indicator Rex Virtual Drilling technology to identify the location of oil reservoirs in the sub-surface through analysis of seismic data. Since the Company's listing, the Group has achieved four offshore commercial discoveries, one in Oman and three in Norway. 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 Catalyst.

This press release 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 press release. The Sponsor has also not drawn on any specific technical expertise in its review of this press release.

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