

PRESS RELEASE

Rex reports increased revenue, strong EBITDA and cash position in FY2022

- Revenue of US\$170.3 million
- Adjusted EBITDA* of US\$61.7 million
- Profit after tax of US\$0.4 million
- Strong cash position with cash, cash equivalents, quoted investments totalling US\$138.8 million as at 31 December 2022
- Yme Field: Acquisition completed on 31 December 2022 will contribute to the Group's oil and gas production going forward
- Proposal for ordinary dividend of S\$0.005 per share payable in May 2023, possibility to add additional interim dividend later in 2023

SINGAPORE, 1 March 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 year ended 31 December 2022 (“FY2022”). After the finalisation of the unaudited interim condensed FY2022 financial statements, the Company refers to its 21 February 2023 profit warning announcement and wishes to clarify that the Group is in a profitable position for FY2022. The Group recorded profit after tax of US\$0.4 million in FY2022, as compared to profit after tax of US\$78.9 million in FY2021. For FY2022, the Group recorded revenue of US\$170.3 million, from the sale of crude oil from the Yumna Field (after the Oman government take) and the Brage Field. This was a 7.5 per cent increase from revenue of US\$158.4 million in the year ended 31 December 2021 (“FY2021”). Adjusted EBITDA* for FY2022 was a positive US\$61.7 million, as compared to Adjusted EBITDA of US\$111.2 million in FY2021.

US\$ million	FY2022	FY2021	Change (%)
Revenue	170.3	158.4	+7.5
Profit after tax	0.4	78.9	(99.5)
Adjusted EBITDA*	61.7	111.2	(44.5)

*Adjusted EBITDA = Earnings – depletion of O&G properties – depreciation – amortisation of intangibles – taxes – interest expense and income – impairment losses on Exploration & Evaluation assets

As at 31 December 2022, the Group's cash and cash equivalents and quoted investments totalled US\$138.8 million (31 December 2021: US\$86.9 million); with cash and cash equivalents at US\$115.8 million (31 December 2021: US\$60.6 million); and quoted investments at US\$23.0 million (31 December 2021: US\$26.3 million).

Mr Dan Broström, Executive Chairman of Rex, said, "The Group's revenue in FY2022 was higher than that in FY2021, due to the inclusion of oil liftings from the Brage Field in Norway and an increase in the average realised oil price for the sale of crude from the Yumna Field in Oman, from US\$67 per barrel in FY2021 to US\$88 per barrel in FY2022. The increase in revenue was partially offset by a decrease in the volume of oil lifted and sold from the Yumna Field in FY2022, due to production stoppages for the planned major change-outs and upgrades of production facilities from February 2022 to April 2022 and unforeseen operational issues in June and November 2022 in both Oman and Norway. These factors, including impairment of exploration and evaluation assets resulting from the relinquishment of three assets in Norway, contributed to the decrease in Group's FY2022 profit after tax. Nonetheless, the Group posted a strong positive EBITDA, positive cash flow and strong cash position for FY2022."

"As previously shared, the planned major change-outs and upgrades of production facilities in Oman were necessary and the operational issues in 2022 have been resolved. With the addition of the Yumna 4 producer well in January 2023, the Group is looking to bring production up from 2022 levels, a natural decline in production in the earlier producer wells notwithstanding."

"The contribution to revenue from the Brage Field in Norway in FY2022 underscores the importance of geographical diversification for the Group. Our 91.65 per cent subsidiary Lime Petroleum AS's acquisition of a 10 per cent in the producing Yme Field for US\$84.33 million was completed in December 2022. Production from Yme will contribute to the Group's results going forward. Lime Petroleum AS has net 2P reserves of 5.5 mmb¹ in the Yme Field and 7.3 mmb² in the Brage Field," Mr Broström added.

¹Rex's Announcement, "[Rex subsidiary Lime Petroleum to acquire KUFPC's 10% interest in the Repsol-operated Yme Field in Norway - Completion](#)", 27 December 2022

²Rex's Press Release, "[Lime Petroleum acquires 33.84% of producing Brage Field in Norway from Repsol](#)", 16 June 2021

The Board is recommending a final dividend of S\$0.005 per ordinary share for the financial year ended 31 December 2022, payable in May 2023. 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 additional interim dividend, subject to the Company's performance based on the financial results for the half year ending 30 June 2023 (1H FY2023).

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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 is a multinational exploration and production (E&P) company listed on Singapore Exchange Securities Trading Limited's Mainboard. The Company de-risks its portfolio of exploration and development assets using its proprietary liquid hydrocarbon indicator Rex Virtual Drilling technology, which can locate oil reservoirs 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. Besides its E&P activities with a focus on Oman and 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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