

Jasmine Energy Ltd and its subsidiaries

(Cayman Islands Company Number: 423004)

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
30 JUNE 2026**

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A. Condensed interim statement of comprehensive income

	Note	Group Six Months Ended 30-Jun-26 US\$'000	Company Six Months Ended 30-Jun-26 US\$'000
Revenue			
Sale of crude oil		9,877	–
Cost of sales			
Production and operating expenses		(2,819)	–
Depletion of oil and gas properties	5, 7	(1,883)	–
Exploration and evaluation expenditure		(75)	–
Gross profit		5,100	–
Administrative expenses		(10,373)	(354)
Other expenses		(1,327)	–
Other income		747	–
Results from operating activities		(5,853)	(354)
Finance income		–	2,150
Finance expense	4	(5,474)	(2,150)
Foreign currency exchange loss		(19)	–
Net finance expense		(5,493)	–
Loss before tax	5	(11,346)	(354)
Tax expense		(1,207)	–
Loss for the period, net of tax, representing total comprehensive loss for the period		(12,553)	(354)
Loss attributable to:			
Owners of the Company		(11,508)	(354)
Non-controlling interests		(1,045)	–
Loss for the period, net of tax		(12,553)	(354)

The accompanying notes form an integral part of these financial statements.

B. Condensed interim statements of financial position

		Group		Company	
	Note	30-Jun-26 US\$'000	31-Dec-25 US\$'000	30-Jun-26 US\$'000	31-Dec-25 US\$'000
Assets					
Exploration and evaluation assets	6	–	464	–	–
Oil and gas properties	7	37,952	35,153	–	–
Property, plant and equipment	8	228	321	–	–
Right-of-use assets	9	13,137	5,073	–	–
Subsidiaries	11	–	–	*	*
Other receivables	12	–	–	14,525	19,193
Non-current assets		51,317	41,011	14,525	19,193
Inventories	13	6,262	2,397	–	–
Other receivables	12	4,598	2,403	9,482	4,431
Derivative financial instruments	14	1,685	1,685	–	–
Cash and cash equivalents	15	4,363	22,514	18	18
Current assets		16,908	28,999	9,500	4,449
Total assets		68,225	70,010	24,025	23,642
Equity					
Share capital	16	10	10	10	10
Accumulated losses		(31,723)	(20,215)	(503)	(149)
Equity attributable to owners of the Company		(31,713)	(20,205)	(493)	(139)
Non-controlling interests	10	1,495	2,540	–	–
Total equity		(30,218)	(17,665)	(493)	(139)
Liabilities					
Senior secured bonds	17	14,525	19,193	14,525	19,193
Subordinated loans	17	39,605	36,661	–	–
Provisions	18	13,353	11,955	–	–
Lease liabilities	20	5,096	–	–	–
Non-current liabilities		72,579	67,809	14,525	19,193
Senior secured bonds	17	9,273	4,195	9,273	4,195
Provisions	18	–	1,118	–	–
Trade and other payables	19	9,214	9,765	720	393
Lease liabilities	20	7,377	4,788	–	–
Current liabilities		25,864	19,866	9,993	4,588
Total liabilities		98,443	87,675	24,518	23,781
Total equity and liabilities		68,225	70,010	24,025	23,642

*Less than US\$1,000

The accompanying notes form an integral part of these financial statements.

C. Condensed interim statement of changes in equity

	Attributable to owners of the Company			Non-controlling interests US\$'000	Total equity US\$'000
	Share capital US\$'000	Accumulated losses US\$'000	Total US\$'000		
Group					
At 1 January 2026	10	(20,215)	(20,205)	2,540	(17,665)
Total comprehensive loss for the period					
Loss for the period, representing total comprehensive loss for the period	–	(11,508)	(11,508)	(1,045)	(12,553)
At 30 June 2026	10	(31,723)	(31,713)	1,495	(30,218)
Company					
At 1 January 2026			10	(149)	(139)
Loss for the period, representing total comprehensive loss for the period			–	(354)	(354)
At 30 June 2026			10	(503)	(493)

The accompanying notes form an integral part of these financial statements.

D. Condensed interim statement of cash flows

	Note	Group Six Months Ended 30-Jun-26 US\$'000	Company Six Months Ended 30-Jun-26 US\$'000
Cash flows from operating activities			
Loss after tax		(12,553)	(354)
Adjustments for:			
Depletion of oil and gas properties	5, 7	1,883	–
Depreciation of property, plant and equipment	5, 8	100	–
Depreciation of right-of-use assets	5, 9	6,678	–
Write-off of receivables	5	1,327	–
Net finance expense		5,474	–
Operating cash flows before movements in working capital		2,909	(354)
Changes in:			
– Inventories		(3,512)	–
– Other receivables		(3,520)	–
– Trade and other payables		(555)	354
Cash used in operations		(4,678)	–
Net cash used in operating activities		(4,678)	–
Cash flows from investing activities			
Additions to oil and gas properties	7	(4,572)	–
Purchase of property, plant and equipment	8	(7)	–
Net cash used in investing activities		(4,579)	–
Cash flows from financing activities			
Interest paid		(1,750)	–
Repayment of lease liabilities		(7,144)	–
Net cash used in financing activities		(8,894)	–
Net decrease in cash and cash equivalents		(18,151)	–
Cash and cash equivalents at beginning of the period		22,514	18
Cash and cash equivalents at end of the period		4,363	18

The accompanying notes form an integral part of these financial statements.

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Jasmine Energy Ltd (the “**Company**”) is a company incorporated on 30 June 2025 in the Cayman Islands. The registered office of the Company is located at 89 Nexus Way, Camana Bay, KY1-9009 Grand Cayman, Cayman Islands. The Company and its subsidiaries are collectively referred to as the “**Group**”.

On 18 July 2025, Rex International Holding Ltd. (BVI) (“**RIH BVI**”), a company incorporated in the British Virgin Islands, acquired the Company and became its immediate holding company. Rex International Holding Limited, a company incorporated in the Republic of Singapore, is the Company’s ultimate holding company, listed on the Singapore Stock Exchange.

The principal activities of the Company are those relating to investment holding. The principal activities of its subsidiaries are set out in Note 11 to the condensed interim financial statements.

These condensed interim financial statements cover the period from 1 January 2026 to 30 June 2026 (“**condensed interim financial statements**”). The Company’s first financial period covered the period from 30 June 2025 (date of incorporation) to 31 December 2025. Accordingly, comparative information for the six months ended 30 June 2025 is not available for the statements of profit or loss and other comprehensive income, cash flows and changes in equity.

These condensed interim financial statements have not been audited or reviewed by the Company’s auditors.

1.1. Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board. The financial statements have been prepared on a historical cost basis, except where otherwise stated in the accounting policies.

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

As at 30 June 2026, the Group and the Company recorded capital deficiencies of US\$30,218,000 and US\$493,000 (31 December 2025: US\$17,665,000 and US\$139,000) respectively. On 9 December 2025, the Company’s immediate holding company, Rex International Holding Ltd. (“**RIH BVI**”), transferred its 100% interests in Rex Oman Ltd (“**Rex Oman**”) to the Company at US\$Nil consideration. Prior to the transaction, RIH BVI directly held 100% equity interests in both Rex Oman and the Company. Following the transfer, Rex Oman became a wholly-owned subsidiary of the Company, and the financial results of Rex Oman and its subsidiary have been consolidated from the date of transfer. The identifiable net liabilities acquired amounts to US\$16,745,000 (Note 25) and contributed significantly to the Group’s capital deficiency as at 30 June 2026 and 31 December 2025.

The Group’s capital deficiency is attributable to loan from non-controlling interests in a subsidiary, loans from the immediate holding company and other unsecured borrowings amounting to US\$39,605,000 (31 December 2025: US\$36,661,000). These loans are unsecured, subordinated to the Group’s senior secured bonds, and are not repayable unless and until full settlement of the senior secured bonds (Note 17).

1.1. Basis of preparation (continued)

In assessing whether the going concern assumption is appropriate, the Directors have considered the nature and terms of these subordinated loans, including the absence of near-term repayment obligations, and the Group's ability to meet its liabilities as they fall due. Notwithstanding the capital deficiency, the Directors are satisfied that the Group will be able to continue as a going concern and meet its obligations as and when they fall due for at least 12 months from the end of the reporting period. Accordingly, the condensed interim financial statements have been prepared on a going concern basis.

These condensed interim financial statements were authorised for issue by the Company's board of directors on 24 September 2026.

1.2. New standards and interpretations

In the current period, the Group and the Company have applied all the new and revised IFRS that are mandatorily effective for an accounting period that begins on or after 1 January 2026. Their adoption has not had any material impact on the disclosures or on the amounts reported in these condensed interim financial statements.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2027, and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these condensed interim financial statements. Management anticipates that the adoption of the new or revised IFRSs in future periods will not have a material impact on the financial statements in the period of their initial adoption.

1.3. Critical accounting judgements and key sources of estimation uncertainty

Critical judgements made in applying material accounting policies

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

Exploration and evaluation expenditures

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

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

1.3. Critical accounting judgements and key sources of estimation uncertainty (continued)

Critical judgements made in applying material 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. The Group engages independent qualified persons to estimate, where appropriate, the proved, probable and possible reserves for certain oil and gas properties. Estimating the quantity and grade of reserves requires determining the size, shape and depth of the reservoirs or fields by analysing geological data and drilling samples. This process may require interpreting complex geological data and making judgements. Because the economic assumptions change from period to period and the Group is still generating additional geological data during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the recovery of the carrying amount of oil properties due to changes in estimated future cash flows and the cost of depreciation recorded in profit or loss as it is based on the units of production relative to the total proven and probable reserves.

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 amount of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets

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

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

- Exploration and evaluation assets Note 6
- Oil and gas properties Note 7

Depletion of oil and gas properties

Oil and gas properties are mainly depleted on a unit of production basis at a rate calculated by reference to proved and probable reserves and incorporating the estimated future cost of developing and extracting those reserves. Future development costs are estimated using assumptions as to the number of wells required to produce those reserves, the cost of the wells, future production facilities and operating costs; together with assumptions on oil and gas realisations based on the approved field development plans. The carrying amount of the Group’s oil and gas properties are disclosed in Note 7 to the condensed interim financial statements.

1.3. Critical accounting judgements and key sources of estimation uncertainty (continued)

Provisions

Estimates of the Group's obligations arising from exploration drilling rehabilitation that exist as at the reporting date may be affected by future events which cannot be predicted with any certainty. The assumptions and best estimates in determining these provisions are made based on management's judgement and experience and therefore, future exploration drilling rehabilitation obligations and expenses could be revised. The carrying amount of the Group's provisions are disclosed in Note 18 to the condensed interim financial statements.

2. Material accounting policy information

2.1. Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Non-controlling interest ("**NCI**") in subsidiaries are identified separately from the Group's equity and are initially measured at fair value or at the NCI's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to the acquisition date, the carrying amount of NCI are adjusted for the NCI's share of changes in equity. Losses are attributed to the NCI even if this results in the NCI having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the NCI are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the NCI are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent entity.

(ii) Acquisition from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the consolidated financial statements of the Company's controlling shareholder, and any gain or loss arising is recognised directly in equity.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

2. Material accounting policy information (continued)

2.1. Basis of consolidation (continued)

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.2. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss.

2.3. Exploration and evaluation assets

Exploration and evaluation ("E&E") activity involves the search for oil and gas resources, the determination of technical feasibility and the assessment of the commercial viability of an identified resource. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in profit or loss.

E&E costs are capitalised in respect of each area of interest for which the rights to explore are current and where:

- the E&E costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
- E&E activities in the area of interest have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves; and active and significant operations in or in relation to the areas of interest are continuing.

E&E assets comprise, among others, costs that are directly attributable to researching and analysing existing exploration data, gathering exploration data through topographical, geochemical and geophysical studies, exploratory drilling, trenching and sampling, determining and examining the volume and grade of the resource, examining and testing extraction and treatment methods, surveying transportation and infrastructure requirements, compiling pre-feasibility and feasibility studies and/or gaining access to areas of interest including occupancy and relocation compensation and other directly attributable costs of exploration and appraisal including technical and administrative costs.

2. Material accounting policy information (continued)

2.3. Exploration and evaluation assets (continued)

General and administrative costs are allocated to, and included in, the cost of E&E asset only to the extent that those costs can be related directly to operational activities in the area of interest to which the E&E asset relates. In all other cases, these costs are expensed as incurred.

E&E assets are transferred to development costs, a component of E&E assets, when the technical feasibility and commercial viability of extracting the resource are demonstrable and sanctioned by management.

E&E assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an E&E asset may exceed its recoverable amount. Where a potential impairment is indicated, assessment is performed for each area of interest in conjunction with the Group of operating assets (representing a CGU) to which the E&E is attributable. To the extent that capitalised E&E is not expected to be recovered, it is charged to profit or loss. Partial or full reversals of impairments of such assets are recognised if there is an indication that a previously recognised impairment loss has reversed and the recoverable amount of the impaired asset has subsequently increased.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are reclassified to 'oil and gas properties'.

A regular review is undertaken for each area of interest to determine the appropriateness of continuing to carry forward cost in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the cost of that stage. Site restoration costs include the dismantling and removal of drilling facilities, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the concession permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on a discounted basis. Any changes to the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the concession site.

2.4. Oil and gas properties

Oil and gas properties arise from the reclassification of E&E assets once commercial viability and technical feasibility are established and production commenced.

Oil and gas properties are measured at cost less accumulated depletion and accumulated impairment losses. The accumulated costs for the relevant area of interest are depreciated using a unit-of-production method over proved and probable reserves. The unit-of-production rate for the accumulated costs takes into account expenditures incurred to date, together with estimated future capital expenditure expected to be incurred relating to as yet undeveloped and probable reserves expected to be processed through these common facilities.

2. Material accounting policy information (continued)

2.5. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

(ii) Depreciation

Depreciation is recognised as an expense in profit or loss using the straight-line method to allocate the cost over the estimated useful lives of the property, plant and equipment, as follows:

Plant and machinery	5 years
Furniture and fittings	10 years
Office equipment	5 years
Office computers	3 years

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation method and useful lives are reviewed at the end of each reporting period following the Group's consideration of the asset condition, wear-and-tear, and technology change. The effect of any changes in estimate is accounted for on a prospective basis.

(iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.6. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative standalone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

2. Material accounting policy information (continued)

2.6. Leases (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, and are tested for impairment in accordance with the policy as stated in Note 2.9. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise an extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.7. Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2. Material accounting policy information (continued)

2.7. Financial instruments (continued)

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Financial assets are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of financial assets (other than those at fair value through profit or loss). Transaction costs directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Classification of financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value through profit or loss (“**FVTPL**”) based on the Group’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (“**SPPI**”).

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (“**ECL**”) on other receivables and other debt instruments that are measured at amortised cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset. The ECL incorporates forward-looking information and is a probability-weighted estimate of the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2. Material accounting policy information (continued)

2.7. Financial instruments (continued)

(ii) Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities at amortised cost

Financial liabilities at amortised cost include trade and other payables and borrowings. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

2.8. Inventories

Inventories of petroleum products are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price, less the estimated selling expenses.

Cost of petroleum products is determined by the first-in first-out method and comprises direct purchase costs, cost of production, transportation and processing expenses.

2.9. Impairment of non-financial assets

The carrying amount of the Group's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related CGU exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

2. Material accounting policy information (continued)

2.9. Impairment of non-financial assets (continued)

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss in respect of an equity-accounted investment is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an equity-accounted investment is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an equity-accounted investment is tested for impairment as a single asset when there is objective evidence that the equity-accounted investment may be impaired.

2.10. Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2. Material accounting policy information (continued)

2.11. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance expense.

2.12. Finance income and finance expense

The Group's finance income and finance expense include:

- interest income;
- interest expense;
- bank charges, which are inclusive of cash management and processing fees;
- the unwinding of discount on decommissioning provision; and

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

2.13. Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

3. Seasonal operations

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

4. Finance expense

		Group Six Months Ended 30-Jun-26 US\$'000	Company 30-Jun-26 US\$'000
Finance expense on:			
- borrowings and other financing arrangement		4,616	2,150
- unwinding of discount on decommissioning provision and demobilisation provision	18	404	–
- lease liabilities		454	–
		<u>5,474</u>	<u>2,150</u>

5. Loss before tax

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

		Group Six Months Ended 30-Jun-26 US\$'000	Company 30-Jun-26 US\$'000
Depletion of oil and gas properties	7	1,883	–
Depreciation of property, plant and equipment	8	100	–
Depreciation of right-of-use assets	9	6,678	–
Directors' fees		50	10
Write-off of receivables		<u>1,327</u>	<u>–</u>

6. Exploration and evaluation assets

		Group 30-Jun-26 US\$'000	31-Dec-25 US\$'000
Costs			
At beginning of the period/date of incorporation		464	–
Acquisition under common control	25	–	452
Additions		–	12
Transferred to oil and gas properties	7	<u>(464)</u>	<u>–</u>
At end of period		<u>–</u>	<u>464</u>

Exploration and evaluation (“E&E”) costs incurred were in respect of E&E of hydrocarbons in Oman.

Impairment assessment

No impairment loss was recognised in 1H FY2026 and 31 December 2025.

7. Oil and gas properties

		Group	
	Note	30-Jun-26 US\$'000	31-Dec-25 US\$'000
Costs			
At beginning of the period/date of incorporation		35,581	–
Additions		4,572	–
Acquisition under common control	25	–	38,581
Change in decommissioning provision	18	–	(2,848)
Transferred from exploration and evaluation assets	6	464	–
Adjustments		(354)	(152)
At end of period		<u>40,263</u>	<u>35,581</u>
Accumulated depletion			
At beginning of the period/date of incorporation		428	–
Depletion	5	<u>1,883</u>	<u>428</u>
At end of period		<u>2,311</u>	<u>428</u>
Carrying amount at end of period		<u><u>37,952</u></u>	<u><u>35,153</u></u>

Impairment assessment

No impairment loss was recognised in 1H FY2026.

In 2025, an impairment assessment was performed over the Group's oil and gas properties. Based on the impairment assessment performed, no impairment was recognised.

8. Property, plant and equipment

Group	Plant and machinery US\$'000	Furniture and fittings US\$'000	Office equipment US\$'000	Office computers US\$'000	Total US\$'000
Cost					
At 30 June 2025 (date of incorporation)	–	–	–	–	–
Acquisition under common control (Note 25)	300	26	2	32	360
Additions	11	–	–	–	11
At 31 December 2025	311	26	2	32	371
Additions	–	–	1	6	7
At 30 June 2026	311	26	3	38	378
Accumulated depreciation					
At 30 June 2025 (date of incorporation)	–	–	–	–	–
Depreciation	43	2	–	5	50
At 31 December 2025	43	2	–	5	50
Depreciation (Note 5)	86	3	1	10	100
At 30 June 2026	129	5	1	15	150
Carrying amount					
At 31 December 2025	268	24	2	27	321
At 30 June 2026	182	21	2	23	228

9. Right-of-use assets

	Note	Group 30-Jun-26 US\$'000	31-Dec-25 US\$'000
Costs			
At beginning of the period/date of incorporation		6,084	–
Acquisition under common control	25	–	6,084
Additions		14,742	–
At end of period		20,826	6,084
Accumulated depletion			
At beginning of the period/date of incorporation		1,011	–
Depreciation	5	6,678	1,011
At end of period		7,689	1,011
Carrying amount at end of period		13,137	5,073

10. Non-controlling interests

The following subsidiary has non-controlling interests (“NCI”) that is material to the Group:

Name of subsidiary	Country of incorporation	Principal activity	Effective equity interest held by NCI	
			30-Jun-26 %	31-Dec-25 %
Masirah Oil Ltd (“MOL”)	British Virgin Islands	Oil and gas exploration	12.50	12.50

The following summarised financial information of the above subsidiary is prepared in accordance with IFRS, modified for fair value adjustments on acquisition and differences in the Group’s accounting policies, and are presented before inter-company eliminations.

	MOL US\$’000
Period from 1 January 2026 to 30 June 2026	
Revenue	9,877
Loss for the period, representing total comprehensive loss for the period	(8,362)
Attributable to NCI:	
- Loss, representing total comprehensive loss for the period	(1,045)
Non-current assets	54,908
Current assets	18,906
Non-current liabilities	(36,576)
Current liabilities	(25,280)
Net equity	11,958
Net equity attributable to NCI	1,495
Cash flows used in operating activities	(1,318)
Cash flows used in investing activities	(4,226)
Cash flows used in financing activities	(12,607)
Net decrease in cash and cash equivalents	(18,151)

10. Non-controlling interests

	MOL US\$'000
Period from 9 December 2025 (date of acquisition through common control) to 31 December 2025	
Revenue	—
Loss for the period, representing total comprehensive loss for the period	(3,562)
Attributable to NCI:	
- Loss, representing total comprehensive loss for the period	(445)
Non-current assets	44,625
Current assets	28,941
Non-current liabilities	(34,158)
Current liabilities	(19,088)
Net equity	20,320
Net equity attributable to NCI	2,540
Cash flows used in operating activities	(2,942)
Cash flows from investing activities	2,564
Cash flows from financing activities	20,028
Net increase in cash and cash equivalents	19,650

11. Subsidiaries

	Company	
	30-Jun-26 US\$'000	31-Dec-25 US\$'000
Equity investments, at cost	*	*

*Less than US\$1,000

The detail of significant subsidiary is as follows:

Name of subsidiary	Country of incorporation	Principal activity	Effective equity interest held by the Group	
			30-Jun-26 %	31-Dec-25 %
Masirah Oil Ltd ("MOL") ^(a)	British Virgin Islands	Oil and gas exploration	87.50	87.50

^(a) Audited by overseas practices of Deloitte Touche Tohmatsu Limited.

12. Other receivables

	Group		Company	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	US\$'000	US\$'000	US\$'000	US\$'000
Amounts due from immediate holding company (non-trade)	63	10	10	10
Amounts due from related companies (non-trade)	318	206	–	–
Deposits	1,134	1,087	–	–
Other receivables	2,183	415	–	–
Loan to a subsidiary	–	–	23,983	23,583
	<u>3,698</u>	<u>1,718</u>	<u>23,993</u>	<u>23,593</u>
Prepayments	900	685	14	31
	<u>4,598</u>	<u>2,403</u>	<u>24,007</u>	<u>23,624</u>
Analysed as:				
Non-current	–	–	14,525	19,193
Current	4,598	2,403	9,482	4,431
	<u>4,598</u>	<u>2,403</u>	<u>24,007</u>	<u>23,624</u>

The non-trade amounts due from immediate holding company and related companies are unsecured, interest-free, and are repayable on demand. Loan to a subsidiary is unsecured and bears interest at 14% per annum, with a maturity date of 12 December 2028.

13. Inventories

Inventories comprise the cost of oil lifted in the tanker at reporting date, which is yet to be sold.

14. Derivative financial instruments

Derivative financial instruments comprise of put options contracts. Derivatives not designated as hedging instruments reflect the positive change in fair value of those put options contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of price risk on crude oil products.

15. Cash and cash equivalents

	Group		Company	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	US\$'000	US\$'000	US\$'000	US\$'000
Cash at bank and on hand	<u>4,363</u>	<u>22,514</u>	<u>18</u>	<u>18</u>

16. Share capital

	Group and Company			
	30-Jun-26 Number of shares	30-Jun-26 US\$'000	31-Dec-25 Number of shares	31-Dec-25 US\$'000
<i>Issued and fully paid ordinary shares</i>				
At beginning of period/date of incorporation	10,000	10	1	*
Shares issued during the period	–	–	9,999	10
At end of period	10,000	10	10,000	10

*Less than US\$1,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares ranked equally with regard to the Company's residual assets.

No dividends were paid or payable for the financial periods ended 30 June 2026 and 31 December 2025.

17. Loans and borrowings

	Group		Company	
	30-Jun-26 US\$'000	31-Dec-25 US\$'000	30-Jun-26 US\$'000	31-Dec-25 US\$'000
Secured bond issues	23,798	23,388	23,798	23,388
Unsecured subordinated loans	39,605	36,661	–	–
	63,403	60,049	23,798	23,388
Analysed as:				
- Non-current	54,130	55,854	14,525	19,193
- Current	9,273	4,195	9,273	4,195
Total	63,403	60,049	23,798	23,388

Unsecured subordinated loans relate to loans from immediate holding company and a non-controlling interest in a subsidiary, and a deferred payment obligation of a Mobile Offshore Production Unit (MOPU) in a subsidiary which are unsecured, bears interest at 14% per annum. These loans are subordinated to the Company's senior secured bonds and are repayable after the full settlement of the senior secured bonds.

Financial period ended 30 June 2026

As at 30 June 2026, the Company was not in compliance with one of the financial covenants under the bond terms for the USD-denominated bond issue with a carrying amount of US\$23.80 million as a result of the current geopolitical situation.

17. Loans and borrowings (continued)

Financial period ended 30 June 2026 (continued)

On 7 September 2026, the Bond Trustee, pursuant to a request from the Company, issued a notice of Written Resolution (the “**Proposal**”), which the Company requests that the Bondholders approve consists of (a) a waiver of any Events of Default resulting from (i) any breach of the Leverage Ratio and (ii) any failure to comply with Clause 10.1 (*Redemption of Bonds*), in each case up to the Effective Date (as defined in that Notice of Written Resolution, being the date on which the Proposal is approved by the Bondholders); (b) a change to the amortisation profile of the Bonds; (c) an amendment to Clause 13.23 (*Financial covenants*), pursuant to which compliance with the Leverage Ratio will be tested from and including the Half Year Date occurring on 31 December 2026, with the relevant financial metric annualised for the six-month period ending on that date; and (d) certain other amendments to implement (z) an amendment fee of 0.50% in respect of the Leverage Ratio waiver and amendments; and (y) a premium on the deferred amortisation amounts reflecting an additional 3.00% per annum for the relevant deferral periods. On 15 September 2026, the Proposal had been approved by the Bondholders with the requisite majority.

On 9 September 2026, the Company’s USD-denominated bond issue commenced trading on Euronext ABM.

Financial period ended 31 December 2025

On 12 December 2025, the Company completed the issuance of a three-year USD-denominated senior secured bond issue of US\$25.0 million (ISIN NO0013700021), with a maturity date of 12 December 2028. The bond carries a fixed coupon rate of 14% per annum and were issued at 100% of the nominal amount.

Assets pledged as security

The USD-denominated bonds are secured with on a first priority basis with 1) an equitable share mortgage governed by Cayman Islands law granted by Company’s immediate holding company, Rex International Holding Ltd, BVI’s (“**RIH BVI**”) shareholding interests in the Company, 2) an assignment of all present and future monetary claims under any loan granted to the Company or to Masirah Oil Ltd (“**MOL**”) by the related companies or Société Nationale d’Opérations Pétrolières de la Côte d’Ivoire Holding[#] that is fully subordinated to the Secured Obligations on terms satisfactory to the Security Agent, with payment of principal and interest subject to the prior discharge in full of the Secured Obligations, 3) security over shares in each other Group Company[^] owned by another Group Company or Société Nationale d’Opérations Pétrolières de la Côte d’Ivoire Holding, from time to time, 4) charges over all bank accounts held by the Company and its subsidiaries, 5) assignment granted by the Company over the loan funded by parts of the net proceeds of the bond (net of issuance fees and expenses) advanced by the Company to MOL, 6) assignment of insurances covering the Company and its subsidiaries’ operations in Oman, 7) assignment over all loans between the Company and its subsidiaries with a principal amount exceeding USD 1,000,000 and with a scheduled maturity of more than 12 months from the disbursement date, 8) a joint and several unconditional and irrevocable Norwegian law guarantee and indemnity to be issued by the Company and its subsidiaries, 9) a debenture governed by British Virgin Islands law over all of the assets of the Company’s subsidiaries, and 10) a debenture governed by Cayman Islands law granted by the Company over all or substantially all of its assets.

[#] Also referred to as Petroci Holding, which holds a 12.5% non-controlling interest in MOL.

[^] Refers to the Company or any of its subsidiaries (Rex Oman Ltd or MOL).

18. Provisions

		Group	
	Note	30-Jun-26 US\$'000	31-Dec-25 US\$'000
<i>Decommissioning provision</i>			
At beginning of period/date of incorporation		11,955	–
Acquisition under common control	25	–	14,559
Reversal	7	–	(2,848)
Unwinding of discount	4	404	244
At end of period		<u>12,359</u>	<u>11,955</u>
<i>Demobilisation provision</i>			
At beginning of period/date of incorporation		1,118	–
Acquisition under common control	25	–	1,113
Adjustment		(124)	–
Unwinding of discount	4	–	5
At end of period		<u>994</u>	<u>1,118</u>
Analysed as:			
- Non-current		13,353	11,955
- Current		–	1,118
Total		<u>13,353</u>	<u>13,073</u>

Decommissioning provision

Provisions are recognised for the future cost of decommissioning and restoration of hydrocarbon production assets, facilities and pipelines, which are expected to be incurred when the operations are abandoned. Estimates of the amounts of provisions recognised are based on current legal and constructive obligations, technology and price levels. These estimates including discount rates, are reviewed regularly to take into account any material changes to the assumptions.

In 2025, as part of the Group's regular review, provisions were revised following the establishment and commencement of the planned drilling programmes in Oman. Accordingly, the provisions decreased by US\$2,848,000, with a corresponding decrease in oil and gas properties of US\$2,848,000 (Note 7).

Demobilisation provision

The provision relates to contractual demobilisation costs associated with vessel charter arrangements. The obligation represents the estimated amount payable to the vessel owner upon redelivery of vessels at the conclusion of the charter period.

19. Trade and other payables

	Group		Company	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	US\$'000	US\$'000	US\$'000	US\$'000
Trade payables (third parties)	4,320	4,792	–	–
Amounts due to ultimate holding company (non-trade)	2,762	2,263	6	6
Amounts due to immediate holding company (non-trade)	3	378	–	–
Amounts due to other related companies (non-trade)	616	581	–	–
Amounts due to a subsidiary (non-trade)	–	–	525	5
Amounts due to related parties (non-trade)	7	7	–	–
Accruals	1,506	1,744	189	382
	<u>9,214</u>	<u>9,765</u>	<u>720</u>	<u>393</u>

Trade payables are non-interest bearing and are generally settled on terms ranging from two to four weeks. The non-trade amounts due to ultimate holding company, immediate holding company, other related companies, subsidiary and related parties are unsecured, interest-free, and are repayable on demand.

20. Leases

Leases as lessee

The Group leases tanker and equipment used in drilling and exploration activities. The leases typically run for a period of three years, with an option to renew the lease after that date. Lease payments are renegotiated every three years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

During the period, the Group recognised right-of-use assets of US\$14,742,000 (2025: US\$Nil) in respect of a Mobile Offshore Production Unit (“MOPU”) in Benin. The Group’s right-of-use assets are disclosed in Note 9 to the condensed interim financial statements.

The Group also has certain leases of equipment used in exploration activities with contract terms of 12 months or less. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

The Group’s exposure to liquidity risks for lease liabilities is disclosed in Note 23 to the condensed interim financial statements.

21. Related parties

Transactions with key management personnel

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

Key management personnel compensation comprised:

	Group Six Months Ended 30-Jun-26 US\$'000	Company Six Months Ended 30-Jun-26 US\$'000
Short-term employment benefits		
- Directors	86	5
- Key executives	511	–
Post-employment benefits (including contributions to defined contribution plans)	33	–
	<u>630</u>	<u>5</u>

Other significant related party transactions

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

	Group Six Months Ended 30-Jun-26 US\$'000	Company Six Months Ended 30-Jun-26 US\$'000
Provision of technical services to a related company	169	–
Service fee charged by ultimate holding company	486	–
Interest charged by immediate holding company	<u>2,540</u>	<u>–</u>

22. 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. These do not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

		Group		Company	
	Note	30-Jun-26 US\$'000	31-Dec-25 US\$'000	30-Jun-26 US\$'000	31-Dec-25 US\$'000
Financial assets measured at amortised cost					
Other receivables*	12	3,698	1,718	23,993	23,593
Cash and cash equivalents	15	4,363	22,514	18	18
		8,061	24,232	24,011	23,611
Financial assets measured at fair value					
Derivative financial instruments	14	1,685	1,685	–	–
Financial liabilities measured at amortised cost					
Loans and borrowings	17	63,403	60,049	23,798	23,388
Trade and other payables	19	9,214	9,765	720	393
		72,617	69,814	24,518	23,781
Other financial liabilities					
Lease liabilities	20	12,473	4,788	–	–

* Excludes prepayments.

22.1. 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 Group Chief Executive 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 IFRS, 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.

22.1. 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.

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.

Derivative financial instruments

The carrying amounts of derivative financial instruments approximate their fair values. Fair values are determined using Level 2 inputs, based on observable market data including oil prices, expected volatility, risk-free interest rates, and remaining contractual maturities, using standard discounted cash flow and option pricing models.

23. Financial instruments

Financial risk management

The Group has exposure to a variety of financial risks including effects of changes in credit risk, market risk (including foreign currency risk), and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group. Risk management is carried out by the management under policies approved by the directors.

Risk management framework

Risk management is integral to the whole business of the Group. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

23. Financial instruments (continued)

Credit risk

Credit risk is the risk of financial loss to the Group or the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's and the Company's financial assets.

The carrying amount of financial assets represents the Group's and the Company's maximum exposures to credit risk, before considering any collateral held.

The maximum exposure to credit risk on other receivables and bank balances is limited to their carrying values at the reporting date as follows:

	Note	Group 30-Jun-26 US\$'000	Group 31-Dec-25 US\$'000	Company 30-Jun-26 US\$'000	Company 31-Dec-25 US\$'000
Other receivables*	12	3,698	1,718	23,993	23,593
Cash and cash equivalents	15	4,363	22,514	18	18
		8,061	24,232	24,011	23,611

* Excludes prepayments.

Intercompany receivables

The Group and the Company held amounts due from immediate holding company, related companies and loans to a subsidiary, which were lent to satisfy funding requirements of the intercompany. The Group uses an approach based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, and available press information, if available, and applying experienced credit judgement). There is no significant increase in credit risk for these exposures. Therefore, impairment on these balances has been measured on the 12-month ECL basis; and the amount of the allowance is negligible.

Other financial assets at amortised cost

For the purpose of impairment assessment, the other financial assets at amortised cost, such as deposits and other receivables, are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. The amount of the allowance on other financial assets at amortised cost is negligible.

Cash and cash equivalents

Cash equivalents include short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

23. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Exposure to liquidity risk

The following are the remaining contractual maturities of non-derivative financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments:

	Note	Carrying amount US\$'000	Contractual cash flows US\$'000	Within 1 year US\$'000	More than 1 year US\$'000
Group					
30-Jun-2026					
Loans and borrowings	17	63,403	72,281	10,571	61,710
Trade and other payables	19	9,214	9,214	9,214	–
Lease liabilities	20	12,473	13,325	8,075	5,250
		<u>85,090</u>	<u>94,820</u>	<u>27,860</u>	<u>66,960</u>
Group					
31-Dec-2025					
Loans and borrowings	17	60,049	68,456	4,783	63,673
Trade and other payables	19	9,765	9,765	9,765	–
Lease liabilities	20	4,788	4,870	4,870	–
		<u>74,602</u>	<u>83,091</u>	<u>19,418</u>	<u>63,673</u>
Company					
30-Jun-2026					
Loans and borrowings	17	23,798	27,130	10,571	16,559
Trade and other payables	19	720	720	720	–
		<u>24,518</u>	<u>27,850</u>	<u>11,291</u>	<u>16,559</u>
Company					
31-Dec-2025					
Loans and borrowings	17	23,388	26,662	4,783	21,879
Trade and other payables	19	393	393	393	–
		<u>23,781</u>	<u>27,055</u>	<u>5,176</u>	<u>21,879</u>

The maturity analysis shows the contractual undiscounted cash flows of the Group's and the Company's financial liabilities on the basis of their earliest possible contractual maturity. It is not expected that the cash flows included in the maturity analysis above could occur significantly earlier, or at significantly different amounts.

23. Financial instruments (continued)

Market risk

Market risk is the risk that changes in market prices, such as crude oil, foreign exchange rates, and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured. Market risk exposures are measured using sensitivity analysis indicated below.

Currency risk

The Group is exposed to foreign exchange risk arising from foreign currency exposures primarily from the Rial Omani, though its transactions are predominantly in United States dollar. Since the Rial Omani is pegged to the United States dollar, foreign exchange risk is considered to be minimal.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. As the Group's loans and borrowings bear fixed interest rates, the Group is not exposed to significant interest rate risk.

Oil and gas price risk

The Group is exposed to the risk of fluctuations in prevailing market commodity prices on the mix of oil and gas products it produces. The Group continuously evaluates and assesses opportunities for hedging as part of a prudent financial risk management process.

The Group entered into put options contract to manage significant reductions in crude oil prices:

Group 30-Jun-26 and 31-Dec-25	
Quantity (bbl per quarter)	Ranging from 72,000 to 170,000
Strike price (US\$/bbl)	55
Effective date	January 2026
Expiration date	December 2026

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders/member's, issue new shares or call for member's contribution.

24. Segment information

Operating segments

The Group engages in oil and gas exploration and production, with concessions located in Oman. The Group identifies and reports its segments based on the geographical location of the Group's assets and operations. The segment information is provided to the executive management and the Board of Directors who are considered to collectively be the Chief Operating Decision Maker and is used as the basis for allocation of resources and decision making.

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

	Oman US\$'000	Others US\$'000	Total US\$'000
Group			
30 June 2026			
Total revenue for reportable segments	9,877	–	9,877
Elimination of inter-segment revenue	–	–	–
Consolidated revenue	9,877	–	9,877
Other income	747	–	747
Segment expense	(5,956)	(533)	(6,489)
Depletion of oil and gas properties	(1,883)	–	(1,883)
Depreciation of property, plant and equipment	(100)	–	(100)
Depreciation of right-of-use assets	(6,678)	–	(6,678)
Finance expense	(968)	(4,506)	(5,474)
Foreign exchange loss	(19)	–	(19)
Other material non-cash items:			
– Write-off of receivables	(1,327)	–	(1,327)
Reportable segment loss before tax	(6,307)	(5,039)	(11,346)
Reportable segment assets	68,184	41	68,225
<i>Segment assets include:</i>			
Additions to:			
– Oil and gas properties	4,572	–	4,572
– Property, plant and equipment	7	–	7
Reportable segment liabilities	38,058	60,385	98,443

25. Acquisition under common control

On 9 December 2025, the Company's immediate holding company, Rex International Holding Ltd. ("RIH BVI"), transferred its 100% interests in Rex Oman Ltd ("Rex Oman") to the Company at US\$0 consideration. Prior to the transaction, RIH BVI directly held 100% equity interests in both Rex Oman and the Company. Following the transfer, Rex Oman became a wholly-owned subsidiary of the Company, and the financial results of Rex Oman and its subsidiary have been consolidated from the date of transfer.

As the companies involved were under common control (i.e. ultimately controlled by the same party) both before and after the transfer, the transaction represents a reorganisation of entities under common control and was accounted for using book-value method in these financial statements.

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

	Note	Group 31-Dec-25 US\$'000
Exploration, evaluation and development assets	6	452
Oil and gas properties	7	38,581
Property, plant and equipment	8	360
Right-of-use assets	9	6,084
Inventories		981
Other receivables		3,861
Cash and cash equivalents		2,846
Loan from immediate holding company ⁽¹⁾	17	(33,479)
Provisions	18	(15,672)
Trade and other payables		(12,060)
Lease liabilities		(5,714)
Non-controlling interests		(2,985)
Identifiable net liabilities assumed		(16,745)
Less: Cash consideration		—
Acquisition under common control recognised in 'accumulated losses' in the consolidated statement of changes in equity		(16,745)

⁽¹⁾ Refer Note 17 for the terms of the loan provided by the immediate holding company

The other receivables comprised gross contractual amounts due of US\$3,861,000, of which none were expected to be uncollectible at the date of the acquisition under common control.

26. Contingent Liability

Legal case

On 16 April 2026, Masirah Oil Limited ("**MOL**") received a force majeure notice from Prive Overseas Marine LLC ("**Owners**"), the owner of the M/T "PS FALCON" floating storage unit currently operating offshore Oman, asserting that the Vessel's location has become dangerous due to geopolitical tensions in the region and demanding relocation or termination of the Charterparty dated 10 July 2025. The Owners subsequently notified their intention to commence arbitration proceedings seeking declaratory relief and damages.

However, MOL's legal counsel has advised that the Owners face significant difficulties in establishing their claims under the Charter's express terms:

- (i) The specific area around Oman is not designated as a "War like Operations Area" by the Lloyd's Market Committee, no increase in war risks insurance premiums has been reported, and no hostile activity has been documented in the region since early March 2026;
- (ii) The Charter expressly contemplates vessel relocation as an operational contingency rather than a force majeure event, and the force majeure clause requires that consequences be incapable of being overcome, which is not the case here;
- (iii) The Owners continue to receive full hire payments and have not been deprived of substantially the whole benefit of the contract, undermining any claim of repudiatory breach; and
- (iv) The Owners' force majeure notice contains material procedural defects, including referring only to a "potential intention" to terminate rather than a definitive intention as required by the Charter.

Based on this legal assessment, MOL's position is considered strong, no financial loss has been incurred till the issuance of these condensed interim financial statements, and the probability of an unfavourable outcome is assessed as remote.