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REX INTERNATIONAL HOLDING LIMITED

(Company Registration Number: 201301242M)

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

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CONTENTS

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group Six Months Ended 31-Dec-23 US$'000	Group Six Months Ended 31-Dec-22 US$'000	Change %	Group Twelve Months Ended 31-Dec-23 US$'000	Group Twelve Months Ended 31-Dec-22 US$'000	Change %
Revenue:							
Sale of crude oil and gas	4.2	100,099	70,805	41	207,015	170,259	22
Cost of sales:							
Cost of services		(261)	(367)	(29)	(575)	(780)	(26)
Production and operating expenses		(29,496)	(40,355)	(27)	(73,051)	(73,961)	(1)
Depletion of oil and gas properties	10	(52,717)	(10,931)	382	(75,116)	(28,252)	166
Exploration and evaluation expenditure		(7,511)	(1,383)	443	(9,169)	(3,225)	184
Gross profit		10,114	17,769	(43)	49,104	64,041	(23)
Administrative expenses		(14,919)	(16,695)	(11)	(28,641)	(28,567)	NM
Other expenses		(48,279)	(15,987)	202	(53,969)	(27,729)	95
Other income		1,485	400	271	1,785	617	189
Results from operating activities		(51,599)	(14,513)	256	(31,721)	8,362	(479)
Finance income		2,011	641	214	3,037	744	308
Finance costs		(11,927)	(10,337)	15	(23,212)	(14,766)	57
Foreign exchange loss		(2,914)	(1,335)	118	(4,222)	(1,451)	191
Net finance expense		(12,830)	(11,031)	16	(24,397)	(15,473)	58
Share of (loss)/ profit of equity-accounted investees, net of tax		(402)	70	NM	(577)	503	NM
Loss before tax	6	(64,831)	(25,474)	154	(56,695)	(6,608)	758
Tax (expense)/ credit	7	(8,221)	19,792	NM	(12,667)	6,961	NM
(Loss)/ profit for the period/ year, net of tax		(73,052)	(5,682)	NM	(69,362)	353	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/ year, net of tax		(1,028)	1,753	NM	(2,485)	(5,057)	(51)
Total comprehensive loss for the period/ year, net of tax		(74,080)	(3,929)	NM	(71,847)	(4,704)	NM

NM: Not meaningful

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income (continued)

		Group			Group		
		Six Months Ended			Twelve Months Ended		
		31-Dec-23	31-Dec-22	Change	31-Dec-23	31-Dec-22	Change
	Note	US$'000	US$'000	%	US$'000	US$'000	%
(Loss)/ profit attributable to:							
Owners of the Company		(66,967)	(5,843)	NM	(63,911)	(1,000)	NM
Non-controlling interests		(6,085)	161	NM	(5,451)	1,353	NM
(Loss)/ profit for the period/ year, net of tax		(73,052)	(5,682)	NM	(69,362)	353	NM
Total comprehensive loss attributable to:							
Owners of the Company		(68,049)	(4,192)	NM	(66,191)	(5,633)	NM
Non-controlling interests		(6,031)	263	NM	(5,656)	929	NM
Total comprehensive loss for the period/ year, net of tax		(74,080)	(3,929)	NM	(71,847)	(4,704)	NM
Loss per share							
Basic loss per share (cents)	6.1	(5.14)	(0.45)	NM	(4.91)	(0.08)	NM
Diluted loss per share (cents)	6.1	(5.14)	(0.45)	NM	(4.91)	(0.08)	NM

NM: Not meaningful

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B. Condensed interim statements of financial position

		Group		Company	
		31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	Note	US$'000	US$'000	US$'000	US$'000
Assets					
Exploration and evaluation assets	9	25,783	36,856	–	–
Oil and gas properties	10	208,800	216,342	–	–
Goodwill and intangible assets	11	19,746	33,574	–	–
Property, plant and equipment	12	2,118	2,174	666	338
Subsidiaries		–	–	93,937	92,621
Associate		–	2,514	–	–
Jointly controlled entity		1,572	989	–	–
Other receivables	13	145,481	135,515	–	–
Non-current assets		403,500	427,964	94,603	92,959
Inventories		33,272	13,733	–	–
Trade and other receivables	13	62,412	88,062	10,903	5,226
Quoted investments		18,600	23,041	18,599	23,040
Cash and cash equivalents		95,439	115,758	15,547	25,923
Current assets		209,723	240,594	45,049	54,189
Total assets		613,223	668,558	139,652	147,148
Equity					
Share capital	14	89,581	257,677	89,581	257,677
Reserves		2,197	4,477	1,082	1,082
Retained earnings/ (accumulated losses)		13,733	(85,608)	171	(161,609)
Total equity attributable to owners of the Company		105,511	176,546	90,834	97,150
Non-controlling interests		9,256	11,937	–	–
Total equity		114,767	188,483	90,834	97,150
Liabilities					
Loans and borrowings	16	64,263	77,987	–	–
Provisions	17	215,660	190,661	–	–
Lease liabilities		621	636	221	87
Deferred tax liabilities		84,701	66,885	–	–
Non-current liabilities		365,245	336,169	221	87
Loans and borrowings	16	36,846	13,961	–	–
Bank overdraft		4,000	–	4,000	–
Lease liabilities		477	409	282	207
Trade and other payables	18	91,888	129,536	44,315	49,704
Current liabilities		133,211	143,906	48,597	49,911
Total liabilities		498,456	480,075	48,818	49,998
Total equity and liabilities		613,223	668,558	139,652	147,148

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C. Condensed interim statements 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	Retained earnings/ (Accumulated losses) US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Group										
At 1 January 2023	257,677	(716)	4,129	2,180	1,536	(2,652)	(85,608)	176,546	11,937	188,483
Total comprehensive loss for the year										
Loss for the year	–	–	–	–	–	–	(63,911)	(63,911)	(5,451)	(69,362)
Other comprehensive loss										
Foreign currency translation differences, representing total other comprehensive loss	–	–	–	–	–	(2,280)	–	(2,280)	(205)	(2,485)
Total comprehensive loss for the year	–	–	–	–	–	(2,280)	(63,911)	(66,191)	(5,656)	(71,847)
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Cancellation of share capital	(168,096)	–	–	–	–	–	168,096	–	–	–
Dividends paid	–	–	–	–	–	–	(4,844)	(4,844)	–	(4,844)
Total contributions by and distributions to owners	(168,096)	–	–	–	–	–	163,252	(4,844)	–	(4,844)
Changes in ownership interests in subsidiaries										
Acquisition of subsidiaries with non-controlling interests, representing total changes in ownership interests in subsidiaries	–	–	–	–	–	–	–	–	2,975	2,975
Total transactions with owners	(168,096)	–	–	–	–	–	163,252	(4,844)	2,975	(1,869)
At 31 December 2023	89,581	(716)	4,129	2,180	1,536	(4,932)	13,733	105,511	9,256	114,767

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C. Condensed interim statements 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	Accumulated losses US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Group										
At 1 January 2022	257,677	(716)	4,129	2,180	1,179	1,981	(80,067)	186,363	12,892	199,255
Total comprehensive loss for the year										
Profit for the year	–	–	–	–	–	–	(1,000)	(1,000)	1,353	353
Other comprehensive loss										
Foreign currency translation differences, representing total other comprehensive loss	–	–	–	–	–	(4,633)	–	(4,633)	(424)	(5,057)
Total comprehensive loss for the year	–	–	–	–	–	(4,633)	(1,000)	(5,633)	929	(4,704)
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Share-based payment transactions – performance share plan	–	–	–	–	357	–	–	357	–	357
Dividends paid	–	–	–	–	–	–	(4,541)	(4,541)	–	(4,541)
Dividends payable to non-controlling interests*	–	–	–	–	–	–	–	–	(1,884)	(1,884)
Total transactions with owners	–	–	–	–	357	–	(4,541)	(4,184)	(1,884)	(6,068)
At 31 December 2022	257,677	(716)	4,129	2,180	1,536	(2,652)	(85,608)	176,546	11,937	188,483

* In 2022, the Group's subsidiary in Oman declared dividend amounting to US$1.88 million to non-controlling interests.

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

	Share capital US$'000	Treasury shares USD$'000	Capital reserve US$'000	Share-based payment reserve US$'000	Retained earnings/ (Accumulated losses) US$'000	Total equity US$'000
Company						
At 1 January 2023	257,677	(716)	505	1,293	(161,609)	97,150
Total comprehensive loss for the year						
Loss for the year, representing total comprehensive loss for the year	–	–	–	–	(1,472)	(1,472)
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Cancellation of share capital	(168,096)	–	–	–	168,096	–
Dividends paid	–	–	–	–	(4,844)	(4,844)
Total transactions with shareholders	(168,096)	–	–	–	163,252	(4,844)
At 31 December 2023	89,581	(716)	505	1,293	171	90,834

C. Condensed interim statements 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
Company						
At 1 January 2022	257,677	(716)	505	936	(168,096)	90,306
Total comprehensive income for the year						
Profit for the year, representing total comprehensive income for the year	–	–	–	–	11,028	11,028
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Share-based payment transactions – performance share plan	–	–	–	357	–	357
Dividends paid, representing total transactions with shareholders	–	–	–	–	(4,541)	(4,541)
Total transactions with shareholders	–	–	–	357	(4,541)	(4,184)
At 31 December 2022	257,677	(716)	505	1,293	(161,609)	97,150

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D. Condensed interim consolidated statement of cash flows

	Note	Group Twelve Months Ended 31-Dec-23 US$'000	31-Dec-22 US$'000
Cash flows from operating activities			
Loss before tax		(56,695)	(6,608)
Adjustments for:			
Amortisation of intangible assets	11	865	850
Depreciation of property, plant and equipment		1,170	853
Depletion of oil and gas properties	10	75,116	28,252
Impairment of goodwill	11	21,856	–
Impairment loss on exploration and evaluation assets	9	19,544	24,285
Impairment loss on oil and gas properties	10	11,786	–
Write-off of oil and gas properties	10	1,423	–
Write-off of property, plant and equipment		8	–
Loss on disposal of property, plant and equipment		7	505
Net finance expense		20,175	14,022
Share of loss/ (profit) of equity-accounted investees, net of tax		577	(503)
Change in fair value of quoted investments		(1,695)	2,786
Loss/ (gain) on disposal of quoted investments		766	(615)
Equity settled share-based payment transactions		–	357
Operating cash flows before movements in working capital		94,903	64,184
Changes in:			
– Inventories		(19,207)	6,433
– Trade and other receivables		(25,598)	25,294
– Trade and other payables		(52,946)	34,385
– Restricted bank deposits		28	(305)
Cash (used in)/ generated from operations		(2,820)	129,991
Tax receipts from exploration and evaluation activities in Norway		54,830	39,070
Net cash from operating activities		52,010	169,061

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

	Note	Group Twelve Months Ended 31-Dec-23 US$'000	31-Dec-22 US$'000
Cash flows from investing activities			
Interest received		2,732	744
Acquisition of a subsidiary, net of cash acquired	19	(1,660)	–
Acquisition of non-controlling interests in a subsidiary, net of cash acquired	19	(816)	–
Acquisition of oil and gas licences	10	–	(54,821)
Additions to oil and gas properties	10	(53,151)	(56,299)
Exploration and evaluation expenditure	9	(14,268)	(24,522)
Investment in an associate		(1,000)	(2,000)
Purchase of quoted investments		(18,080)	(11,065)
Proceeds from disposal of quoted investments		23,486	11,649
Purchase of patents		(38)	–
Proceeds from sale of property, plant and equipment		5	–
Purchase of property, plant and equipment	12	(247)	(951)
Net cash used in investing activities		(63,037)	(137,265)
Cash flows from financing activities			
Interest paid		(20,236)	(8,125)
Dividends paid to owners of the Company		(4,844)	(4,541)
Payment for transaction costs related to loans and borrowings		(981)	(3,729)
Proceeds from issuance of bonds by a subsidiary		30,047	89,358
Repayment of bonds		(17,431)	(50,598)
Proceeds from bank overdraft		4,000	–
Repayment of lease liabilities		(711)	(443)
Net cash (used in)/ from financing activities		(10,156)	21,922
Net (decrease)/ increase in cash and cash equivalents		(21,183)	53,718
Cash and cash equivalents at beginning of the year		105,389	50,538
Effect of exchange rate fluctuations on cash held		1,879	1,133
Cash and cash equivalents at end of the year		86,085	105,389
Cash and cash equivalents in the statement of financial position		95,439	115,758
Less: Restricted bank deposits		(9,045)	(9,381)
Translation difference		(309)	(988)
Cash and cash equivalents in the consolidated statement of cash flows		86,085	105,389

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 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 and year ended 31 December 2023 ("**2H FY2023**" and "**FY2023**" respectively) 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.

2. Basis of preparation

The condensed interim financial statements for the six months and year ended 31 December 2023 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 interim financial statements for the period ended 30 June 2023.

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**") dollar which is 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

On 1 January 2023, the Group has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy' information in accordance with SFRS(I) Practice Statement 2. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years.

Standards issued but not yet effective as at 31 December 2023 have not been early adopted in these condensed interim financial statements. Management anticipates that the adoption of these SFRS(I) pronouncements in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

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 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 accounting policies

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

Business combination

An acquisition of a business, which is determined as an integrated set of activities and assets that are capable of being conducted and managed for the purpose of providing a return directly to investors, is a 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) criteria to establish whether the transaction represents a business combination or an asset purchase. 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 purchases.

Acquisition accounting is subject to substantive judgement by the 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 production and development phase is normally based on discounted cash flow models, where the determination of inputs to the model may require significant judgement.

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 when the Group defers or ceases 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)

Critical judgements made in applying accounting policies (continued)

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. Estimating the quantity and grade of reserves requires determining the size, shape and depth of the reservoirs or fields to be determined by analysing geological data and drilling samples. This process may require interpreting complex and difficult geological 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 given in terms of units of production based on total proven and probable reserves.

Key sources of estimation uncertainty

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts 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.

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 prove plus probable reserves and incorporating the estimated future cost of developing and extracting those reserves. Future development costs are estimated using assumptions as to the numbers 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.

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2.2. Use of judgements and estimates (continued)

<u>Key sources of estimation uncertainty (continued)</u>

Amortisation of technology assets

Technology assets are amortised on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these assets to be within 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, and therefore future depreciation expenses could be revised.

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.

3. Seasonal operations

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

4. Segment and revenue information

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 and Norway.
* Non-Oil and Gas: pertains to the oil exploration technology, medical technology and industrial robots segments.
* Corporate: pertains to corporate functions.

These operating segments are reported in a manner consistent with internal reporting provided to the Group's Executive Chairman, Executive Vice Chairman, Chief Executive Officer and senior management who are responsible for allocating resources and assessing performance of the operating segments.

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4.1. Reportable segment

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

	Oil and Gas US$'000	Non-Oil and Gas US$'000	Corporate US$'000	Total US$'000
Group				
1 January 2023 to 31 December 2023				
Sale of crude oil and gas	207,015	–	–	207,015
Service revenue	–	1,243	–	1,243
Total revenue for reportable segments	207,015	1,243	–	208,258
Elimination of inter-segment revenue	–	(1,243)	–	(1,243)
Consolidated revenue	207,015	–	–	207,015
Other income	6	41	43	90
Segment expense	(101,627)	(1,221)	(6,570)	(109,418)
Amortisation of intangible assets	–	(865)	–	(865)
Depreciation of property, plant and equipment	(765)	–	(405)	(1,170)
Depletion of oil and gas properties	(75,116)	–	–	(75,116)
Finance income	1,870	17	1,150	3,037
Finance expense	(23,053)	(1)	(158)	(23,212)
Foreign exchange (loss)/ gain	(4,851)	(3)	632	(4,222)
Share of loss of equity-accounted investees	–	(577)	–	(577)
Other material non-cash items:				
– Changes in fair values of quoted investments	–	–	1,695	1,695
– Loss from disposal of quoted investments	–	–	(766)	(766)
– Impairment of goodwill	(21,856)	–	–	(21,856)
– Impairment loss on exploration and evaluation assets	(19,544)	–	–	(19,544)
– Impairment loss on oil and gas properties	(11,786)	–	–	(11,786)
Reportable segment loss before tax	(49,707)	(2,609)	(4,379)	(56,695)
Reportable segment assets	541,158	15,004	57,061	613,223
Segment assets include:				
Additions to:				
– Property, plant and equipment*	103	–	144	247
– Patents	–	38	–	38
– Exploration and evaluation assets	14,268	–	–	14,268
– Oil and gas properties	53,151	–	–	53,151
Investment in an associate	–	1,000	–	1,000
Reportable segment liabilities	487,699	4,297	6,460	498,456

* Excludes right-of-use assets

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4.1. Reportable segment (continued)

Group 1 January 2022 to 31 December 2022	Oil and Gas US$'000	Non-Oil and Gas US$'000	Corporate US$'000	Total US$'000
Sale of crude oil and gas	170,259	–	–	170,259
Service revenue	–	1,609	–	1,609
Total revenue for reportable segments	170,259	1,609	–	171,868
Elimination of inter-segment revenue	–	(1,609)	–	(1,609)
Consolidated revenue	170,259	–	–	170,259
Other income	–	1	1	2
Segment expense	(92,598)	(1,546)	(11,344)	(105,488)
Amortisation of intangible assets	–	(850)	–	(850)
Depreciation of property, plant and equipment	(590)	–	(263)	(853)
Depletion of oil and gas properties	(28,252)	–	–	(28,252)
Finance income	574	–	170	744
Finance expense	(14,687)	(2)	(77)	(14,766)
Foreign exchange gain/ (loss)	611	24	(2,086)	(1,451)
Share of profit of equity-accounted investees	–	503	–	503
Other material non-cash items:				
– Changes in fair values of quoted investments	(7)	–	(2,779)	(2,786)
– Gain from disposal of quoted investments	–	–	615	615
– Impairment loss on exploration and evaluation assets	(24,285)	–	–	(24,285)
Reportable segment profit/ (loss) before tax	11,025	(1,870)	(15,763)	(6,608)
Reportable segment assets	612,479	5,386	50,693	668,558
Segment assets include:				
Additions to:				
– Property, plant and equipment*	951	–	–	951
– Exploration and evaluation assets	24,522	–	–	24,522
– Oil and gas properties	56,299	–	–	56,299
Investment in an associate	–	2,000	–	2,000
Acquisition of oil and gas properties	55,008	–	–	55,008
Reportable segment liabilities	473,329	1,053	5,693	480,075

* Excludes right-of-use assets

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4.2. Disaggregation of revenue

Sale of crude oil and gas

Nature of goods or services	Crude oil and gas
When revenue is recognised	Revenue is recognised when the crude oil and gas is loaded and on board the vessel arranged by buyer and certified by an independent surveyor
Significant payment terms	5 to 30 days after bill of lading

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

	Group Six Months Ended		Group Twelve Months Ended	
	31-Dec-23 US$'000	**31-Dec-22 US$'000**	**31-Dec-23 US$'000**	**31-Dec-22 US$'000**
Geographical information				
Singapore	11,271	35,761	54,500	71,643
Norway	88,828	35,044	152,515	98,616
Total revenue	100,099	70,805	207,015	170,259

A breakdown of sales:

		Group Twelve Months Ended		
		31-Dec-23 US$'000	**31-Dec-22 US$'000**	**Change %**
(a)	Sales reported for the first half year	106,916	99,454	8
(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	3,690	6,035	(39)
(c)	Sales reported for second half year	100,099	70,805	41
(d)	Operating loss after tax before deducting non-controlling interests reported for second half year	(73,052)	(5,682)	NM

NM: Not Meaningful

5. Financial assets and financial liabilities

Accounting classifications and fair values

The carrying amounts and fair values 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	
	31-Dec-23	**31-Dec-22**	**31-Dec-23**	**31-Dec-22**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Financial assets measured at amortised cost				
Loan to a subsidiary	–	–	93,937	92,621
Trade and other receivables (Note 13)*	198,934	164,296	10,753	4,990
Cash and cash equivalents	95,439	115,758	15,547	25,923
	294,373	280,054	120,237	123,534
Financial assets measured at fair value				
Quoted investments	18,600	23,041	18,599	23,040
Financial liabilities measured at amortised cost				
Loans and borrowings (Note 16)	101,109	91,948	–	–
Bank overdraft	4,000	–	4,000	–
Trade and other payables#	52,475	99,327	44,315	49,704
	157,584	191,275	48,315	49,704

* Excludes income tax receivables and prepayments

\# Excludes advance from customers

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.

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

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).

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 amounts 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 amounts 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 amounts 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 amounts recorded at the reporting date would be significantly different from the values that would eventually be received.

6. Loss before tax

Loss before tax is stated after (charging)/crediting the following:

	Group Six Months Ended		Group Twelve Months Ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	US$'000	US$'000	US$'000	US$'000
Depreciation of property, plant and equipment	(511)	(444)	(1,170)	(853)
Depletion of oil and gas properties	(52,717)	(10,931)	(75,116)	(28,252)
Amortisation of intangible assets	(440)	(425)	(865)	(850)
Impairment of goodwill	(21,856)	–	(21,856)	–
Impairment loss on exploration and evaluation assets	(14,294)	(15,537)	(19,544)	(24,285)
Impairment loss on oil and gas properties	(11,786)	–	(11,786)	–
Write-off of oil and gas properties	(1,423)	–	(1,423)	–
Loss on disposal of property, plant and equipment	(7)	(505)	(7)	(505)
Write-off of property, plant and equipment	(8)	–	(8)	–
Change in fair value of quoted investments	2,133	51	1,695	(2,786)
Gain/(loss) on disposal of quoted investments	(1,066)	400	(766)	615
Equity settled share-based payment transactions	–	357	–	357

6.1. Loss per share

	Group Six Months Ended		Group Twelve Months Ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Calculation of basic and diluted loss per share ("**LPS**") is based on:				
Loss attributable to ordinary shareholders (US$)	(66,967,000)	(5,843,000)	(63,911,000)	(1,000,000)
Weighted average number of ordinary shares	1,302,320,991	1,302,320,991	1,302,320,991	1,302,320,991
Basic and fully diluted LPS (US cents)	(5.14)	(0.45)	(4.91)	(0.08)

6.1. Loss per share (continued)

There was no outstanding share award as at 31 December 2023.

As at 31 December 2022, 14,124,100 share awards were excluded from the diluted weighted average number of ordinary shares calculation as they either had minimal impact or their effect would have been anti-dilutive. As such, the basic and fully diluted LPS were the same for the financial period and year ended 31 December 2022.

6.2. Related party transactions

Transactions with directors and other 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 remuneration of directors and other key executives as follows:

	Group Twelve Months Ended	
	31-Dec-23 US$'000	**31-Dec-22 US$'000**
Short-term employment benefits		
– Directors	2,539	5,525
– Key executives	5,093	8,680
Post-employment benefits (including CPF)	51	16
Share-based payment	–	357
	7,683	14,578

Other significant related party transactions

Apart from those disclosed elsewhere in the condensed interim financial statements, below are the remaining significant related party transactions.

	Group Twelve Months Ended	
	31-Dec-23 US$'000	**31-Dec-22 US$'000**
Consultancy fees paid to companies controlled by directors	104	13

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7. Taxation

	Group Six Months Ended		Group Twelve Months Ended	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	US$'000	US$'000	US$'000	US$'000
Current tax expense/ (credit)				
Current period/ year	5,842	(31,949)	(4,506)	(31,306)
Changes in estimates related to prior years	(493)	428	(2,166)	(8,161)
	5,349	(31,521)	(6,672)	(39,467)
Deferred tax expense				
Origination and reversal of temporary differences	2,872	11,729	19,339	32,506
Total tax expense/ (credit)	8,221	(19,792)	12,667	(6,961)

8. Net asset value

	Group		Company	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Net asset value# (US$)	114,767,000	188,483,000	90,834,000	97,150,000
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 year (US cents)	8.81	14.47	6.97	7.46

Net asset value includes non-controlling interests.

9. Exploration and evaluation assets

	Group	
	2023	2022
	US$'000	US$'000
Cost		
At 1 January	88,336	75,035
Additions	14,268	24,522
Transferred to oil and gas properties (Note 10)	(3,674)	–
Translation differences	(3,562)	(11,221)
At 31 December	95,368	88,336
Accumulated impairment loss		
At 1 January	51,480	34,389
Impairment of capitalised exploration expenditure	19,544	24,285
Transferred to oil and gas properties (Note 10)	950	–
Translation differences	(2,389)	(7,194)
At 31 December	69,585	51,480
Carrying amounts at 31 December	25,783	36,856

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

Impairment assessment

In 2023, the Group recognised total impairment loss of US$19,544,000 with respect to exploration and evaluation assets, as a result of non-commercial exploration well in Oman, and relinquishment of certain licences in Norway and Malaysia.

In 2022, the Group recognised total impairment loss of US$24,285,000 with respect to exploration and evaluation assets in Norway, as a result of the relinquishment of licences.

Based on the approved budgets and plans for exploratory activities, no other impairment of exploration and evaluation assets was required as at date of reporting.

The impairment of exploration and evaluation assets is included in 'other expenses'.

10. Oil and gas properties

	Group	
	2023 US$'000	2022 US$'000
Cost		
At 1 January	303,838	196,675
Additions	53,151	56,299
Acquisition	–	55,008
Change in decommissioning provision (Note 17)	28,714	5,490
Transferred from exploration and evaluation assets (Note 9)	4,624	–
Disposals	(1,733)	–
Adjustments	(787)	(350)
Translation differences	(3,679)	(9,284)
At 31 December	384,128	303,838
Accumulated depletion and impairment loss		
At 1 January	87,496	59,653
Depletion	75,116	28,252
Impairment of oil and gas properties previously capitalised	11,786	–
Disposals	(310)	–
Translation differences	1,240	(409)
At 31 December	175,328	87,496
Carrying amounts at 31 December	208,800	216,342

Impairment assessment

An impairment assessment was performed over the Group's oil and gas properties. Based on the impairment assessment performed, impairment loss of US$11,786,000 was recognised in 2023 with respect to oil and gas properties in Oman. No impairment loss was recognised in 2022.

The impairment of oil and gas properties is included in 'other expenses'.

10. Oil and gas properties (continued)

Acquisition of Yme Field

On 10 August 2022, Lime Petroleum AS ("**LPA**"), a subsidiary of the Group, entered into a conditional sale and purchase agreement with KUFPEC Norway AS ("**KUFPEC**"), to acquire KUFPEC's 10% interest in the Yme Field on the Norwegian North Sea, for a post-tax consideration of US$68.053 million (the "**Acquisition**"). The Yme Field is operated by Repsol Norge AS. The Acquisition further strengthens LPA's position as a full-fledged exploration and production player in the Norwegian Continental Shelf, following its acquisition of an 33.8434% interest in the producing Brage Field in 2021.

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.

The Acquisition was completed on 31 December 2022. 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*.

Consideration transferred

The following table summarises the acquisition-date fair value of each major class of consideration transferred:

	US$'000
Cash	54,821
Deferred consideration*	29,512
Total consideration transferred	84,333

* The deferred consideration of US$29.51 million was subsequently settled on 3 February 2023.

Acquisition-related costs

The Group incurred acquisition-related costs of US$219,000.

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.

	US$'000
Oil and gas properties	55,008
Trade and other receivables	21,111
Inventories	8,888
Deferred tax assets	1,526
Provisions	(22,520)
Trade and other payables	(11,589)
Total net identifiable assets	52,424

10. Oil and gas properties (continued)

Acquisition of Yme Field (continued)

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 comprise gross contractual amounts due of US$21,111,000, of which none are expected to be uncollectible at the date of the Acquisition.

Fair values measurement

A preliminary purchase price allocation ("**PPA**") was performed in FY2022 and all identified assets and liabilities have been measured at their acquisition date fair values, in accordance with the requirements of SFRS(I) 3.

If new information obtained within one year from the date of acquisition about fact and circumstances that existed at the date of acquisition identified adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

In 2023, the PPA was finalised and did not result in any material adjustments to the provisional values.

Goodwill

Goodwill arising from the Acquisition was recognised as follows:

	US$'000
Cash consideration transferred	84,333
Provisional fair value of identifiable net assets	(52,424)
Goodwill (Note 11)	31,909

Revenue and profit contribution

Since the Acquisition was completed on 23 December 2022, Yme Field did not contribute any revenue to the Group's results for FY2022. If the Acquisition had occurred on 1 January 2022, Management estimated that the Group's consolidated revenue would have increased by US$30,338,000, and consolidated profit for the year would have decreased by US$2,545,000. In determining these amounts, Management assumed that the fair value adjustments, determined provisionally, that arose on the date of the Acquisition would have been the same if the Acquisition had occurred on 1 January 2022.

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11. 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 2022	–	4,700	3,800	–	–	8,500
Acquisitions – Business combinations (Note 10)	31,909	–	–	–	–	31,909
At 31 December 2022	31,909	4,700	3,800	–	–	40,409
Acquisitions – Business combinations (Note 19)	3,215	–	–	–	–	3,215
Acquisitions – internally generated (Note 19)	–	–	–	5,600	1,890	7,490
Additions	–	–	–	–	38	38
Adjustments	82	–	–	–	–	82
Translation differences	(1,107)	–	–	–	–	(1,107)
At 31 December 2023	34,099	4,700	3,800	5,600	1,928	50,127
Accumulated amortisation and impairment loss						
At 1 January 2022	–	3,309	2,676	–	–	5,985
Amortisation	–	470	380	–	–	850
At 31 December 2022	–	3,779	3,056	–	–	6,835
Amortisation	–	470	380	–	15	865
Impairment loss	21,856	–	–	–	–	21,856
Translation differences	825	–	–	–	–	825
At 31 December 2023	22,681	4,249	3,436	–	15	30,381
Carrying amounts						
At 1 January 2022	–	1,391	1,124	–	–	2,515
At 31 December 2022	31,909	921	744	–	–	33,574
At 31 December 2023	11,418	451	364	5,600	1,913	19,746

Amortisation and impairment

The amortisation of intangible assets is included in 'administrative expenses', and the impairment loss on goodwill is included in 'other expenses'.

12. Property, plant and equipment

The Group acquired property, plant and equipment (excluding right-of-use assets) of US$171,000 during the six months ended 31 December 2023 (six months ended 31 December 2022: US$74,000), and US$247,000 for the full year ended 31 December 2023 (full year ended 31 December 2022: US$951,000).

The Group acquired right-of-use assets of US$1,244,000 during the six months and full year ended 31 December 2023 (six months and full year ended 31 December 2022: US$1,155,000). The Group terminated right-of-use assets of US$655,000 during the six months and full year ended 31 December 2023 (six months and full year ended 31 December 2022: US$637,000).

12. Property, plant and equipment (continued)

The Group disposed property, plant and equipment with carrying amount of US$20,000 during the six months and full year ended 31 December 2023 (six months and full year ended 31 December 2022: US$505,000).

13. Trade and other receivables

	Group		Company	
	31-Dec-23 US$'000	31-Dec-22 US$'000	31-Dec-23 US$'000	31-Dec-22 US$'000
Trade receivables (third parties)	30,610	3,426	–	–
Amounts due from subsidiaries (non-trade)	–	–	10,136	4,795
Amounts due from a jointly controlled entity (non-trade)	18	97	181	87
Deposits	250	218	106	103
Decommissioning receivables[1]	145,481	135,515	–	–
Other receivables	22,575	25,040	330	5
	198,934	164,296	10,753	4,990
Prepayments	3,332	2,456	150	236
Income tax receivables [2]	5,627	56,825	–	–
Trade and other receivables	207,893	223,577	10,903	5,226
Comprise of:				
– Non-current	145,481	135,515	–	–
– Current	62,412	88,062	10,903	5,226
	207,893	223,577	10,903	5,226

The non-trade amounts due from subsidiaries and a jointly controlled entity are unsecured, interest-free, and are repayable on demand.

(1) The decommissioning receivables represents a Brage decommissioning carry limited to 95% of decommissioning costs for the current Brage Field infrastructure, which is guaranteed by Repsol Exploración S.A., the parent company of Repsol Norge AS, with a guarantee granted 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 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 17.

(2) Income tax receivables of US$5,627,000 (31 December 2022: US$56,825,000) relate to an amount receivable from the Norway tax authorities for exploration costs incurred during the respective financial year. The refund will be paid out in November the following year.

14. Share capital

	Group and Company			
	31-Dec-23 Number of shares ’000	31-Dec-23 US$’000	31-Dec-22 Number of shares ’000	31-Dec-22 US$’000
Issued and fully paid ordinary shares, with no par value:				
At beginning of year	1,315,508	257,677	1,315,508	257,677
Cancellation of share capital [1]	–	(168,096)	–	–
At end of year	1,315,508	89,581	1,315,508	257,677

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 30 June 2023.

The Company’s issued and fully paid-up capital as at 31 December 2023 comprised 1,315,507,991 (31 December 2022: 1,315,507,991) ordinary shares, of which 13,187,000 (31 December 2022: 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 2022: 1,302,320,991).

The treasury shares held represent 1.01% of the total number of issued shares (excluding treasury shares) as at 31 December 2023 (31 December 2022: 1.01%). There were no sales, transfers, cancellation and/or use of treasury shares in 2H FY2023.

There were no outstanding convertibles and/or subsidiary holdings as at 31 December 2023 and 31 December 2022, and no sales, transfers, cancellation and/or use of subsidiary holdings in 2H FY2023.

[1] On 20 January 2023, the shareholders of the Company had approved the capital reduction exercise at an Extraordinary General Meeting, to reduce the share capital of the Company by cancelling the share capital of the Company that had been lost or was unrepresented by available assets to the extent of the amount of the accumulated losses of the Company as at 31 December 2021 of US$168,096,000. The proposed capital reduction exercise was completed on 7 March 2023.

15. Share-based payment arrangements

Performance Share Plan (“PSP”) (equity-settled)

The PSP of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 24 June 2013 and amended with shareholders’ approval at Extraordinary General Meetings of the Company held on 30 April 2014, 28 April 2017 and 3 March 2022. The PSP of the Company expired on 24 June 2023.

A new PSP of the Company was approved by its members at an Extraordinary General Meeting held on 28 September 2023.

15. Share-based payment arrangements (continued)

Performance Share Plan ("PSP") (equity-settled) (continued)

Movement of the awards of ordinary shares granted under the PSP (the "**Awards**"):

	Number of Awards					
Date of Grant of Awards	At 1-Jan-23	Granted in FY2023	Lapsed/ Cancelled in FY2023	Vested in FY2023	At 31-Dec-23	Number of Holders
8-Apr-22	10,524,100	–	(10,524,100) [1]	–	–	–
20-Oct-22	3,600,000	–	(3,600,000) [1]	–	–	–
	14,124,100	–	(14,124,100)	–	–	–

[1] On 13 March 2023, 10,524,100 and 3,600,000 Awards previously granted on 8 April 2022 and 20 October 2022 respectively had been cancelled (forthwith lapsed and to be of no value).

16. Loans and borrowings

	Group	
	31-Dec-23 US$'000	**31-Dec-22 US$'000**
Non-current liabilities		
Secured bond issues	64,263	77,987
Current liabilities		
Current portion of secured bond issues	36,846	13,961

There were no unsecured loans or borrowings for financial year ended 31 December 2023 and 31 December 2022.

Secured bond issues

Financial year ended 31 December 2023

On 10 January 2023, one of the Group's subsidiaries, Lime Petroleum AS ("**LPA**"), successfully raised NOK 250 million through the tap mechanism in its existing Bonds (defined herein) (ISIN NO0012559246). After the tap issue was carried out, the total outstanding amount was NOK 1,200 million. The settlement took place on 18 January 2023. The bonds were issued at 99.25 per cent of the nominal amount.

On 17 April 2023, LPA successfully raised another NOK 50 million through the tap mechanism in its existing Bonds. After the tap issue was carried out, the total outstanding amount was NOK 1,250 million. The settlement took place on 21 April 2023. The bonds were issued at 99.0 per cent of the nominal amount.

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16. Loans and borrowings (continued)

Secured bond issues (continued)

Financial year ended 31 December 2022

In 2022, LPA completed the issuance of a three-year senior secured bond issue of NOK 950 million (approximately US$96.70 million) (the "**Bond Issue**" or the "**Bonds**") (ISIN: NO0012559246), with maturity date on 7 July 2025. The coupon rate is 3 months Norwegian interbank offered rate ("**NIBOR**") plus 9.25%. The Bonds were issued at 97% of the nominal amount. The Bonds are listed on the Oslo Børs.

Assets pledged as security

The Bond Issue is secured with, 1) *inter alia*, a pledge over the Company's wholly owned subsidiary, Rex International Investments Pte. Ltd.'s shareholding interests in LPA, and 2) first priority assignment of mortgage over the interest in the hydrocarbon licences in Norway, monetary claims under LPA's insurances, first priority charge over LPA's bank accounts including Charged Account and floating charges over LPA's trade receivables, operating assets and inventory.

17. Provisions

	Group	
	2023	**2022**
	US$'000	**US$'000**
Decommissioning provisions		
At 1 January	190,661	197,147
Acquisition through business combinations (Note 10)	–	22,520
Unwinding of discount	5,935	3,766
Provisions made during the year	37,093	–
Provisions reversed during the year	–	(13,189)
Utilisation of provision	(11,480)	–
Translation differences	(6,549)	(19,583)
At 31 December	215,660	190,661

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 upon 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 upon future oil and gas prices, which are inherently uncertain.

17. Provisions (continued)

Decommissioning provisions (continued)

In 2023, as part of the Group's regular review, provisions were revised following the establishment and commencement of the planned drilling programmes in Oman and Norway. Accordingly, the provisions increased by US$37,093,000, with a corresponding increase in decommissioning receivables of US$8,379,000 and an increase in oil and gas properties of US$28,714,000 (Note 10).

18. Trade and other payables

Included in trade and other payables is an advance from customer of US$39,413,000 (31 December 2022: US$30,209,000) relating to a prepaid amount received from a customer in Norway in relation to the crude oil sales in 2024 (31 December 2022: 2023).

19. Acquisitions

(i) Acquisition of a subsidiary, Xer Technologies Pte Ltd ("Xer")

On 28 December 2023, the Group acquired an additional 13.33% of the shares and voting interests in Xer, resulting in the Group obtaining control. The principal activities of Xer is that of developing, manufacturing and marketing high performance drones, as well as drone software and services.

The Group had invested in Xer to diversify from its core business of oil exploration and production to an investment in a promising company in an up-and-coming industry that exhibits strong growth potential, at a relatively modest consideration, coupled with limited risks. From the date of acquisition, Xer is consolidated as a subsidiary in the Group's financial statements. The transaction has been determined to constitute a business combination and has been accounted for using the acquisition method of accounting as required by SFRS(I) 3 Business Combinations.

The initial accounting for the acquisition of Xer has only been provisionally determined at the end of the reporting period. At the date of finalisation of these consolidated financial statements, the necessary market valuations and other calculations had not been finalised and they have therefore only been provisionally determined based on the management's best estimate of the likely values.

a) Consideration transferred

	US$'000
Cash	1,000
Contingent consideration[(i)]	3,000
Total consideration	4,000

(i) The contingent consideration arrangement requires the Group to commit capital injection of up to US$3,000,000 if 3 technical and sales milestones are achieved by Xer. On 15 January 2024, one of the milestones was achieved, and US$1,000,000 was paid by the Group. Based on the past milestones achieved by Xer, the Management considers the payment of the contingent consideration to be probable, and US$3,000,000 represents the estimated fair value of this obligation.

19. Acquisitions (continued)

(i) Acquisition of a subsidiary, Xer Technologies Pte Ltd ("Xer") (continued)

a) Consideration transferred (continued)

Effect of cash flows of the Group	**US$'000**
Cash consideration transferred	1,000
Less: cash and cash equivalents of subsidiary acquired	(184)
Total net identifiable assets	816

b) Acquisition-related costs

The Group did not incur any acquisition-related costs.

c) 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.

	US$'000
Property, plant and equipment	73
Intangible assets (Note 11)	5,600
Inventories	331
Trade and other receivables	410
Cash and cash equivalents	184
Trade and other payables	(714)
Net identifiable assets acquired	5,884

The fair value of the financial assets includes receivables acquired (which principally comprised of trade receivables) with a fair value and a gross contractual value of US$410,000. Management expects to collect the contractual cash flow in full.

d) Acquisition achieved in stages

There is no gain or loss recognised as a result of remeasuring to fair value the equity interest in Xer held by the Group before the business combination, as management determines the fair value to approximate the carrying value of Xer as an associate held by the Group prior to obtaining control.

e) Non-controlling interests

The non-controlling interest (46.67% ownership interest in Xer) recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to US$2,747,000.

19. Acquisitions (continued)

(i) Acquisition of a subsidiary, Xer Technologies Pte Ltd ("Xer") (continued)

f) Goodwill on step acquisition

Goodwill arising from the step acquisition has been recognised as follows:

	US$'000
Consideration transferred	4,000
NCI, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	2,746
Fair value of previously held equity interest	2,353
Less: net identifiable net assets acquired	(5,884)
Goodwill (Note 11)	3,215

Goodwill arose in the acquisition of Xer because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of technology innovation of Xer.

None of the goodwill is expected to be deductible for tax purposes.

g) Revenue and profit contribution

Since the acquisition was completed on 28 December 2023, Xer did not contribute any revenue to the Group's results for FY2023. If the acquisition had occurred on 1 January 2023, Management estimated that the Group's consolidated revenue would have increased by US$48,000, and consolidated loss for the year would have increased by US$2,901,000.

(ii) Acquisition of a subsidiary, Moroxite T AB ("Moroxite T")

On 31 July 2023, the Group acquired 70% of the shares and voting interests in Moroxite T, resulting in the Group obtaining management control. From the date of acquisition, Moroxite T is consolidated as a subsidiary in the Group's financial statements. The transaction has been accounted for as asset acquisition.

a) Consideration transferred

The total cash consideration paid was US$2,354,000, included in cash flows from investing activities.

Effect of cash flows of the Group	**US$'000**
Cash consideration transferred	2,354
Less: cash and cash equivalents of subsidiary acquired	(694)
Total net identifiable assets	1,660

19. Acquisitions (continued)

(ii) Acquisition of a subsidiary, Moroxite T AB ("Moroxite T") (continued)

b) 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.

	US$'000
Intangible assets	1,890
Trade and other receivables	34
Cash and cash equivalents	694
Trade and other payables	(36)
Net identifiable assets acquired	2,582

20. Contingent liability

Legal claims

On 5 August 2021, Petroci Holding ("**Petroci**") filed a claim against the Company's subsidiaries, Rex Oman Limited ("**Rex Oman**"), Masirah Oil Limited ("**MOL**"), and certain past and present directors of MOL in the High Court, Commercial Division of the British Virgin Islands, in connection with the alleged conduct of MOL's affairs, which led to a dilution of Petroci's interest in MOL as a partner and minority shareholder.

Management has considered the above claims and allegations and are of the view that these claims and allegations against Rex Oman and MOL are frivolous, baseless and unmeritorious. Management does not expect any material financial impact from the claim.

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 Lime Petroleum AS (hereinafter referred to as "**Buyer**") will perform the Guaranteed Obligations and shall comply with the terms and conditions of the Decommissioning Security Agreement ("**DSA**").

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.

21. Guarantee (continued)

KUFPEC Norway AS (continued)

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.

Jack-Up Barge Operations B.V.

On 6 March 2020, the Company had provided a parent guarantee to Jack-Up Barge Operations B.V. ("**JUB**") to guarantee the duties, undertakings and obligations or discharge any or all of its liabilities under or pursuant to a charter party dated 30 December 2019 entered into by MOL for the charter of self-elevating platform "JB114" with JUB. The parent guarantee to JUB had been released and discharged in 2022.

Ministry of Petroleum and Energy

The Company had provided a parent company guarantee to the Ministry of Petroleum and Energy on 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 law for pollution damage and for personal injury.

Management believes that the Group and the operators of its licences in the NCS 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. Reclassifications and comparative figures

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements to more appropriately reflect the gross profit of the Group where (i) impairment loss on exploration and evaluation assets and (ii) impairment loss on oil and gas properties, consistent with impairment of goodwill, are now included after the gross profit line.

As a result, certain line items have been amended in the consolidated statement of profit or loss and other comprehensive income and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

The items were reclassified as follows:

	Group		Group	
	Previously reported	After reclassification	Previously reported	After reclassification
	Six Months Ended		Twelve Months Ended	
	31-Dec-22	31-Dec-22	31-Dec-22	31-Dec-22
	US$'000	US$'000	US$'000	US$'000
Consolidated statement of profit or loss and other comprehensive income				
Exploration and evaluation expenditure	(16,920)	(1,383)	(27,510)	(3,225)
Other expenses	(450)	(15,987)	(3,444)	(27,729)
Condensed interim consolidated statement of cash flows				
Effect of exchange rate fluctuations on cash held	–	–	2,121	1,133

F. Other information required by Listing Rule Appendix 7.2

1. Audit or review

The condensed consolidated statement of financial position of Rex International Holding Limited (the Company) and its subsidiaries (collectively the Group) as at 31 December 2023 and the related condensed consolidated profit or loss and other comprehensive income of the Group for the six-month and twelve-month period then ended, condensed statement of changes in equity of the Company and the Group for the twelve-month period then ended and condensed consolidated statement of cash flows of the Group for the twelve-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

Consolidated Statement of Comprehensive Income

Revenue from sale of crude oil and gas increased to US$207.02 million in FY2023, from US$170.26 million in the financial year ended 31 December 2022 ("**FY2022**"), from the sale of crude oil from the Yumna Field (after the Oman government take), the Brage Field and Yme Field. The increase in revenue was due to an overall increase in production in Norway and inclusion of oil liftings from the Yme Field in Norway from January 2023 (the acquisition of which was completed on 31 December 2022). The increase in revenue was partially offset by a decrease in the volume of oil lifted and sold from the Yumna Field in FY2023, due to production stoppages for planned maintenance of production facilities and unforeseen operational issues in Oman.

Production and operating expenses increased in FY2023 from the inclusion of production and operating expenses incurred in relation to Yme Field. The increase was partially offset by positive crude oil inventory movement from the major lifting that took place in Norway near the year-end, and the crude oil was subsequently sold in January 2024. As a result, the production and operating expenses remain fairly consistent in both financial years, at US$73.05 million and US$73.96 million in FY2023 and FY2022 respectively.

Depletion of oil and gas properties increased to US$75.12 million in FY2023, from US$28.25 million in FY2022, due to the increase in volume of oil lifted and sold in Norway in FY2023.

Exploration and evaluation expenditure increased to US$9.17 million in FY2023, from US$3.23 million in FY2022, mainly due to increased drilling activities in Norway.

Administrative expenses remained fairly consistent in both financial years, US$28.64 million and US$28.57 million in FY2023 and FY2022 respectively.

Other expenses increased to US$53.97 million in FY2023, from US$27.73 million in FY2022, mainly due to impairment of goodwill of US$21.86 million in relation to Yme Field acquisition in FY2022 and impairment loss of US$11.79 million recognised with respect to oil and gas properties in Oman, subsequent to the annual impairment assessment performed over the Group's oil and gas properties.

Other income of US$1.79 million recorded in FY2023 was mainly due to unrealised fair value gain of quoted investments as a result of better performance in the bond and equity markets in Europe in FY2023. Comparatively, US$0.62 million recorded in FY2022 was mainly due to realised gain from the disposal of quoted investments.

Finance income increased to US$3.04 million in FY2023, from US$0.74 million in FY2022, mainly due to 1) interest income earned from quoted investments as a result of better performance in the bond and equity markets in Europe in FY2023; and 2) interest compensation from the Norwegian authorities in relation to the tax refund in Norway.

Finance costs increased to US$23.21 million in FY2023, from US$14.77 million in FY2022, due to senior secured bonds issued by a subsidiary.

Net foreign exchange loss increased to US$4.22 million in FY2023, from US$1.45 million in FY2022, due to the weakening of the Norwegian Kroner and Euro against the United States dollar in FY2023. A portion of the quoted investments was denominated in Euro.

The Group recorded tax expense of US$12.67 million in FY2023, mainly from an increase in deferred tax liabilities arising from the increase in oil and gas properties, as well as exploration and evaluation assets in Norway, which was partially offset by recognition of refundable tax arising from exploration costs incurred in Norway. Comparatively, the Group recorded tax credits of US$6.96 million in FY2022 in relation to refundable tax arising from exploration costs incurred in Norway.

As a result of the aforementioned, the Group recorded a loss after tax of US$69.36 million in FY2023, as compared to profit after tax of US$0.35 million in FY2022.

Statement of Financial Position

Non-current assets of the Group decreased to US$403.50 million as at 31 December 2023, from US$427.96 million as at 31 December 2022. The decrease was mainly due to impairment losses on exploration and evaluation assets, oil and gas properties, and goodwill recognised in FY2023.

Inventories increased to US$33.27 million as at 31 December 2023, from US$13.73 million as at 31 December 2022, largely attributable to a major lifting that took place in Norway near the year-end, and was subsequently sold in January 2024.

Current trade and other receivables of the Group decreased to US$62.41 million as at 31 December 2023, from US$88.06 million as at 31 December 2022, largely due to a decrease in income tax receivables from the Norway tax authorities. The decrease is partially offset by an increase in the trade receivables from Norway.

Quoted investments decreased to US$18.60 million as at 31 December 2023, from US$23.04 million as at 31 December 2022, mainly due to maturity of certain bonds, and the proceeds were used as general working capital instead of being reinvested into other quoted investments.

Total current and non-current loan and borrowings increased to US$101.11 million as at 31 December 2023, from US$91.95 million as at 31 December 2022, due to funds raised through the tap mechanism of a subsidiary's existing senior secured bonds.

Decommissioning provisions increased to US$215.66 million as at 31 December 2023, from US$190.66 million as at 31 December 2022, mainly due recognition of additional decommissioning provisions in relation to the Yme Field.

Deferred tax liabilities increased to US$84.70 million as at 31 December 2023, from US$66.89 million as at 31 December 2022, due to an increase in oil and gas properties, as well as exploration and evaluation assets in Norway.

Trade and other payables decreased to US$91.89 million as at 31 December 2023, from US$129.54 million as at 31 December 2022, largely due to settlement of deferred consideration payable of US$29.51 million from the acquisition of the Yme Field and settlement of outstanding accrued production costs in relation to production activities in both Norway and Oman.

Working capital decreased to US$76.51 million as at 31 December 2023, from US$96.69 million as at 31 December 2022, mainly due to additions to oil and gas properties and exploration and evaluation assets.

Statement of Cash Flows

As at 31 December 2023, the Group's cash and cash equivalents and quoted investments totalled US$114.04 million (31 December 2022: US$138.80 million); with cash and cash equivalents at US$95.44 million (31 December 2022: US$115.76 million); and quoted investments at US$18.60 million (31 December 2022: US$23.04 million).

The Group reported net cash generated from operating activities of US$52.01 million in FY2023, after accounting for movements in working capital. This was primarily due to sale of crude oil and tax receipts from the Norwegian authorities for exploration and evaluation activities in Norway. The net cash generated from operating activities was partially offset by production and operating expenses used in the 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$63.04 million in FY2023 was mainly attributable to 1) acquisition of subsidiary and non-controlling interests of US$1.66 million and US$0.82 million respectively, 2) additions to oil and gas properties of US$53.15 million, 3) exploration and evaluation expenditure of US$14.27 million, 4) investment in an associate of US$1.00 million, and 5) purchase of quoted investments of US$18.08 million. The net cash used in investing activities was also partially offset by proceeds from the disposal of quoted investments of US$23.49 million and interest received of US$2.73 million.

Net cash used in financing activities of US$10.16 million in FY2023 was mainly due to 1) interest paid of US$20.24 million, in relation to secured bonds issued by a subsidiary, 2) dividends paid to the owners of the Company of US$4.84 million, and 3) partial repayment of secured bonds of US$17.43 million. The net cash used in financing activities was also partially offset by proceeds from the issuance of secured bonds by a subsidiary of US$30.05 million and drawdown of a bank overdraft of US$4.00 million.

As a result of the aforementioned, the Group recorded an overall net decrease in cash and cash equivalents of US$21.18 million in FY2023, as compared to overall increase of US$53.72 million in FY2022.

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 operating period and the next 12 months

Oil prices averaged around US$80 a barrel in 2023. The Brent crude oil started the year at US$81.63[1] a barrel as at 3 January 2023 and surged to its highest at US$94.31 a barrel on 27 September 2023 on tight global supplies[2]. Brent crude oil price settled at US$77.04 a barrel on the last trading day of the year, slipping more than 10% in 2023 to end the year at the lowest year-end levels since 2020[3]. As at 16 February 2024, Brent crude oil was around US$81.54.

For 2024, the International Energy Agency (IEA) has revised up its oil demand growth forecast by 130,000 barrels per day (bpd) to 1.1 million bpd, mainly driven by an improved GDP outlook, while the Organization of the Petroleum Exporting Countries (OPEC) kept its projection unchanged at 2.3 million bpd. The IEA forecasts supply from producers outside OPEC+ to grow by 1.2 million bpd, which may exceed demand growth and potentially lead to an oversupplied market in 2024[4].

In Norway, production at the Brage and Yme Fields combined exceeded 10,000 barrels of oil equivalent per day (boepd) for the second consecutive month in December 2023. This was mainly due to a new discovery in the Brage Field which added 0.4 to 1 mmbbl of oil reserves net to the Group's subsidiary Lime Petroleum AS (LPA). In December 2023, LPA completed the acquisition of 4 mmboe net contingent resources in Brasse Field, Norway. LPA will work with the operator and partners of the Brasse Field to submit a Plan for Development and Operation (PDO) to Norwegian authorities, with targeted production start-up in early 2027.

In Oman, a replacement flowline was installed and production from the Yumna Field restarted on 10 December 2023 after the shutdown since 25 October 2023.

In Benin, a corporate finance advisor has been appointed to support Rex with strategic corporate finance advice in relation to capital fundraising, corporate and asset transactions for the recently awarded production sharing contract for Block 1, Sèmè Field. A Field Development Plan to restart production is expected to be submitted in 2024.

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

mmbbl: millions of barrels
mmboe: millions of barrels of oil equivalent

Footnotes:
1 FactSet data
2 Reuters, Oil climbs 3% as steep US crude stocks draw adds to supply concerns, 28 Sep 2023
3 Business Times, Oil prices shed 10% in 2023 as supply, demand concerns weigh, 30 Dec 2023
4 Reuters, World oil demand next year to rise faster than expected, IEA says, 15 Dec 2023

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

Name of dividend	:	Final
Dividend type	:	Ordinary
Dividend per share (Singapore cent)	:	0.5 cents per ordinary share
Tax rate	:	Tax exempt

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 dividend has been recommended for the six months and financial year ended 31 December 2023 as the Group did not generate net profits for FY2023.

6. Interested person transactions ("IPT")

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

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. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	Twelve months ended	
	31-Dec-23 US$'000	31-Dec-22 US$'000
Ordinary	4,844*	4,541*
Preference	–	–
Total	4,844	4,541

* Dividends paid in respect of the dividends declared in the previous financial year.

9. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Lina Berntsen	48	Daughter to Mr Hans Lidgren, a substantial shareholder of the Company	Chief Technology Officer of the Group since 1 August 2013. To co-ordinate the use of the Rex Technologies for the Group.	NIL

10. 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 31 December 2023 and the date of this announcement, was S$4.97 million.

REX change the game

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

Actual use of funds/ cash

	Three Months Ended 31-Dec-23 US$'000
Production and exploration activities in Oman	11,080
Production and exploration activities in Norway	47,028
General working capital	2,641
Total	**60,749**

In the three-month period ended 31 December 2023 ("**4Q FY2023**"), US$11.08 million and US$47.03 million were used for production and exploration related activities in Oman and Norway respectively, US$2.64 million was used for the Singapore, Malaysia 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 4Q FY2023 was US$0.96 million higher than the projected amount in the previous quarter ended 30 September 2023 ("**3Q FY2023**"), due to additional costs incurred from the disruptions during the flowline replacement.

The actual amount of funds used for production and exploration related activities in Norway in 4Q FY2023 was US$10.50 million higher than the projected amount in 3Q FY2023, due to 1) drilling activities in Yme and Brage Fields which were scheduled to happen in 3Q FY2023 was postponed to 4Q FY2023, 2) higher operational costs in relation to Yme Field, and 3) more costs incurred from higher maintenance activities on the rigs.

The actual amount of funds used for general working capital in 4Q FY2023 was US$0.16 million higher than the projected amount in 3Q FY2023, due to partial bonus pay-out to certain employees.

The total actual use of funds for 4Q FY2023 amounted to US$60.75 million, which was US$11.63 million higher than the projected amount in 3Q FY2023.

Projection on the use of funds/ cash

	Three Months Ending 31-Mar-24 US$'000
Production and exploration activities in Oman [1]	10,440
Production and exploration activities in Norway [2]	35,251
General working capital [3]	3,434
Total	**49,125**

Footnotes:

[1] For capital expenditure in relation to drilling of Yunma-4, and production costs in relation to the production activities in Oman

[2] For continuous drilling in Brage Field to increase production in Norway

[3] For operational expenses in Singapore and Rex Technology offices and payment of bonuses to key executives and employees

12. 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 4Q FY2023, the Group incurred US$11.08 million and US$47.03 million for production and exploration related activities in Oman and Norway respectively.

Production from the Yumna Field in Oman, the Brage Field and the Yme Field in Norway are ongoing. New discovery in Brage Field will add up to 1 million barrels of oil reserves net to the Group.

On 29 December 2023, Lime Petroleum AS acquired 10.7212% and 6.2788% interests from DNO Norge AS and OKEA ASA respectively in PL740 in the Norwegian North Sea, in which the Brasse Field is expected to start commercial production in 2027.

Details of variances from previous projections are set out in paragraph 11 above.

13. 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 the six months and full year ended 31 December 2023 and the above information provided to be false or misleading in any material aspect.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

Dan Broström Executive Director and Chairman	John d'Abo Executive Director and Vice-Chairman

28 February 2024