

Cooperation Agreement

Ratio Petroleum Energy LP

Pharos Energy plc

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THIS AGREEMENT is made on 24 June 2026

BETWEEN:

- (1) **Ratio Petroleum Energy LP**, a limited liability partnership acting by its general partner Ratio Petroleum Limited and incorporated in Israel and with registered number 550175850, whose registered office is 85 Yehuda Halevi St, Tel Aviv-Yafo, 6579614 (**Ratio**); and
- (2) **Pharos Energy plc**, a public limited company incorporated in England and Wales with registered number 03300821, whose registered office is at 27/28 Eastcastle Street, London, United Kingdom, W1W 8DH (**Pharos**),

(each a **party** and together the **parties**).

RECITALS:

- (A) Ratio proposes to announce immediately following execution of this agreement a firm intention to make a recommended offer for the entire issued and to be issued share capital of Pharos pursuant to Rule 2.7 of the Code.
- (B) The Acquisition will be made on the terms and subject to the conditions set out in the Announcement.
- (C) The parties intend that the Acquisition will be implemented by way of the Scheme, although Ratio reserves the right, subject to the terms of this agreement and the Announcement, to implement the Acquisition by way of a Takeover Offer.
- (D) The parties have agreed to enter into this agreement to set out their respective commitments to regulate the basis on which they are willing to implement the Acquisition (whether by way of the Scheme or the Takeover Offer) and are entering into this agreement to set out their respective rights, obligations and commitments in relation to such matters.

THE PARTIES AGREE AS FOLLOWS:

1. Definitions and Interpretation

- 1.1 In this agreement (including the recitals but excluding Schedule 1), the terms and expressions listed in this clause 1.1 shall have the meanings set out in this clause 1.1. Terms and expressions used in Schedule 1 shall have the meanings given to them in Schedule 1.

Acceptance Condition means the acceptance condition to any Takeover Offer.

Acquisition means the recommended acquisition of the entire issued and to be issued share capital of Pharos by Ratio to be effected by means of the Scheme (or by way of Takeover Offer, if Ratio elects (with the consent of the Panel) to proceed with a Takeover Offer in accordance with the terms of this agreement) and, where the context permits, any subsequent revision, variation, extension or renewal thereof.

Acquisition Document means:

- (a) if the Scheme is (or is to be) implemented, the Scheme Document; or
- (b) if a Takeover Offer is (or is to be) implemented, the Offer Document.

Agreed Switch means a Switch pursuant to clause 6.1(a) in circumstances where none of clauses 6.1(b), 6.1(c) nor 6.1(d) applies at the relevant time or subsequently.

Announcement means the announcement detailing the conditions and certain further terms of the Acquisition to be made pursuant to Rule 2.7 of the Code, in the form agreed between the parties as set out in Schedule 1.

Business Day means a day (other than Saturdays, Sundays and public holidays in the UK and Israel) on which banks are open for business in London and Israel.

Code means the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel.

Companies Act means the Companies Act 2006, as amended from time to time.

Competing Offer means:

- (a) an offer, including a partial, exchange or tender offer, merger, acquisition, dual-listed structure, scheme of arrangement, reverse takeover and/or business merger, the object or potential effect of which is a Third Party acquiring, whether directly or indirectly, 30 per cent or more of the issued or to be issued ordinary share capital of Pharos (when aggregated with the shares already held by the Third Party and any person acting or deemed to be acting in concert with the Third Party) or any arrangements or series of arrangements which results in any Third Party acquiring, consolidating or increasing control of Pharos; or
- (b) a Third Party agreeing to acquire, whether directly or indirectly, of all or substantially all of the business, assets and/or undertakings of Pharos;

in each case, whether implemented in a single transaction or a series of transactions and whether conditional or otherwise.

Conditions means:

- (a) for so long as the Acquisition is being implemented by means of the Scheme, the conditions to the implementation of the Acquisition (including the Scheme Conditions) as set out in appendix 1 to the Announcement and to be set out in the Scheme Document; and
- (b) for so long as the Acquisition is being implemented by means of a Takeover Offer, the conditions referred to in (a) above, as amended by replacing the Scheme Conditions with the Acceptance Condition and to be set out in the Offer Document,

and **Condition** shall be construed accordingly.

Confidentiality Agreements means each of the confidentiality agreements between Ratio and Pharos in relation to the Acquisition dated (i) 4 March 2026 and (ii) 12 March 2026.

control means with respect to any other person, the possession, directly or indirectly, of power to direct or cause the direction of management or policies of such person (whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise), and the terms **controlled by** and **under common control with** shall be interpreted accordingly.

Costs means losses, damages, costs (including legal costs) and expenses (including taxation), in each case of any nature whatsoever.

Court means the High Court of Justice in England and Wales.

Court Hearing means the hearing by the Court of the petition to sanction the Scheme and to grant the Court Order pursuant to section 899 of the Companies Act, including any adjournment thereof.

Court Meeting means the meeting of Pharos Shareholders to be convened pursuant to an order of the Court pursuant to section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), including any adjournment thereof.

Court Order means the order of the Court sanctioning the Scheme under section 899 of the Companies Act.

Day 39 means the 21st day prior to Day 60.

Day 60 has the meaning given to it in clause 6.2(c).

Effective Date means:

- (a) the date on which the Scheme becomes effective in accordance with its terms; or
- (b) if Ratio elects (subject to the terms of this agreement), and the Panel consents, to implement the Acquisition by way of a Takeover Offer, the date that a Takeover Offer becomes or is declared unconditional in accordance with the requirements of the Code.

FCA means the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the UK Financial Services and Markets Act 2000.

FCA Handbook means the FCA's Handbook of rules and guidance as amended from time to time.

Group means, in relation to any person, that person and any bodies corporate which are subsidiaries or subsidiary undertakings of that person.

Law means any applicable statute, law, rule, regulation, ordinance, code, order, judgment, injunction, writ, decree, directive, policy, guideline, interpretation or rule of common law issued, administered or enforced by any Regulatory Authority, or any judicial or administrative interpretation thereof.

Listing Rules means the listing rules promulgated by the FCA pursuant to Part 6 of the Financial Services and Markets Act 2000 and referred to in section 73A(2) of that act as set out in the FCA Handbook.

London Stock Exchange means London Stock Exchange plc.

Long Stop Date has the meaning given to it in the Announcement.

Offer Document means, if Ratio elects to implement the Acquisition by way of a Takeover Offer in accordance with the terms of this agreement, the document addressed to (among others) Pharos Shareholders setting out, among other things, the full terms and conditions of such Takeover Offer.

Panel means the Panel on Takeovers and Mergers.

PetroVietnam means Vietnam National Industry – Energy Group

Pharos Board means the board of directors of Pharos from time to time.

Pharos Board Recommendation means a unanimous recommendation from the Pharos Directors to Pharos Shareholders in respect of the Acquisition to: (i) vote in favour of the Pharos Resolutions; or (ii) if Ratio elects (with the consent of the Panel) to proceed with a Takeover Offer in accordance with the terms of this agreement, accept such Takeover Offer.

Pharos Directors means the directors of Pharos from time to time and **Pharos Director** shall be construed accordingly.

Pharos General Meeting means the general meeting of Pharos to be convened in connection with the Scheme, notice of which will be set out in the Scheme Document, including any adjournment thereof.

Pharos Group means Pharos and its subsidiaries and subsidiary undertakings and **member of the Pharos Group** shall be construed accordingly.

Pharos Resolutions means the shareholder resolutions of Pharos which are necessary to approve, implement and effect the Scheme and the Acquisition and related changes to Pharos's articles of association.

Pharos Shareholder Meetings means the Court Meeting and the Pharos General Meeting.

Pharos Shareholders means the holders of Pharos Shares from time to time.

Pharos Shares means the ordinary shares of 5 pence each in the capital of Pharos.

Regulatory Approvals means all authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions, approvals or waivers that may need to be obtained (or deemed to have been obtained) and filings that may need to be made and all waiting periods that may need to have expired (or, if applicable, deemed waived), from or under any of the laws, regulations or practices applied by any Regulatory Authorities, in connection with the implementation of the Acquisition, in each case that are deemed necessary by Ratio or any member of the Ratio Group to satisfy any of the Regulatory Conditions insofar as any such Regulatory Condition relates to an official authorisation or regulatory clearance in respect of the Acquisition or insofar as the Panel has agreed that the Condition will be classified as a "Category 5" condition as contemplated under paragraph 2.3(e) of Practice Statement 5 of the Code or otherwise will not be subject to Rule 13.5(a) of the Code in the particular circumstances. Any reference to Regulatory Approvals being "satisfied" shall be construed as meaning that the foregoing have been obtained or, where appropriate, made, waived or expired in accordance with the relevant Regulatory Condition.

Regulatory Authority means any central bank, ministry or department of such ministry, government or governmental, quasi-governmental (including the European Union), supranational, statutory, regulatory or investigative body or authority or tribunal or person (including any national or supranational anti-trust, competition or merger control authority, any sectoral ministry or regulator and any foreign investment or foreign subsidies review body), any national, state, municipal or local government (including any subdivision, court, tribunal, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, any trade agency, association, institution, any professional or environmental body, including, for the avoidance of doubt, the Panel and PetroVietnam.

Regulatory Conditions means the Conditions set out in paragraph 3.1 (other than paragraph 3.1.4.2) of Part A of Appendix 1 to the Announcement and Regulatory Condition shall be construed accordingly.

Regulatory Information Service means any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements.

Remedies means any conditions, obligations, measures, commitments, modifications, undertakings, remedies (including divestitures and any appropriate pre-divestiture reorganisations) or assurance (financial or otherwise) offered or required in connection with satisfying any of the Regulatory Conditions and **Remedy** shall be construed accordingly.

Ratio Directors means the directors of Ratio from time to time.

Ratio Group means Ratio and its subsidiaries and subsidiary undertakings and **member of the Ratio Group** shall be construed accordingly.

Scheme means the proposed scheme of arrangement under Part 26 of the Companies Act between Pharos and Pharos Shareholders in connection with the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Pharos and Ratio.

Scheme Conditions means the Conditions referred to in paragraph 2 of Part A of Appendix 1 to the Announcement.

Scheme Document means the document to be sent to Pharos Shareholders containing, amongst other things, the full terms and conditions of the Scheme and the notices convening the Court Meeting and the Pharos General Meeting.

Service Document means a claim form, application notice, order, judgment or other document relating to any proceedings, suit or action.

Switch has the meaning given in clause 6.1.

Takeover Offer means a takeover offer (within the meaning of section 974 of the Companies Act), to be made by or on behalf of Ratio to acquire the entire issued and to be issued share capital of Pharos and, where the context permits, any subsequent revision, variation, extension or renewal of such takeover offer.

TASE means Tel Aviv Stock Exchange Ltd.

Third Party means a party other than Ratio or anyone acting in concert with Ratio.

Working Hours means 9.30 a.m. to 5.30 p.m. in the relevant location on a Business Day.

1.2 In this agreement, unless the context otherwise requires:

- (a) the expressions **subsidiary** and **subsidiary undertaking** have the meanings given in the Companies Act;
- (b) the expressions **acting in concert** and **concert parties** shall be construed in accordance with the Code;
- (c) references to any person having an **interest** in shares or securities shall be construed in accordance with the Code;
- (d) a reference to an enactment or statutory provision shall include a reference to any subordinate legislation made under the relevant enactment or statutory provision

and is a reference to that enactment, statutory provision or subordinate legislation as from time to time amended, consolidated, modified, re-enacted or replaced;

- (e) references to a **person** include any individual, an individual's executors or administrators, a partnership, a firm, a body corporate (wherever incorporated), an unincorporated association, government, state or agency of a state, local or municipal authority or government body, a joint venture, association, works council or employee representative body (in any case, whether or not having separate legal personality);
- (f) references to a recital, paragraph, clause or Schedule (other than a schedule to a statutory provision) shall refer to those of this agreement unless stated otherwise;
- (g) headings do not affect the interpretation of this agreement, the singular shall include the plural and vice versa, and references to one gender include all genders;
- (h) references to time are to London time;
- (i) any reference to a **day** (including within the phrase **Business Day**) shall mean a period of 24 hours running from midnight to midnight;
- (j) references to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction;
- (k) references to **£, pounds sterling, pence** and **p** are references to the lawful currency from time to time of the United Kingdom;
- (l) any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (m) references to **writing or written** means any method of reproducing words in a legible form and shall include email but shall exclude writing in a transitory form;
- (n) a reference to any other document referred to in this agreement is a reference to that other document as amended, varied or supplemented at any time; and
- (o) references to this agreement include this agreement as amended or supplemented in accordance with its terms.

1.3 The Schedules form part of this agreement and shall have the same force and effect as if set out in the body of this agreement and any reference to this agreement shall include the Schedules.

2. **Publication of the Announcement and the Terms of the Acquisition**

2.1 The obligations of the parties under this agreement, other than this clause 2.1 and clause 1, clauses 9 to 18 (inclusive) and 21 to 26 (inclusive), shall be conditional on the release of the Announcement via a Regulatory Information Service at or before 5.00 p.m. on the date of this agreement or such later time and date as the parties may agree (and, where required by the Code, the Panel may approve). This clause 2.1 and clauses 1, 9 to 18 (inclusive) and 21 to 26 (inclusive) shall take effect on and from execution of this agreement.

- 2.2 The principal terms of the Acquisition shall be as set out in the Announcement, together with such other terms as may be agreed by the parties in writing (save solely for an improvement to the terms of the Acquisition in favour of Pharos Shareholders which will be at the sole and absolute discretion of Ratio and subject to the consent of the Panel if required) and, where required by the Code, approved by the Panel.
- 2.3 The terms of the Acquisition as at the date of publication of the Scheme Document shall be set out in the Scheme Document. Should Ratio elect (with the consent of the Panel) to implement the Acquisition by way of a Takeover Offer in accordance with the terms of this agreement, the terms of the Acquisition shall be as set out in the Offer Document.

3. **Undertakings in relation to Regulatory Approvals and Conditions**

- 3.1 Ratio undertakes to Pharos to use all reasonable efforts, and to procure that the Ratio Group uses all reasonable efforts, to ensure that the Regulatory Conditions are fulfilled as soon as practicable following the date of this agreement and, in any event, in sufficient time to enable the Effective Date to occur prior to the Long Stop Date.
- 3.2 Except if prohibited by the requirements of the Code, any applicable Law and any Regulatory Authority, if Ratio is or becomes aware of any matter which might reasonably be considered to be material in the context of the satisfaction or waiver, or to provide sufficient grounds for it to be able to invoke, any of the Conditions, it will as soon as reasonably practicable make the substance of all such matters known to Pharos and provide such details and further information of which it is aware and which Pharos may reasonably request (save where Ratio is prohibited by the requirements of any Regulatory Authority or applicable law or regulation from sharing such information).
- 3.3 Without prejudice to the generality of clause 3.1, Ratio shall, subject to clause 3.4, submit (in draft or in final form as the case may be) any filings, notifications or submissions relating to the Regulatory Conditions which it has a responsibility to make under applicable Law as soon as reasonably practicable and within 15 business days following the Announcement or, if sooner, within any applicable mandatory time periods. In respect of any such filings, notifications or submissions relating to the Regulatory Conditions, Ratio shall (subject to clause 3.1) take all required, reasonably necessary or advisable steps to avoid: (a) any declaration of incompleteness by any Regulatory Authority; and (b) any suspension of any review period by any Regulatory Authority.
- 3.4 The Parties acknowledge that Ratio shall not be in breach of clause 3.3 if the timelines for submission of the relevant filings, notifications or submissions set out in clause 3.3 have not been met as a result of any delay in or failure by Pharos to satisfy its obligations under clause 3.6.
- 3.5 Ratio shall have primary responsibility for obtaining any Regulatory Approval and undertakes to Pharos, if and to the extent permitted by applicable law and the requirements of the relevant Regulatory Authority:
- (a) to determine the strategy for obtaining any Regulatory Approvals after prior consultation with Pharos in relation thereto and having considered all reasonable comments received from Pharos in a timely manner, including:
 - (i) providing all information necessary or requested by a Regulatory Authority in order to obtain the Regulatory Approvals in a timely manner;
 - (ii) using all reasonable efforts to agree the form of any deed of assignment or other agreement with a Regulatory Authority which is necessary for the fulfilment of the Regulatory Conditions;

- (iii) agreeing with Pharos timing and sequencing for (i) contacting and corresponding with the Regulatory Authorities and (ii) offering to, or agreeing with, the Regulatory Authorities any Remedies required, necessary or advisable in order to secure a Regulatory Approval (provided that any Remedy shall only be given or imposed on terms reasonably satisfactory to Ratio);
 - (iv) determining any Remedies required, necessary or advisable in order to secure a Regulatory Approval (provided that any Remedy shall only be given or imposed on terms reasonably satisfactory to Ratio); and
 - (v) communicating with and making any submissions to any Regulatory Authority with respect to the Acquisition;
- (b) to consider in good faith the reasonable comments by Pharos in respect of any filings, notifications, submissions and other material written communications intended to be sent to any Regulatory Authority in connection with satisfying any Regulatory Conditions;
- (c) to pay all filing, administrative and other fees levied by any Regulatory Authority required in connection with any Regulatory Approval, unless such fees are payable by Pharos as specified by the Law or requirements of the relevant Regulatory Authority;
- (d) not to request any meeting or correspond with a Regulatory Authority in Egypt or Vietnam regarding a Regulatory Approval without the prior written consent of Pharos (such consent not to be unreasonably conditioned, withheld or delayed);
- (e) to notify Pharos in a timely manner of any communication (whether written or oral) from or with any Regulatory Authority other than those of a purely administrative nature, and to provide Pharos with copies of such communications or, in the case of oral communications, reasonably detailed summaries thereof (subject to any arrangements to protect legally privileged or commercially or competitively sensitive information);
- (f) where practicable and permitted by Law and the relevant Regulatory Authority, to give Pharos reasonable notice of and reasonable opportunity to participate in all meetings and telephone calls with any Regulatory Authority (provided that any oral submissions to be made by either party or its advisers with regard to the satisfaction of the Regulatory Conditions are agreed in advance, the approval of each party not to be unreasonably withheld or delayed);
- (g) to prepare and provide Pharos with drafts of all filings, notifications, submissions and other material written communications intended to be sent to any Regulatory Authority in connection with seeking to obtain the Regulatory Approvals and satisfying any Regulatory Conditions sufficiently in advance of their submission to allow Pharos and its legal advisers a reasonable opportunity to comment on them, and shall consider in good faith such comments before any such draft filings, notifications, submissions or communications are submitted and to provide Pharos with final copies of all such communications; and
- (h) to keep Pharos informed of any developments which are material to the obtaining of any Regulatory Approvals; and
- (i) not withdraw a filing, notification or submission made to any Regulatory Authority in connection with the satisfaction of a Regulatory Condition, without the prior written consent of Pharos.

- 3.6 Without prejudice to the generality of the foregoing, and except to the extent that to do so is prohibited by Law, Pharos shall use all reasonable efforts to:
- (a) provide Ratio with all reasonable information, comments, assistance and access in a timely manner in order to allow for Ratio to make any filings, notifications, submissions and other material written communications in each case with or to any Regulatory Authority in connection with seeking to obtain the Regulatory Approvals and satisfying any Regulatory Conditions and shall ensure that all information reasonably necessary or reasonably advisable for the making of (or responding to any requests for further information consequent upon) any filings, notifications, submissions and other material written communications (including draft versions) is supplied accurately and as soon as reasonably practicable after receipt of such request from Ratio and within any relevant deadline provided by the Regulatory Authority as communicated by Ratio to Pharos, subject to any arrangements to protect legally privileged or commercially or competitively sensitive information;
 - (b) keep Ratio informed of any developments which are material to the obtaining of any Regulatory Approvals from Regulatory Authorities; and
 - (c) where reasonably requested by Ratio, make available appropriate representatives (including, where reasonably requested, legal advisers) to attend meetings between the parties (and/or their respective advisers) and any Regulatory Authority in connection with obtaining the Regulatory Approvals or satisfying the Regulatory Conditions.
- 3.7 If any Regulatory Authority in any jurisdiction enacts, makes or proposes any statute, regulation, decision or order, or imposes or proposes to impose any requirement, or takes any other steps or action under the laws of any jurisdiction, in connection with the Acquisition that impedes completion of the Acquisition, Ratio shall use all reasonable efforts, and shall procure that the Ratio Group uses all reasonable efforts, to comply with such statute, regulation, decision or order or to obtain the relevant Regulatory Approval (provided that any Remedy shall only be given or imposed on terms reasonably satisfactory to Ratio).
- 3.8 Nothing in this agreement shall at any time oblige Ratio:
- (a) to waive or treat as satisfied any Condition that Ratio is entitled, with the permission of the Panel, to invoke; or
 - (b) where Ratio has given notice to Pharos that it considers it is or may be entitled to invoke a Condition, to waive or treat as satisfied any Condition before the date on which the Panel rules (or if any such ruling is capable of appeal, Ratio confirms that it does not intend to appeal) that any such Condition may not be invoked.
- 3.9 Notwithstanding any other provision in this agreement to the contrary, Ratio shall not, and shall use reasonable endeavours to procure that the Ratio Group shall not, take, or omit to take, or permit or cause to be taken or omitted to be taken by Ratio or the Ratio Group, any action or enter into an agreement for, or consummate, any acquisition or other transaction which would, or could reasonably be expected to, adversely affect the satisfaction or waiver of any Condition or which would be reasonably likely to materially preclude, impede, prejudice, or delay completion of the Acquisition.

4. **Scheme Document**

- 4.1 Where the Acquisition is being implemented by way of the Scheme, Ratio agrees:

- (a) as soon as reasonably practicable to provide Pharos all such information about itself, its directors and the Ratio Group (and, to the extent required by the Panel, any other person connected with Ratio) as may reasonably be requested or which is required by Pharos (having regard to the Code and other Law) for inclusion in the Scheme Document (including any information required under the Code or other Law);
 - (b) as soon as reasonably practicable to provide Pharos with all such other assistance as may reasonably be requested or required in connection with the preparation of the Scheme Document and any supplement or other document required under the Code or by other Law to be published in connection with the Scheme, including ensuring the provision of reasonable assistance by, Ratio's relevant professional advisers; and
 - (c) to procure that the Ratio Directors accept responsibility, in the terms required by the Code, for all the information (including any expressions of opinion) in the Scheme Document and any other document required under the Code or by other Law to be published in connection with the Scheme which such persons are required to accept responsibility under the Code.
- 4.2 If any supplementary circular is required to be published by Pharos in connection with the Scheme, Ratio shall promptly provide such co-operation and information (including such information as is necessary or reasonably required for such supplementary circular or document to comply with any Law) in order to prepare and publish such circular.
- 4.3 Without prejudice to clause 7.2 and subject to Ratio not having elected to implement the Acquisition as a Takeover Offer in accordance with clause 6, Ratio shall allow Pharos reasonable opportunity to provide comments on written communications to Pharos employees or share plan participants in connection with the Acquisition, and shall consider in good faith Pharos's reasonable comments on such communications.

5. **Implementation of the Acquisition**

- 5.1 Where the Acquisition is being implemented by way of the Scheme:
- (a) Ratio undertakes that, by no later than 5.00 p.m. on the Business Day immediately preceding the Court Hearing, it shall deliver a notice in writing to Pharos either:
 - (i) confirming the satisfaction or waiver of all Conditions (other than paragraph 2.3 of the Scheme Conditions); or
 - (ii) confirming its intention to invoke a Condition (which will always be subject to the consent of the Panel) and, in circumstances where Rule 13.5 of the Code applies, providing reasonable details of the grounds on which it intends to invoke the relevant Condition;
 - (b) if Ratio confirms the satisfaction or waiver of all Conditions (other than the Scheme Conditions) as contemplated by clause 5.1(a)(i), Ratio agrees to co-operate with Pharos in taking, and not to object to Pharos so taking, necessary steps to procure that the Court Hearing is duly held as soon as reasonably practicable thereafter; and
 - (c) Ratio shall (i) instruct counsel to appear on its behalf at the Court Hearing and undertake to the Court to be bound by the terms of the Scheme in so far as it relates to Ratio, and (ii) to the extent that all the Conditions (other than the Scheme Conditions set out in paragraph 2.3 of Part A of Appendix 1 to the Announcement) have been satisfied or waived prior to or on the date of the Court Hearing, promptly

upon Pharos's request provide such documentation or information as may reasonably be required by Pharos's counsel or the Court in relation to such undertaking.

6. **Switching to a Takeover Offer**

6.1 The parties intend that the Acquisition will be implemented by way of the Scheme. However, Ratio shall be entitled, with the consent of the Panel and subject to the terms of this agreement, to implement the Acquisition by way of a Takeover Offer rather than the Scheme (such election being a **Switch**) if (and only if):

- (a) Pharos provides its prior written consent;
- (b) a Competing Offer is announced pursuant to Rule 2.7 of the Code (in which case, Ratio shall consult with Pharos to the extent reasonably practicable prior to electing to implement the Acquisition by way of Takeover Offer in such circumstances provided that none of the circumstances set out in clauses 6.1(c) and 6.1(d) apply) or Pharos or any member of its Group announces that it has entered into one or more legally binding agreements (whether or not subject to conditions) to effect a Competing Offer;
- (c) the Pharos Board:
 - (i) withdraws, adversely qualifies or adversely modifies the Pharos Board Recommendation;
 - (ii) does not include the Pharos Board Recommendation in the Scheme Document;
 - (iii) prior to the publication of the Scheme Document, withdraws, adversely qualifies or adversely modifies its intention to make the Pharos Board Recommendation in the Scheme Document;
 - (iv) recommends a Competing Offer; or
 - (v) states its intention to do any of the above (whether conditionally or unconditionally); or
- (d) upon service of written notice by Ratio to Pharos if one or more of the following occurs:
 - (i) the Scheme Document is not posted to Shareholders within 28 calendar days of the date of the Rule 2.7 Announcement (other than as a direct result of logistical or practical matters outside the reasonable control of Pharos or a material breach of this Agreement on the part of Ratio and such breach has caused the delay and save as may otherwise be agreed with Ratio in writing);
 - (ii) the Court Meeting, the Pharos General Meeting and/or the Court Sanction Hearing are not held on or before the 22nd day after the expected date of the Court Meeting, the Pharos General Meeting and/or the Court Sanction Hearing (as applicable) as set out in the Scheme Document (or such later date as (A) may be agreed in writing between the parties or (B) in a competitive situation, as may be specified by Ratio with the consent of the Panel (and in each case with the approval of the Court, if such approval is required));

- (iii) the Scheme is not approved by the requisite majority of the Pharos Shareholders at the Court Meeting or the Pharos Resolutions are not passed by the requisite majority of the Pharos Shareholders at the Pharos General Meeting; or
- (iv) the Scheme is not sanctioned at the Court Hearing.

6.2 In the event of any Agreed Switch, unless otherwise agreed with Pharos or required by the Panel:

- (a) Ratio shall:
 - (i) discuss any announcements relating to the Switch and its implementation and any proposed changes to the timetable in relation to the implementation of the Switch with Pharos in a timely manner;
 - (ii) as soon as reasonably practicable, prepare the Offer Document and related form of acceptance;
 - (iii) consult with, and consider any comments from or on behalf of, Pharos as to the timing of the publication of the Offer Document and the form of acceptance and provide Pharos with a reasonable opportunity to consider the draft documentation for review and comment; and
 - (iv) consult with Pharos as to the form and content of the Offer Document and the form of acceptance;
- (b) the Acceptance Condition shall be set at not more than 75 per cent of the Pharos Shares to which the Takeover Offer relates on a fully diluted basis (or such lesser percentage as may be agreed between the parties in writing after, to the extent necessary, consultation with the Panel, being in any case more than 50 per cent of the Pharos Shares to which the Takeover Offer relates);
- (c) Ratio shall not, and shall procure that no member of the Ratio Group shall, take any action which would cause the Takeover Offer not to proceed, to lapse or to be withdrawn, in each case for non-fulfilment of any Condition, prior to the 60th day after publication of the Offer Document (or such later date as is set in accordance with Rule 31.3 of the Code) (**Day 60**), including, without limitation, by publishing an acceptance condition invocation notice under Rule 31.6, publishing an acceleration statement under Rule 31.5, or otherwise specifying in the Offer Document an unconditional date which is earlier than Day 60 and Ratio shall ensure that the Takeover Offer remains open for acceptances until such time;
- (d) if at any time following the publication of the Offer Document it is reasonably expected that any outstanding Condition is not likely to be satisfied or waived (if capable of waiver) prior to the last date permitted under Rule 31.1 of the Code, Ratio shall, before the 30th day after the publication of the Offer Document (or such later day as Pharos may agree), consult with Pharos and the Panel as to whether the offer timetable should be suspended in accordance with Rule 31.4 or (if Day 39 has passed) Day 60, should be extended in accordance with Rule 31.3 of the Code (or, if applicable, further suspended or extended) and, if reasonably required by Pharos, shall request such suspension or extension to a date agreed with Pharos and the Panel, provided always that such date shall not be later than the Long Stop Date;
- (e) Ratio shall ensure that the only conditions to the Takeover Offer shall be the Conditions, subject to replacing the Scheme Conditions with the Acceptance

Condition and any other modifications or amendments to the Conditions as may be required by the Panel or agreed in writing between the parties;

- (f) Ratio shall keep Pharos informed, on a confidential basis within two Business Days following receipt of a written request from Pharos, of the number of Pharos Shareholders that have validly returned their acceptance or withdrawal forms or incorrectly completed their acceptance or withdrawal forms, the identity of such shareholders and the number of Pharos Shares to which such forms relate; and
- (g) all provisions of this agreement relating to the Scheme and its implementation shall apply to the Takeover Offer or its implementation mutatis mutandis.

7. **Employee-related Matters**

- 7.1 The parties agree that the provisions of Part 1 of Schedule 2 (Share Incentive Plans) and Part 2 of Schedule 2 (Employees) with respect to certain employee-related matters shall be implemented in accordance with that Schedule.
- 7.2 Pharos shall determine the strategy for communicating the provisions of Schedule 2, in respect of Pharos Share Plans and other employee matters, to the employees of Pharos following consultation with Ratio in good faith.

8. **Directors' and Officers' Insurance**

- 8.1 If and to the extent such obligations are permitted by Law, for six years after the Effective Date, Ratio shall procure that the members of the Pharos Group honour and fulfil their respective obligations (if any) existing as at the date of this agreement to indemnify their respective directors and officers, to advance reasonable expenses and to provide all reasonable assistance to the current directors and officers of Pharos to the extent they need to make a claim against the existing Pharos directors' and officers' insurance policy (including any associated run-off cover), in each case with respect to matters existing or occurring at or prior to the Effective Date.
- 8.2 With effect from the Effective Date, Ratio acknowledges that Pharos may purchase directors' and officers' liability insurance cover for both current and former directors and officers of the Pharos Group, including directors and officers who retire or whose employment is terminated as a result of the Acquisition, for acts and omissions up to and including the Effective Date (the **D&O Insurance**), in the form of runoff cover for a period of six years following the Effective Date, provided that Pharos will consult with Ratio prior to purchasing such insurance cover. Such D&O Insurance shall be with reputable insurers and provide cover, in terms of amount and breadth, substantially equivalent to that provided under the Pharos Group's directors' and officers' liability insurance as at the date of this agreement. Ratio will, and will procure that each relevant member of the Pharos Group shall, provide all reasonable assistance to any current and former directors and officers of the Pharos Group to the extent they need to make a claim against the D&O Insurance with respect to acts and omissions up to and including the Effective Date.

9. **Termination**

- 9.1 Subject to clauses 9.2 and 9.3, this agreement shall terminate immediately and all obligations of the parties under this agreement shall immediately cease in the following circumstances:
 - (a) if agreed in writing between the parties at any time prior to the Effective Date;

- (b) if the Announcement is not released at or before the time specified in clause 2.1 (unless prior to that time the parties have agreed another time and date in accordance with that clause);
- (c) if the Acquisition, with the permission of the Panel (where required), lapses (or is withdrawn by the Offeror) in accordance with its terms prior to the Long Stop Date including where Ratio is permitted by the Panel to invoke any Condition so as to cause the Acquisition to lapse or be withdrawn but excluding where (i) such lapse (or withdrawal by the Offeror) is as a result of the exercise of Ratio's right to effect a Switch in accordance with the terms of this agreement or (ii) it is otherwise to be followed within ten Business Days by an announcement under Rule 2.7 of the Code made by Ratio or a person acting in concert with Ratio to implement the Acquisition by a different offer or scheme on substantially the same or improved terms;
- (d) upon service of written notice by Ratio to Pharos if:
 - (i) the Pharos Board:
 - (A) withdraws, adversely qualifies or adversely modifies the Pharos Board Recommendation;
 - (B) does not include the Pharos Board Recommendation in the Acquisition Document;
 - (C) prior to the publication of the Scheme Document, withdraws, adversely qualifies or adversely modifies its intention to make the Pharos Board Recommendation in the Scheme Document;
 - (D) recommends a Competing Offer; or
 - (E) states its intention to do any of the above (whether conditionally or unconditionally);
- (e) a Competing Offer made by a third party is announced under Rule 2.7 of the Code or Pharos announces that it or any member of its Group has entered into one or more legally binding agreements (whether or not subject to conditions) to effect a Competing Offer;
- (f) upon service of written notice by either party to the other party if one or more of the following occurs, in each case where Ratio has not elected, in accordance with clause 6, to implement the Acquisition by means of a Takeover Offer:
 - (i) the Scheme Document is not posted to Shareholders within 28 calendar days of the date of the Rule 2.7 Announcement (other than as a direct result of logistical or practical matters outside the reasonable control of Pharos or a material breach of this Agreement on the part of Ratio and such breach has caused the delay and save as may otherwise be agreed with Ratio in writing);
 - (ii) the Court Meeting, the Pharos General Meeting and/or the Court Sanction Hearing are not held on or before the 22nd day after the expected date of the Court Meeting, the Pharos General Meeting and/or the Court Sanction Hearing (as applicable) as set out in the Scheme Document (or such later date as (A) may be agreed in writing between the parties or (B) in a competitive situation, as may be specified by Ratio with the consent of the

Panel (and in each case with the approval of the Court, if such approval is required));

(iii) the Scheme is not approved by the requisite majority of the Pharos Shareholders at the Court Meeting or the Pharos Resolutions are not passed by the requisite majority of the Pharos Shareholders at the Pharos General Meeting; or

(iv) the Scheme is not sanctioned at the Court Hearing;

(g) unless otherwise agreed by the parties in writing or required by the Panel, if the Effective Date has not occurred on or before the Long Stop Date.

9.2 Termination of this agreement shall be without prejudice to the rights of the parties which have arisen prior to termination, including any claim in respect of a breach of this agreement.

9.3 Clauses 10 to 18 (inclusive), clauses 21 to 26 (inclusive), this clause 9 and all related provisions of clause 1 shall survive termination of this agreement.

10. **Takeover Code**

10.1 Nothing in this agreement shall in any way limit the parties' obligations under the Code, and any uncontested rulings of the relevant Regulatory Authority as to the application of the Code in conflict with the terms of this agreement shall take precedence over such terms.

10.2 The parties agree that, if the Panel determines that any provision of this agreement that requires Pharos to take or not to take any action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Code, that provision shall have no effect and shall be disregarded.

10.3 Nothing in this agreement shall oblige Pharos or the Pharos Directors to recommend any Takeover Offer or any Scheme proposed by Ratio or any member of the Ratio Group.

10.4 Without prejudice to the representations and warranties given by the parties pursuant to Clause 11, nothing in this agreement shall be taken to restrict the directors of any member of the Pharos Group or the Ratio Group from complying with applicable Law, orders of court or regulations, including the Code, the Listing Rules, and the rules and regulations of the Panel.

11. **Representations and Warranties**

11.1 Each party represents and warrants to the other party on the date of this agreement that:

(a) it has the requisite power and authority to enter into and perform its obligations under this agreement;

(b) this agreement constitutes its legal, valid and binding obligations in accordance with its terms; and

(c) the execution and delivery of, and performance of its obligations under, this agreement will not:

(i) result in any breach of any provision of its constitutional documents;

(ii) result in a breach of, or constitute a default under, any instrument to which it is a party or by which it is bound; or

- (iii) result in a breach of any order, judgment, or decree of any court or governmental agency to which it is a party or by which it is bound.
 - (d) Ratio warrants to Pharos that, as at the date of this agreement, it is not aware of any matters or circumstances which could reasonably be expected to result in the Regulatory Conditions not being satisfied in sufficient time for the Effective Date to occur by 11.59 p.m. on the Long Stop Date.
- 11.2 Ratio warrants to Pharos as at the date of this agreement that no consents, approvals, waivers or resolutions are required from or on behalf of Ratio unitholders to implement the Acquisition.
- 11.3 Each of Ratio and Pharos acknowledge and agree that any information and/or assistance provided by any of the directors, officers, employees or advisers of Pharos and of Ratio respective (each a **Representative**) to it or any of its respective directors, officers, employees, partners, consultants, contractors or advisers, whether before, on or after the date of this agreement:
 - (a) in the case of Pharos, pursuant to the obligations of Pharos or any member of the Pharos Group under or otherwise in connection with this agreement;
 - (b) in the case of Ratio, pursuant to the obligations of Ratio or any member of the Ratio Group under or otherwise in connection with this agreement; or
 - (c) in connection with the Acquisition,shall in each case be (and have been) given on the basis that the relevant Representative shall not incur any liability, nor owe any duty of care in connection with the Acquisition to the other party or any of its respective directors, officers, employees, partners, consultants, contractors or advisers in respect of any loss or damage that any such persons may suffer as a result of the provision of any such information and/or assistance (save, in each case, for loss or damage resulting from the fraudulent misrepresentation or fraudulent misstatement of the relevant Representative).
- 12. **Costs**

Except as otherwise provided in this agreement, each party shall pay its own Costs incurred in connection with negotiating, preparing and completing this agreement or otherwise in connection with the Acquisition.
- 13. **Entire Agreement**
 - 13.1 Without prejudice to the terms of the Announcement or the Acquisition Document, this agreement, together with the Confidentiality Agreements, set out the entire agreement between the parties relating to the Acquisition and supersede any previous draft, agreement, arrangement or understanding, whether in writing or not, relating to the Acquisition.
 - 13.2 Each party acknowledges that in entering into this agreement it is not relying upon any pre-contractual statement that is not set out in this agreement or the Confidentiality Agreements.
 - 13.3 Except in the case of fraud or fraudulent misrepresentation, no party shall have any right of action against any other party to this agreement arising out of or in connection with any pre-contractual statement except to the extent that it is repeated in this agreement or the Confidentiality Agreements.

- 13.4 For the purposes of this clause, pre-contractual statement means any draft, agreement, undertaking, representation, warranty, promise, assurance or arrangement of any nature whatsoever, whether or not in writing, relating to the subject matter of this agreement or the Confidentiality Agreements made or given by any person at any time prior to the entry into this agreement.
- 13.5 Nothing in this agreement shall limit any liability for (or remedy in respect of) fraud or fraudulent misrepresentation.
- 13.6 Each party agrees to the terms of this clause 13 on its own behalf.

14. **Assignment**

Unless the parties specifically agree in writing, no person shall assign, transfer, charge or otherwise deal with all or any of its rights under this agreement nor grant, declare, create or dispose of any right or interest in it.

15. **Notices**

- 15.1 Any notice to be given by one party to the other party in connection with this agreement shall be in writing in English and signed by or on behalf of the party giving it. It shall be delivered by hand, e-mail, registered post or courier using an internationally recognised courier company.
- 15.2 A notice shall be effective upon receipt and shall be deemed to have been received (i) at the time of delivery, if delivered by hand, registered post or courier or (ii) at the time of transmission if delivered by e-mail. Where delivery occurs outside Working Hours, notice shall be deemed to have been received at the start of Working Hours on the next following Business Day.
- 15.3 The addresses and e-mail addresses of the parties for the purpose of clause 15.1 are:

(a) Ratio

Address:	Ratio Petroleum Energy LP 85 Yehuda Halevi St Tel Aviv-Yafo 6579614, Israel
E-mail:	[REDACTED]
For the attention of:	[REDACTED]
With a copy (which shall not constitute notice) to:	
Address:	Pinsent Masons LLP 30 Crown Place London, EC2A 4ES United Kingdom
E-mail:	[REDACTED]
For the attention of:	[REDACTED]

(b) Pharos

Address:	27/28 Eastcastle Street, London, United Kingdom, W1W 8DH
E-mail:	[REDACTED]
For the attention of:	[REDACTED]
With a copy (which shall not constitute notice) to:	
Address:	Ashurst LLP London Fruit & Wool Exchange 1 Duval Square London, E1 6PW United Kingdom
E-mail:	[REDACTED]
For the attention of:	[REDACTED]

15.4 Each party shall notify the other party in writing of any change to its details in clause 15.3 from time to time.

16. Language

Each language of communication under or in connection with this agreement shall be in English.

17. Waivers, Rights and Remedies

17.1 The rights and remedies provided for in this agreement are cumulative and not exclusive of any other rights or remedies, whether provided by applicable Law or otherwise.

17.2 No failure to exercise, or delay in exercising, any right under this agreement or provided by applicable Law shall affect that right or operate as a waiver of the right. The single or partial exercise of any right under this agreement or provided by applicable Law shall not preclude any further exercise of it.

17.3 Without prejudice to any other rights or remedies that the other party may have, each party acknowledges and agrees that damages may not be an adequate remedy for any breach by it of this agreement and that accordingly the other party may be entitled, without proof of special damages, to the remedies of injunction, specific performance or other equitable relief, or any combination of these remedies, for any threatened or actual breach of this agreement by any party and no proof of special damages shall be necessary for the enforcement by any party of the rights under this agreement and no party shall oppose a remedy on the grounds that damages would be an adequate alternative (without prejudice to any right to assert that there has been no breach of the terms of this agreement).

18. No Partnership

No provision of this agreement creates a partnership between the parties or makes a party the agent of the other party for any purpose. A party has no authority or power to bind, to contract in the name of, or to create a liability for the other party in any way or for any purpose.

19. **Time of Essence**

Except as otherwise expressly provided, time shall be of the essence in this agreement both as regards any dates, times and periods mentioned and as regards any dates, times and periods which may be substituted for them in accordance with this agreement or by agreement in writing between Ratio and Pharos.

20. **Further Assurances**

At its own Cost, each party shall (and shall procure that members of its Group shall and shall use reasonable endeavours to procure that any necessary third party shall) execute such documents and do such acts and things as may be necessary for the purpose of giving the full benefit of this agreement.

21. **Counterparts**

This agreement may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this agreement by e-mail attachment or telecopy will be an effective mode of delivery.

22. **Variations**

22.1 No variation of this agreement shall be valid unless it is in writing and duly executed by or on behalf of all of the parties to it.

22.2 If this agreement is varied:

- (a) the variation shall not constitute a general waiver of any provisions of this agreement;
- (b) the variation shall not affect any rights, obligations or liabilities under this agreement that have already accrued up to the date of variation; and
- (c) the rights and obligations of the parties under this agreement shall remain in force, except as, and only to the extent that, they are varied.

23. **Invalidity**

23.1 Each of the provisions of this agreement are severable.

23.2 If and to the extent that any provision of this agreement is held to be, or becomes, illegal, invalid or unenforceable (in whole or in part) under the Law but would be valid, binding and enforceable if some part of the provision were deleted or amended, then the provision shall apply with the minimum modifications necessary to make it legal, valid, binding and enforceable while giving effect to the commercial intentions of the parties.

23.3 If and to the extent it is not possible to delete or amend the provision (in whole or in part) under clause 23.2, then such provision or part of it shall, if and to the extent that it is illegal, invalid or unenforceable, be deemed not to form part of this agreement and the legality, validity and/or enforceability of the remaining provisions of this agreement shall not in any way be affected or impaired as a result of this clause 23.3.

24. **Third Party Enforcement Rights**

24.1 Each of the persons to whom clause 8.2 applies may under the Contracts (Rights of Third Parties) Act 1999 enforce the terms of clause 8.2. This right is subject to: (i) the rights of the parties to this agreement to rescind, terminate or vary this agreement without the

consent of any other person (save that any amendment, waiver or variation of clause 8.2 shall require the consent of the relevant affected third party); and (ii) the other terms and conditions of this agreement.

24.2 Except as set out in clause 24.1, a person who is not a party to this agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

25. **Governing Law and Jurisdiction**

25.1 This agreement and any non-contractual obligations arising out of or in connection with this agreement shall be governed by, and interpreted in accordance with, English law.

25.2 The English courts shall have exclusive jurisdiction in relation to all disputes (including claims for set-off and counterclaims) arising out of or in connection with this agreement including, without limitation disputes arising out of or in connection with: (i) the creation, validity, effect, interpretation, performance or non-performance of, termination or the legal relationships established by, this agreement; and (ii) any non-contractual obligations arising out of or in connection with this agreement. For such purposes each party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction. Each party also irrevocably waives any objection to the recognition or enforcement in the courts of any other country of a judgment delivered by an English court exercising jurisdiction pursuant to this clause.

26. **Agent for Service**

26.1 Ratio irrevocably appoints Law Debenture Corporate Services Limited currently of 8th Floor, 100 Bishopsgate, London, EC2N 4AG and whose email is sop@lawdeb.com to be its agent for the receipt of Service Documents. It agrees that any Service Document may be effectively served on it in connection with proceedings, suit or action in England and Wales by service on its agent effected in any manner permitted by the Civil Procedure Rules.

26.2 If the agent at any time ceases for any reason to act as such, Ratio shall appoint a replacement agent having an address for service in England or Wales and shall notify Pharos of the name and address of the replacement agent. Failing such appointment and notification, Ratio shall be entitled by notice pursuant to clause 15 to Pharos to appoint a replacement agent to act on behalf of Ratio. The provisions of this clause applying to service on an agent apply equally to service on a replacement agent.

26.3 A copy of any Service Document served on an agent shall be sent by post to Pharos. Failure or delay in so doing shall not prejudice the effectiveness of service of the Service Document.

IN WITNESS whereof this agreement has been entered into on the date stated on page 1.

Schedule 1

Form of Announcement

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE MARKET ABUSE REGULATION (EU) NO 596/2014 (INCORPORATED INTO UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 AS AMENDED BY VIRTUE OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

FOR IMMEDIATE RELEASE

24 June 2026

RECOMMENDED ACQUISITION

of

Pharos Energy plc ("Pharos")

by

Ratio Petroleum Energy LP ("Ratio")

to be effected by means of a scheme of arrangement
under Part 26 of the Companies Act 2006

Summary

- The board of directors of each of Ratio and Pharos are pleased to announce that they have reached agreement on the terms of a recommended offer pursuant to which Ratio will acquire the entire issued and to be issued ordinary share capital of Pharos (the "**Acquisition**"). The Acquisition is intended to be effected by means of a scheme of arrangement under Part 26 of the Companies Act.
- Under the terms of the Acquisition, Pharos Shareholders (where they qualified for the FY25 Final Dividend) will be entitled to receive a total value of up to 28 pence in cash per Pharos Share, comprising:
 - 23.0683 pence in cash per Pharos Share (the "**Cash Consideration**"); plus
 - 4.0 pence in cash per Pharos Share by way of special dividend to be paid from Pharos' existing cash resources that the board of directors of Pharos intends to declare prior to completion of the Acquisition with the record and payment dates aligned with the corresponding dates for determining entitlements to, and payment of, the Cash Consideration due to Pharos Shareholders under the terms of the Acquisition (the "**Special Dividend**"); plus
 - 0.9317 pence in cash per Pharos Share by way of the final dividend for the financial year ended 31 December 2025 that was declared on 25 March 2026 and is payable on 17 July 2026 to qualifying Pharos Shareholders who were on the register as at close of business on 12 June 2026 (the "**FY25 Final Dividend**" and together with the Special Dividend the "**Permitted Dividends**").

Shareholder support

- Ratio has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting from Pharos Shareholders in respect of a total of 171,470,348 Pharos Shares representing, in aggregate, approximately 41.19 per cent. of Pharos' existing issued ordinary share capital on the Latest Practicable Date.
- Ratio has also received irrevocable undertakings from each of the Pharos Directors who hold Pharos Shares to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting, in respect of a total of 2,380,289 Pharos Shares, representing approximately 0.57 per cent. of the existing issued ordinary share capital of Pharos on the Latest Practicable Date.
- Ratio has therefore received irrevocable undertakings in respect of a total of 173,850,637 Pharos Shares representing, in aggregate, approximately 41.76 per cent. of Pharos' ordinary share capital in issue on the Latest Practicable Date.
- Further details of these irrevocable undertakings are set out in Appendix III to this announcement.

Background to and reasons for the recommendation

Background and strategic backdrop to the Acquisition

- Pharos operates a small portfolio of producing, development and exploration assets in Vietnam (the TGT and CNV producing fields and exploration Blocks 125 & 126) and Egypt (the El Fayum and North Beni Suef Concessions).
- Under the leadership of Katherine Roe (CEO) and the executive team, Pharos over the past two years has secured licence extensions in Vietnam, obtained improved fiscal terms in Egypt (subject to Egyptian Parliamentary ratification), repaid all debt and recovered all outstanding receivables from the Egyptian government.
- However, Pharos' producing assets are mature, and hence the Pharos Directors have, over an extended period, been considering a number of strategic alternatives to add scale, strategic relevance and diversification to the portfolio. Various inorganic opportunities have been evaluated to try and deliver accretive long-term growth and improve the long-term positioning of the Pharos Group, given:
 - the relative sub-scale nature of Pharos in a sector in which size, balance sheet flexibility and access to capital are increasingly critical to attract and execute material investment opportunities;
 - the historical and persistent limited liquidity in Pharos' Shares;
 - the natural field decline at its mature TGT and CNV fields in Vietnam, and non-operated position at both El Fayum and North Beni Suef in Egypt; and
 - the on-going challenges in securing a farm-in partner to enable the commitment drilling of an exploration well on Blocks 125/126.

The terms of the Acquisition and the process

- Having rejected a number of unsolicited proposals from Ratio earlier this year, since 4 March 2026, Pharos has provided information to Ratio in order to facilitate Ratio to conduct confirmatory due diligence. During this period of engagement heightened geopolitical volatility, including the outbreak of conflict in the Middle East, contributed to material movements in global commodity prices, leading to sector wide increases in E&P share prices. Against this backdrop, the Pharos Directors sought an improved offer from Ratio to reflect the strong cash flow generation driven

by higher commodity prices and strong operational performance year to date. This improved offer was forthcoming on 8 June 2026, as per the terms outlined under “*Summary*” above.

- The agreed terms of the Acquisition delivers immediate and certain value in cash to Pharos Shareholders at a level which, in the unanimous view of the Pharos Directors, fairly reflects the future prospects of the business while removing the execution, commodity-price, operational, country and financing risks associated with the delivery of the standalone plan.
- In considering the Acquisition, the Pharos Directors have also assessed:
 - the deliverability and certainty of the Cash Consideration, including the form, sources and committed nature of Ratio's financing and the limited conditionality of the Acquisition; and
 - the alternative strategic options available to Pharos, including continued execution of the existing standalone plan, with a focus on monetising Pharos' high impact exploration prospect, accelerated M&A using equity or debt, a strategic combination with another listed peer, and a sale or partial monetisation of one or more of the Pharos Group's assets, none of which the Pharos Directors believe is reasonably capable of delivering value to Pharos Shareholders in cash, in the near term, in excess of the Acquisition;

Strategic rationale for the Acquisition

- Since it was established more than ten years ago as a global exploration vehicle for the Wider Ratio Energies Group (which itself has been operating in the exploration and production business for more than three decades), Ratio's strategy targets regions with substantial untapped potential where no significant petroleum discoveries have yet been made. Ratio has the risk appetite for exploration, has a strong exploration team with a robust track record and has access to, low cost capital to invest in exploration activities. Recently, a decision was made to also start investing in producing assets, and as such Ratio has identified Pharos as a significant opportunity.
- Ratio believes a combination of Ratio and Pharos has strong commercial and strategic rationale:
 - the Acquisition represents a compelling liquidity event for existing Pharos Shareholders, providing them with an attractive opportunity to receive cash and realise their investments at a time when Pharos' Shares otherwise lack material trading liquidity;
 - the combination of Ratio and Pharos would create a strong exploration and production business with a portfolio of interests across multiple jurisdictions and basins especially in the current market; the significant reputational backing of, and option for financial support by, the Wider Ratio Energies Group will provide the credibility and low cost capital to support growth and the development of the Combined Group's assets; and
 - a combination of the two businesses shall permit greater economies of scale with a reduced overhead base.

Recommendation

- The Pharos Directors, who have been so advised by Rothschild & Co as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to Pharos Directors, Rothschild & Co has taken into account the commercial assessments of the Pharos Directors. Rothschild & Co is providing independent financial advice to the Pharos Directors for the purposes of Rule 3 of the Code.
- Accordingly, the Pharos Directors intend to recommend unanimously that Pharos Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer,

to accept or procure acceptance of the Takeover Offer) as the Pharos Directors who hold Pharos Shares have irrevocably undertaken to do, as noted above, in respect of their own beneficial holdings of 2,380,289 Pharos Shares representing, in aggregate, approximately 0.57 per cent. of the ordinary share capital of Pharos in issue on the Latest Practicable Date.

Timetable and Conditions

- It is intended that the Acquisition will be implemented by way of a scheme of arrangement between Pharos and Pharos Shareholders under Part 26 of the Companies Act (although Ratio reserves the right to implement the Acquisition by way of a Takeover Offer, subject to the Panel's consent and compliance with the Code).
- The Scheme shall be conditional on, among other things, the terms and Conditions set out in Appendix I to this announcement, including:
 - the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders who are on the register of members of Pharos at the Voting Record Time, in each case present and entitled to vote and voting, whether in person or by proxy, at the Court Meeting (or any adjournment of such meeting);
 - the resolutions required to approve and implement the Scheme being duly passed by Pharos Shareholders representing the requisite majority or majorities of votes cast at the General Meeting (or any adjournment thereof);
 - the satisfaction or waiver of the Regulatory Conditions in Vietnam and Egypt;
 - the sanction of the Scheme by the Court with or without modification (but subject to any modification being on terms acceptable to Pharos and Ratio); and
 - the delivery of a copy of the Court Order to the Registrar of Companies.
- Subject to the satisfaction or (where applicable) waiver of the Conditions, the Acquisition is expected to become Effective in H1 2027. The full terms and conditions of the Scheme and an expected timetable of principal events will be included in the Scheme Document.
- The Scheme Document, containing further information about the Acquisition and the Scheme and notices of the Court Meeting and the General Meeting, will be distributed to Pharos Shareholders (along with the Forms of Proxy for use in connection with the Court Meeting and the General Meeting) as soon as reasonably practicable and within 28 days of this announcement. The Scheme Document will also be made available by Pharos on its website at <https://www.pharos.energy/investors/offer>.

Commenting on the Acquisition, Katherine Roe, Chief Executive Officer of Pharos, said:

“Over the last 23 months, the team has put Pharos in a position where this all cash offer is possible. Vietnam production and exploration license extensions have been delivered alongside the execution of a successful six well drilling campaign. In Egypt we have consolidated the concession agreement delivering improved fiscal terms and importantly we have recovered all outstanding receivables in country. However, our producing assets are relatively mature and the future sustained growth of the business, which includes the exploration drilling of Blocks 125 and 126 in Vietnam needs significant investment from a scaled operator with an appetite for exploration risk, a track record of exploration success and with access to plentiful low cost capital.

Many of our major shareholders, most of which have been invested for very many years, require liquidity at this stage of the company's development, as reflected in the 41.76% irrevocables received. This shareholder dynamic, alongside the advice on the financial terms of the Acquisition received from Rothschild & Co, means this is an offer which is recommended by the Pharos Board.”

Commenting on the Acquisition, Itay Raphael, Chief Executive Officer of Ratio, said:

"We are pleased to announce our recommended offer for Pharos today. A combination of Ratio with Pharos makes strong strategic sense, creating a balanced production and exploration company with the reputation, scale, balance sheet strength and technical capabilities to unlock further opportunities from a combined quality asset base. Together with the support of the wider Pharos Group, the enlarged company shall be a platform for future value growth.

We believe this cash offer provides an attractive outcome for the shareholders of Pharos, as witnessed by the strong level of irrevocables we received representing 41.76 per cent of Pharos' issued share capital. Our offer provides the certainty of a cash return at an attractive premium to the long-term share price and gives Pharos' shareholders liquidity for their shares which has not been available in recent trading."

This summary should be read in conjunction with the full text of this announcement. The Acquisition shall be subject to the Conditions and further terms set out in Appendix I to this announcement and to the full terms and conditions which shall be set out in the Scheme Document. Appendix II to this announcement contains the sources of information and bases of calculations of certain information contained in this announcement, Appendix III contains a summary of the irrevocable undertakings received in relation to this Acquisition and Appendix IV contains definitions of certain expressions used in this summary and in this announcement.

Enquiries:

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Pinsent Masons LLP is acting as legal adviser to Ratio, and Ashurst LLP is acting as legal adviser to Pharos in connection with the Acquisition.

Important notices

*Shore Capital and Corporate Limited ("**Shore Capital**")*, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser to Ratio and no one else in connection with the Acquisition and the matters and arrangements set out in this announcement. Shore Capital will not regard any other person as their client in relation to the Acquisition or any other matter or arrangement set out in this announcement and will not be responsible to anyone other than Ratio for providing the protections afforded to clients of Shore Capital, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement. Neither Shore Capital nor any of their respective affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Shore Capital in connection with the Acquisition, this announcement, any statement contained herein or otherwise. No representation or warranty, express or implied, is made by Shore Capital as to the contents of this announcement.

*N.M. Rothschild & Sons Limited ("**Rothschild & Co**")*, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser and Rule 3 adviser to Pharos and no one else in connection with the Acquisition and the matters and arrangements set out in this announcement. Rothschild & Co will not regard any other person as its client in relation to the Acquisition or any other matter or arrangement set out in this announcement and will not be responsible to anyone other than Pharos for providing the protections afforded to clients of Rothschild & Co, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement. Neither Rothschild & Co nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Rothschild & Co in connection with the Acquisition, this announcement, any statement contained herein or otherwise. No representation or warranty, express or implied, is made by Rothschild & Co as to the contents of this announcement.

Further information

This announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, pursuant to the Acquisition or otherwise, nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, invitation, solicitation, purchase, sale, issuance or exchange is unlawful.

The Acquisition shall be made solely by means of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, any document by which the Takeover Offer is made) which, together with the Forms of Proxy (or forms of acceptance, if applicable), shall contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the resolutions proposed in connection with the Acquisition. Any vote, approval, decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or if the Acquisition is to be implemented by way of a Takeover Offer, the Offer Document).

The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and the release of this announcement shall not give rise to any implication that there has been no change in the facts set out in this announcement since such date.

This announcement has been prepared for the purpose of complying with English law, the Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England and Wales. The Acquisition will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the Financial Conduct Authority.

Pharos will prepare the Scheme Document to be distributed to Pharos Shareholders. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, in the event that the Acquisition is to be implemented by means of a Takeover Offer, the Offer Document), which, together with the Forms of Proxy, will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Pharos Shareholders are advised to read the Scheme Document (including the related Forms of Proxy) (and/or, in the event that the Acquisition is to be implemented by way of a Takeover Offer, the Offer Document) carefully once these become available because they will contain important information in relation to the Acquisition. Any decision in respect of the Scheme or other response in relation to the Acquisition by Pharos Shareholders should be made only on the basis of the information contained in the Scheme Document (and/or, in the event that the Acquisition is to be implemented by way of a Takeover Offer, the Offer Document).

This announcement contains inside information in relation to each of Pharos and Ratio for the purposes of Article 7 of the Market Abuse Regulation. The person responsible for making this announcement on behalf of Pharos is Katherine Roe, Chief Executive Officer of Pharos and the person responsible for making this announcement on behalf of Ratio is Itay Raphael, Chief Executive Officer of Ratio.

This announcement does not constitute a prospectus or prospectus exempted document.

Ratio reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments to reflect the change in structure by which the Acquisition is to be implemented and compliance with all applicable laws.

Overseas shareholders

The release, publication or distribution of this announcement in or into certain jurisdictions other than the United Kingdom may be restricted by the laws and/or regulations of those jurisdictions. Persons into whose possession this announcement comes who are not resident in the United Kingdom or who are subject to the laws and/or regulations of any jurisdiction other than the United Kingdom should inform themselves of, and observe, any such applicable laws and/or regulations in their jurisdiction. In particular, the ability of persons who are not resident in the United Kingdom to vote their Pharos Shares with respect to the Scheme at the Court Meeting or the resolution(s) at the General Meeting, or to appoint another person as proxy to vote at the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located. Further details in relation to Overseas Shareholders will be contained in the Scheme Document. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Ratio or required by the Code, and permitted by applicable law and regulation, the Acquisition shall not be made available, directly or indirectly, in, into or from a Restricted

Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. If the Acquisition is implemented by a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national state or other securities exchange, of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from or within any Restricted Jurisdiction.

The availability of the Acquisition to Pharos Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

Additional Information for Pharos Shareholders Resident in the United States

*Pharos Shareholders resident in the United States should note that the Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under, and governed by, the law of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**"). Accordingly, the Acquisition is subject to the disclosure and procedural requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure and procedural requirements of United States tender offer and proxy solicitation rules. If, in the future, Ratio exercises the right to implement the Acquisition by way of a Takeover Offer and determines to extend the Takeover Offer into the United States, the Acquisition will be made in compliance with applicable United States laws and regulations, including (to the extent applicable and subject to any applicable exemptions) Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Any such Takeover Offer would be made in the United States by Ratio and no one else.*

*Financial information included in this announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards under UK-adopted international accounting standards and in accordance with International Financial Reporting Standards ("**IFRS**") and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States ("**US GAAP**"). US GAAP differs in certain significant respects from accounting standards applicable in the United Kingdom. None of the financial information in this announcement has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).*

The receipt of cash pursuant to the Acquisition by a US holder of Pharos Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Pharos Shareholder is therefore urged to consult with independent legal, tax and financial advisers in connection with making a decision regarding the Acquisition.

Ratio and Pharos are each organised and located in a non-US jurisdiction and some or all of their officers and directors may be residents of a non-US jurisdiction. In addition, most or all of the assets of

Ratio and Pharos are located outside the United States. It may therefore be difficult for holders of Pharos Shares located in the United States to effect service of process within the United States upon Ratio or Pharos or to enforce their rights and any claim arising out of US securities law. It may not be possible to sue Ratio and Pharos (or their officers and directors) in a non-US court for violations of US securities laws. Furthermore, it may be difficult to compel Ratio or Pharos and their respective affiliates to subject themselves to the jurisdiction or judgment of a US court.

In accordance with normal UK practice and to the extent permitted under Rule 14e-5(b) of the US Exchange Act (if applicable), Ratio, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Pharos Shares outside of the United States, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including English law, the Code and the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at <https://www.londonstockexchange.com/>.

Neither the US Securities and Exchange Commission nor any securities commission of any state of the United States has approved or disapproved the Acquisition, passed upon the fairness of the Acquisition, or passed upon the adequacy or accuracy of this announcement. Any representation to the contrary is a criminal offence in the United States.

Forward looking statements

*The information provided in this announcement contains certain forward-looking statements and information (collectively, "**forward-looking statements**") within the meaning of applicable securities laws. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to assumptions, risks and uncertainties, many of which are beyond the control of Ratio or Pharos. Forward-looking statements are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expect", "plan", "anticipate", "believe", "intend", "maintain", "continue to", "pursue", "design", "result in", "sustain" "estimate", "potential", "growth", "near-term", "long-term", "forecast", "contingent" and similar expressions, or are events or conditions that "will", "would", "may", "could" or "should" occur or be achieved. The forward-looking statements contained in this announcement speak only as of the date hereof and are expressly qualified by this cautionary statement.*

In addition, information and statements relating to reserves are by their nature forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated, and can be profitably produced in the future. The recovery and reserve estimates of Pharos' reserves provided herein are estimates only, and there is no guarantee that the estimated reserves will be recovered. Consequently, actual results may differ materially from those anticipated in the forward-looking statements.

Forward-looking statements are based upon, among other things, factors, expectations and assumptions that Ratio and Pharos have made as at the date of this announcement regarding, among other things: the satisfaction of the conditions to closing of the Acquisition in a timely manner, if at all, including the receipt of all necessary approvals; and that the Acquisition will comply with all applicable requirements of the Code, the Panel, the London Stock Exchange and the Financial Conduct Authority.

Undue reliance should not be placed on the forward-looking statements because no assurance can be given that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These risks include, but are not limited to: the completion and timing of the Acquisition; the ability of Ratio and Pharos to receive, in a timely manner, the necessary regulatory, Court, shareholder, stock exchange and other third-party

approvals and to satisfy the other conditions to closing of the Acquisition; the ability of the parties to complete the Acquisition on the terms contemplated by Ratio and Pharos or at all; consequences of not completing the Acquisition, including the volatility of the share prices of Ratio and Pharos, negative reactions from the investment community, and the required payment of certain costs related to the termination of the Acquisition; and the focus of management's time and attention on the Acquisition and other disruptions arising from the Acquisition.

Except as may be required by applicable securities laws, neither Ratio nor Pharos assume any obligation or intent to update publicly or revise any forward-looking statements made herein, whether as a result of new information, future events or otherwise.

No profit forecasts, profit estimates or quantified financial benefit statement

No statement in this announcement is intended as a profit forecast, profit estimate or quantified financial benefit statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Ratio or Pharos, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Ratio or Pharos, as appropriate.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they shall be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in

issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Electronic communications

Please be aware that addresses, electronic addresses and certain information provided by Pharos Shareholders, persons with information rights and other relevant persons for the receipt of communications from Pharos may be provided to Ratio during the offer period as requested under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Publication on website and availability of hard copies

A copy of this announcement will be made available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Ratio's and Pharos' websites at <https://ratiopetroleum.com/Offer-disclaimer/> and <https://www.pharos.energy/investors/offer> respectively by no later than 12 noon (London time) on 25 June 2026. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this announcement.

Pharos Shareholders and persons with information rights may request a hard copy of this announcement by: contacting Pharos' Registrar, Equiniti, by writing to them at Highdown House, Yeoman Way, Worthing, West Sussex, United Kingdom, BN99 6DA or by calling them on +44 (0)371 384 2050 during business hours (lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales)). Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Please note that Equiniti cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.

Pharos Shareholders and persons with information rights may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be sent to them in hard copy form, again by writing to the address set out above or by calling the telephone number above.

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, Pharos confirms that as at the date of this announcement, it has in issue and admitted to trading on the main market of the London Stock Exchange 416,320,478 ordinary shares of £0.05 each. Accordingly, the total number of voting rights in Pharos is 416,320,478. The International Securities Identification Number (ISIN) of the ordinary shares is GB00B572ZV91. Pharos does not hold any shares in treasury. The LEI of Pharos is 549300DDKLYLLO4N524.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE MARKET ABUSE REGULATION (EU) NO 596/2014 (INCORPORATED INTO UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 AS AMENDED BY VIRTUE OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

FOR IMMEDIATE RELEASE

24 June 2026

RECOMMENDED ACQUISITION

of

Pharos Energy plc (“Pharos”)

by

Ratio Petroleum Energy LP (“Ratio”)

to be effected by means of a scheme of arrangement
under Part 26 of the Companies Act 2006

1 Introduction

The board of directors of each of Ratio and Pharos are pleased to announce that they have reached agreement on the terms of a recommended offer pursuant to which Ratio will acquire the entire issued and to be issued ordinary share capital of Pharos (the “**Acquisition**”). The Acquisition is intended to be effected by means of a scheme of arrangement under Part 26 of the Companies Act.

2 The Acquisition

Under the terms of the Acquisition, Pharos Shareholders (where they qualified for the FY25 Final Dividend) will be entitled to receive a total value of up to 28 pence in cash per Pharos Share, comprising:

- 23.0683 pence in cash per Pharos Share (the “**Cash Consideration**”); plus
- 4.0 pence in cash per Pharos Share by way of special dividend to be paid from Pharos’ existing cash resources that the board of directors of Pharos intends to declare prior to completion of the Acquisition with the record and payment dates aligned with the corresponding dates for determining entitlements to, and payment of, the Cash Consideration due to Pharos Shareholders under the terms of the Acquisition (the “**Special Dividend**”); plus
- 0.9317 pence in cash per Pharos Share by way of the final dividend for the financial year ended 31 December 2025 that was declared on 25 March 2026 and is payable on 17 July 2026 to qualifying Pharos Shareholders who were on the register as at close of business

on 12 June 2026 (the "**FY25 Final Dividend**" and together with the Special Dividend the "**Permitted Dividends**").

The aggregate value of the Cash Consideration and Special Dividend of 27.0683 pence per Pharos Share values the entire issued and to be issued share capital of Pharos at approximately £120.2 million, and represents:

- a premium of approximately 6.57 per cent. to the Closing Price of 25.4 pence per Pharos Share on 23 June 2026 (being the last Business Day prior to the date of this announcement);
- a premium of approximately 11.47 per cent. to the twelve-month volume weighted average price of 24.3 pence per Pharos Share on 23 June 2026 (being the last Business Day prior to the date of this announcement); and
- a premium of approximately 15.54 per cent. to the twenty-four-month volume weighted average price of 23.4 pence per Pharos Share on 23 June 2026 (being the last Business Day prior to the date of this announcement).

The total value of up to 28 pence per Pharos Share values the entire issued and to be issued share capital of Pharos at approximately £124.3 million, and represents:

- a premium of approximately 10.24 per cent. to the Closing Price of 25.4 pence per Pharos Share on 23 June 2026 (being the last Business Day prior to the date of this announcement);
- a premium of approximately 15.31 per cent. to the twelve-month volume weighted average price of 24.3 pence per Pharos Share on 23 June 2026 (being the last Business Day prior to the date of this announcement); and
- a premium of approximately 19.52 per cent. to the twenty-four-month volume weighted average price of 23.4 pence per Pharos Share on 23 June 2026 (being the last Business Day prior to the date of this announcement).

As noted above, Pharos Shareholders will continue to be entitled to receive and retain the previously declared FY25 Final Dividend and will also, pursuant to the terms of the Acquisition, be entitled to receive the Special Dividend.

If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution or other return of value is declared, made, or paid, or becomes payable by Pharos (other than the FY25 Final Dividend and the Special Dividend), Ratio reserves the right to reduce the Cash Consideration by an amount up to the amount of such dividend, distribution or other return of value in which case the reference to the Cash Consideration will be deemed to be a reference to the Cash Consideration as so reduced. In such circumstances, Pharos Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.

It is expected that the Scheme Document containing further information about the Acquisition and the Scheme, and notices of the Court Meeting and the General Meeting, will be published as soon as reasonably practicable and, in any event, within 28 days of this announcement, unless Ratio and Pharos otherwise agree, and the Panel consents, to a later date. It is expected that the Court Meeting and the General Meeting shall be held in Q3 2026 and that, subject to the satisfaction or (where relevant) waiver of the Conditions, the Scheme shall become Effective in H1 2027.

3 Background to and reasons for the Acquisition

Ratio believes the Acquisition represents a compelling liquidity event for existing shareholders of Pharos, receiving a premium to the prevailing share price and providing them with a highly attractive opportunity to receive cash and realise their investments at a time when Pharos' London-listed shares otherwise lack material trading liquidity.

Since it was established more than ten years ago as a global exploration vehicle for the Wider Ratio Energies Group (which itself has been operating in the exploration and production business for more than three decades), Ratio's strategy targets regions with substantial untapped potential where no significant petroleum discoveries have yet been made. Recently, a decision was made to also start investing in producing assets, and as such has identified Pharos as a significant opportunity.

Ratio further believes a combination of Ratio and Pharos has strong commercial and strategic rationale:

- the combination of Ratio and Pharos would create a strong exploration and production business with a portfolio of interests across multiple jurisdictions and basins especially in the current market;
- the Acquisition represents a compelling liquidity event for existing shareholders of Pharos. The Acquisition will provide Pharos Shareholders with an immediate upfront realisation of value in cash for their Pharos Shares at a premium to the market price, and an opportunity to realise this value despite the limited liquidity in Pharos Shares;
- the significant reputational backing of, and option for financial support by, the Wider Ratio Energies Group will provide the credibility and capital to support growth and the development of the Combined Group's assets; and
- a combination of the two businesses shall permit greater economies of scale with a reduced overhead base.

4 Background to and reasons for the recommendation

Background and strategic backdrop

Pharos is an independent upstream oil and gas company listed on the Main Market of the London Stock Exchange. Pharos operates a small portfolio of producing, development and exploration assets in Vietnam (the TGT and CNV producing fields and exploration Blocks 125 & 126) and Egypt (the El Fayum and North Beni Suef Concessions). Pharos has been admitted to the Official List since its formation as SOCO International plc in 1997 and rebranded as Pharos Energy plc in October 2019.

Under the leadership of Katherine Roe (CEO) and the executive team, Pharos over the past two years has secured licence extensions in Vietnam, obtained improved fiscal terms in Egypt (subject to Egyptian Parliamentary ratification), repaid all debt and recovered all outstanding receivables from the Egyptian government.

Pharos has continued to deliver on this strategy in recent years, most recently increasing its full-year dividend for the 2025 financial year by 10%, supported by strong cash flow and a debt-free balance sheet.

However, Pharos' producing assets are relatively mature, and hence the Pharos Directors have, over an extended period, been considering a number of strategic alternatives to add scale, strategic relevance and diversification to the portfolio. Various inorganic opportunities have been

evaluated to try and deliver accretive long-term growth and improve the long-term positioning of the Pharos Group, given:

- the relative sub-scale nature of Pharos in a sector in which size, balance sheet flexibility and access to capital are increasingly critical to attract and execute material investment opportunities;
- the historical and persistent limited liquidity in Pharos' Shares;
- the natural field decline at TGT and CNV in Vietnam, and non-operated position at both El Fayum and North Beni Suef in Egypt; and
- the on-going challenges in securing a farm-in partner to enable the commitment drilling of an exploration well on Blocks 125/126.

The terms of the Acquisition and the process

Earlier this year, Pharos received unsolicited proposals from Ratio at 23.5 pence and 24.5 pence per Pharos Share. These proposals were each carefully evaluated by Pharos, together with its financial adviser, Rothschild & Co, and unanimously rejected by the Pharos Board.

On 25 February 2026, Pharos received a revised proposal from Ratio at 25 pence per Pharos share (the "**Third Proposal**"). The Third Proposal (consistent with the earlier proposals) was subject to satisfaction or waiver of a number of customary pre-conditions, including undertaking of satisfactory due diligence. At the time of the Third Proposal, Pharos' share price was at 24 pence and hence the Pharos Board decided to share information with Ratio pursuant to the terms of a non-disclosure agreement such that Ratio could firm up its view of value.

Since 4 March 2026, Pharos has provided information to Ratio in order to facilitate Ratio to conduct confirmatory due diligence. During this period of engagement heightened geopolitical volatility, including the outbreak of conflict in the Middle East, contributed to material movements in global commodity prices, leading to sector wide increases in E&P share prices. Against this backdrop, the Pharos Directors sought an improved offer from Ratio to reflect the strong cash flow generation driven by higher commodity prices and strong operational performance year to date.

Following discussions over the last few weeks, Pharos received a further improved proposal from Ratio, in which Pharos Shareholders (where they qualified for the FY25 Final Dividend) will be entitled to receive a total value of up to 28 pence in cash per Pharos Share, comprising:

- 23.0683 pence in cash per Pharos Share (the "**Cash Consideration**"); plus
- 4.0 pence in cash per Pharos Share by way of special dividend to be paid from Pharos' existing cash resources that the board of directors of Pharos intends to declare prior to the completion of the Acquisition with the record and payment dates aligned with the corresponding dates for determining entitlements to, and payment of, Cash Consideration due to Pharos Shareholders under the terms of the Acquisition (the "**Special Dividend**"); plus
- 0.9317 pence in cash per Pharos Share by way of the final dividend for the financial year ended 31 December 2025 that was declared on 25 March 2026 and is payable on 17 July 2026 to qualifying Pharos Shareholders who were on the register as at close of business on 12 June 2026 (the "**FY25 Final Dividend**" and together with the Special Dividend the "**Permitted Dividends**"), without any reduction in the Cash Consideration they are entitled to receive under the terms of the Acquisition.

Value delivered by the Acquisition

Including the Permitted Dividends, the terms of the Acquisition value the entire issued and to be issued ordinary share capital of Pharos at approximately £124.3 million. The terms of the Acquisition deliver immediate, certain value in cash to Pharos Shareholders at a level which, in the unanimous view of the Pharos Directors, fairly reflects the future prospects of the business while removing the execution, commodity-price, operational, country and financing risks associated with the delivery of the standalone plan.

In considering the terms of the Acquisition, the Pharos Directors have also assessed:

- the deliverability and certainty of the Cash Consideration, including the form, sources and committed nature of Ratio's financing and the limited conditionality of the Acquisition; and
- the alternative strategic options available to Pharos, including continued execution of the existing standalone plan, with a focus on monetising Pharos' high impact exploration prospect, accelerated M&A using equity or debt, a strategic combination with another listed peer, and a sale or partial monetisation of one or more of the Pharos Group's assets, none of which the Pharos Directors believe is reasonably capable of delivering value to Pharos Shareholders in cash, in the near term, in excess of the value delivered under the terms of the Acquisition;

Accordingly, whilst Pharos has strong standalone prospects, following careful consideration of the above factors, the Pharos Board believes the Acquisition is in the best interests of Pharos Shareholders and intends to recommend unanimously the Acquisition to Pharos Shareholders.

5 Recommendation

The Pharos Directors, who have been so advised by Rothschild & Co as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to Pharos Directors, Rothschild & Co has taken into account the commercial assessments of the Pharos Directors. Rothschild & Co is providing independent financial advice to the Pharos Directors for the purposes of Rule 3 of the Code.

Accordingly, the Pharos Directors intend to recommend unanimously that Pharos Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer) as the Pharos Directors who hold Pharos Shares have irrevocably undertaken to do in respect of their own beneficial holdings of 2,380,289 Pharos Shares representing, in aggregate, approximately 0.57 per cent. of the ordinary share capital of Pharos in issue on the Latest Practicable Date.

6 Irrevocable undertakings

As noted above, Ratio has received irrevocable undertakings from each of the Pharos Directors who hold Pharos Shares to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), in respect of a total of 2,380,289 Pharos Shares, representing approximately 0.57 per cent. of the existing issued ordinary share capital of Pharos on the Latest Practicable Date.

Ratio has also received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer) from Pharos Shareholders in respect of a total of 171,470,348 Pharos Shares

representing, in aggregate, approximately 41.19 per cent. of Pharos' existing issued ordinary share capital on the Latest Practicable Date.

Ratio has therefore received irrevocable undertakings in respect of a total of 173,850,637 Pharos Shares representing, in aggregate, approximately 41.76 per cent. of Pharos' existing issued ordinary share capital in issue on the Latest Practicable Date.

7 Information on Ratio and Wider Ratio Group

With longstanding roots in Israel's business and innovation landscape, the Wider Ratio Energies Group is a dynamic investment and development group of companies active across the energy, technology, industrial and real-estate sectors. Having been active in the Israeli business sector since the early days of the state, the Landau and Rotlevy families brought decades of entrepreneurial experience and leadership into the founding of the Wider Ratio Energies Group over thirty years ago.

Ratio Energies is one of Israel's leading energy partnerships, founded in 1992 with a mission to explore, develop, and produce natural gas and oil in the Eastern Mediterranean Basin. The partnership was established by the Landau and Rotlevy families, together with Mr. Eitan Eisenberg, Ratio Energies' geologist who played a key role in identifying the Leviathan discovery. In 2010, Ratio Energies and its partners discovered Leviathan – one of the world's largest deepwater natural gas finds and the largest in the Mediterranean sea, with estimated reserves of approximately 22 TCF (about 631 BCM) of natural gas and 49 million barrels of condensate. By the end of December 2019, less than three years after the partners (Ratio Energies, NewMed Energy, and Noble Energy (later purchased by Chevron)) took the Final Investment Decision ("FID"), production from the Leviathan reservoir began, supplying gas to the Israeli domestic market. Just a month later exports to Jordan and Egypt commenced, with Leviathan representing a strategic and substantial supplier of gas to Egypt. Production launched on schedule, following a total investment of US\$3.8 billion. Furthermore, in January 2026 Ratio Energies and its partners took FID on a further US\$2.4 billion investment programme to expand Leviathan's production capacity to 21 BCM per annum. With deep regional knowledge, Ratio Energies believes in the potential for additional discoveries in the Eastern Mediterranean and continues to explore new prospects and forge strategic partnerships.

Ratio Energies holds a 20% stake in Ratio, a partnership focused on international oil and gas exploration. Ratio Petroleum Limited was founded more than ten years ago and later acquired by Ratio as part of a group reorganisation. Ratio, which listed in 2017, is incorporated under the laws of Israel with its head office located in Tel Aviv.

Ratio was established by some of the original founders of Ratio Energies in order to establish a business which would conduct oil and gas exploration worldwide. Ligad Rotlevy is chairman of the boards of the general partners of both Ratio Energies and Ratio and together with Yigal Landau, CEO of Ratio Energies and founder, they are/or their families are the controlling unitholders of both partnerships.

Ratio's strategy targets regions with substantial untapped potential where no significant petroleum discoveries have yet been made, like the Levant Basin prior to the Leviathan and Tamar discoveries. This strategy has already proven successful in the Guyana Basin, now widely regarded as one of the world's most sought after regions for oil exploration, development, and production. From 2015 to now, over 20 discoveries in the basin have found over 12 billion barrels of oil. At the beginning of 2021, the business announced the Tanager-1 discovery in the Kaieteur Block offshore Guyana, with proven reserves of 65 million barrels of oil.

Ratio currently holds petroleum interests in three different basins on opposite sides of the world: Guyana, Morocco Atlantic and the East Palawan Basin in the Philippines. The total area of Ratio's

interests is approx. 130,000 sq km. Ratio continues to search for more assets and investment opportunities around the world.

Ratio maintains relationships with leading universities and research centres in Israel. These collaborations enable Ratio to be at the forefront of research and to also be exposed to technological developments in areas such as geophysics, geology, and various engineering fields.

Ratio has strong fundraising capabilities across both debt and equity capital markets, supported by well-established relationships with Israeli banks and financial institutions. The Wider Ratio Energies Group has worked and continues to work alongside some of the world's leading energy companies, including Chevron, ExxonMobil, Hess, Dana Petroleum, Navitas Petroleum and NewMed Energy.

8 Information on Pharos

Pharos is an independent energy company listed on the Main Market of the London Stock Exchange (LSE: PHAR). The Pharos Group is focused on delivering sustainable growth and returns through a full-cycle portfolio of production, development, and exploration assets in Vietnam (Cuu Long and Phu Khanh basins) and Egypt (Western Desert).

In Vietnam, Pharos holds working interests in the Te Giac Trang (“**TGT**”) and Ca Ngu Vang (“**CNV**”) fields, which are among the country's largest oil producers. It also holds a 70 per cent. operated interest in the deep-water exploration Blocks 125 & 126 in the Phu Khanh basin. As of year-end 2025, Pharos' 2P reserves in the country stand at ~7.2 mmboe, and 2C contingent resources stand at ~7.8 mmboe. 2026 production guidance in Vietnam ranges between 4,000 – 4,950 boepd.

In Egypt, the Pharos Group maintains a 45 per cent. working interest in the El Fayum and North Beni Suef (NBS) Concessions. As of year-end 2025, Pharos holds 2P reserves of 11.2 mmbbl and 2C contingent resources of 9.0 mmbbl. 2026 production guidance in Egypt ranges between 1,200 – 1,450 bopd.

The Pharos Group achieved 5,398 boepd net production in 2025, and US\$114.6 million of revenues.

9 Strategic plans, management, employees, pensions, research and development and locations

Strategic plans

Ratio believes that the Acquisition adds stable production and development assets and further exploration assets which complement those already in its portfolio, positioning the Combined Group as a platform for growth. Ratio intends to combine Ratio's and Pharos' portfolio of assets into a combined operating structure to best manage the producing assets, and the development and exploration portfolio, and does not intend to make any material changes to Pharos' in country operations as a result. Ratio intends to explore the possibility of selling down part of Pharos' interest in its Egyptian operations to a third-party partner in order to strengthen and expand the existing consortium. Additionally, the significant reputational and financial backing of the Wider Ratio Energies Group of companies, including established banking and industry relationships, will provide the credibility and capital to support growth and the development of the Combined Group's assets.

Ratio believes that the Combined Group will provide opportunities for the management and employees of both companies, as enhanced growth prospects will be presented from the combination of the two companies.

Ratio intends to complete a detailed review to determine an integration plan and the optimal operating and divisional structure for the Combined Group, which it intends to consider and confirm the potential to consolidate business and operating locations and the extent of duplication of functions. Ratio intends that this will be completed within six months of the Effective Date and will focus on evaluating the technical, operations supervision, central, management and support functions of Pharos to reduce the combined overheads and generate increased cashflows for the business.

Board, management and employees

Ratio attaches importance to the skills and experience of Pharos' employees and believes there is a strong understanding of Pharos' sector, geology, asset base and operating environment within the Pharos organisation. Ratio recognises the significant contribution made by Pharos' employees to Pharos' development to date and the contribution they can continue to have to the long-term success of the Combined Group moving forward. Ratio therefore intends to build the combined business by drawing on upon the best blend of skills and experience of Pharos' employees.

Ratio's review of Pharos' operations intends to encompass developing a full understanding of exactly the roles and tasks undertaken by each employee to determine the efficiencies which can be generated.

Ratio intends that Pharos' in country teams will continue to oversee its current producing assets. During Ratio's preliminary due diligence, it was found that there will be a level of duplication within certain functions, largely the finance function, as well as those relating to Pharos being a listed business. Ratio therefore intends, pending completion of its review, that in those specific areas there may be headcount reduction in order to eliminate duplication of roles and create a single central, technical, operational, management and administrative support function for the Combined Group, to realise potential synergies going forwards and create an appropriate fixed overhead base. Ratio intends that in the finance function, roles in the UK head office and those roles related to Pharos being a listed business, headcount reductions will represent a material number of Pharos' employees and management. A sell down of part of Pharos' interest in its Egyptian operations could, if implemented, affect this review and could result in a material headcount reduction. In the context of the review referred to above, any specific proposals as to restructuring of operations and functions would only be confirmed after this review has been completed.

Prior to implementation of any of the above proposals, Ratio will consult with Pharos employees on the impact of any of its proposals, including but not limited to any potential headcount reductions, in accordance with applicable law.

Subject to agreeing terms, it is envisaged that the non-executive directors of Pharos will depart the business on completion of the Acquisition and the executive directors will depart the business following an orderly handover intended to take no longer than six months.

Save as set out above, Ratio has no intention to make any material change to the balance of skills and functions of the employees and management of the Combined Group.

Save for any headcount reductions arising as a result of the review of duplication within certain functions, the closure of Pharos' head office function, synergy analysis (that will take place following the Acquisition becoming Effective) and the potential departure of directors, Ratio does not intend to make any changes to the conditions of employment of Pharos employees or to the balance of skills and functions of Pharos employees and management. Ratio also confirms that following the Acquisition completing, the existing contractual and statutory employment rights of Pharos' management team and employees will be fully safeguarded.

Ratio has not entered into and has not had discussions regarding proposals to enter into, any form of incentivisation or any other arrangements with members of Pharos' management. Ratio does not intend to have such discussions with management before the Acquisition becomes Effective.

Pension schemes

Ratio does not intend to make any changes, unless required to do so by applicable law, to the agreed employer contributions into Pharos' existing defined contribution pension schemes (including with regard to current arrangements for the funding of any scheme deficit in the defined benefit pension scheme), the level of benefits for existing members or the admission of new members to such pension schemes following the Effective Date.

Place of business, headquarters, fixed assets, research and development

Ratio intends to integrate Pharos' headquarter functions with those of the Wider Ratio Group following completion of the Acquisition, as such, Pharos' headquarters' will move to Ratio's offices in Tel Aviv, Israel and Pharos' UK headquarters will be closed

Prior to implementation of any of the above proposals, Ratio will consult with Pharos employees on the impact of any of its proposals, including but not limited to any potential headcount reductions, in accordance with applicable law.

Ratio will consider the most appropriate timing and strategy for the consolidation of Pharos' UK headquarters as part of its review but intends this move to occur within six months following the Acquisition becoming Effective. As noted above, Ratio does not intend to make any changes to the locations of Pharos' overseas operations.

Pharos does not have a research and development function and Ratio has no plans in this regard.

Ratio does not intend to make any material changes with respect to the deployment of Pharos' fixed asset base (save for relocating Pharos' headquarters as noted above).

Trading facilities

It is intended that dealings in, and registration of transfers of, Pharos Shares (other than the registration of the transfer of the Scheme Shares to Ratio pursuant to the Scheme) will be suspended shortly before the Effective Date at a time to be set out in the Scheme Document. It is further intended that applications will be made to the London Stock Exchange to cancel the trading in the Pharos Shares on the Main Market, and to the FCA to cancel the listing of the Pharos Shares on the Equity Shares (Commercial Companies) category of the Official List, in each case with effect from or shortly following the Effective Date. Further details about the delisting and cancellation of trading of the Pharos Shares can be found in paragraph 16 of this announcement. It is intended that Pharos be re-registered as a private limited company as soon as practicable following the cancellation of the listing and trading of Pharos Shares.

Post-offer undertakings

No statements in this paragraph 9 are "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

10 Pharos Share Plans

Participants in the Pharos Share Plans will be contacted regarding the effect of the Acquisition on their rights under the Pharos Share Plans. Pharos and Ratio have agreed that Ratio will make appropriate proposals to participants in the Pharos Share Plans in accordance with Rule 15 of the Code.

Further details of these arrangements will be set out in the Scheme Document.

11 Dividends

As noted above, Pharos Shareholders will continue to be entitled to receive and retain the previously declared FY25 Final Dividend and will also, pursuant to the terms of the Acquisition, be entitled to receive the Special Dividend.

If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution or other return of value is declared, made, or paid, or becomes payable by Pharos (other than the FY25 Final Dividend and the Special Dividend), Ratio reserves the right to reduce the Cash Consideration by an amount up to the amount of such dividend, distribution or other return of value in which case the reference to the Cash Consideration will be deemed to be a reference to the Cash Consideration as so reduced. In such circumstances, Pharos Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.

12 Financing of the Acquisition

In order to enable Shore Capital, in its capacity as financial adviser to Ratio, to give the confirmation referred to in Rule 2.7(d) of the Code, an irrevocable letter of credit dated 23 June 2026 ("**LoC**") from Israel Discount Bank Ltd, applied for by Ratio Energies, has been made available in favour of Ratio as beneficiary.

It is eventually intended that the Cash Consideration to be payable by Ratio to Pharos Shareholders under the terms of the Acquisition may be funded, to the extent available to Ratio, through a combination of some or all of the following: a debt raising and/or a capital raising and/or bank financing. If any such alternative financing arrangements materialise, a further announcement will be made at the appropriate time.

Shore Capital, in its capacity as financial adviser to Ratio, is satisfied that sufficient cash resources are available to Ratio to satisfy in full the Cash Consideration payable by Ratio to Pharos Shareholders pursuant to the Acquisition.

13 Offer-related arrangements

Pharos Confidentiality Agreement

Ratio and Pharos entered into a confidentiality agreement dated 4 March 2026 pursuant to which Ratio has undertaken to Pharos, amongst other things: (i) to keep information relating to Pharos and the Acquisition strictly confidential and not to disclose it to any person except as permitted by the terms of the Pharos Confidentiality Agreement; and (ii) to use such confidential information

solely for the purpose of evaluating, negotiating, advising upon, implementing or arranging financing (or underwriting in respect of such financing) for the Acquisition.

Ratio's obligations under the Pharos Confidentiality Agreement, unless otherwise specified, remain in force for a period of 18 months from the date of the Pharos Confidentiality Agreement. The Pharos Confidentiality Agreement also contains standstill provisions restricting Ratio, Ratio's group undertakings and its concert parties from, amongst other things, acquiring or offering to acquire interests in Pharos Shares. Those standstill restrictions ceased to apply on the making of this announcement.

The Pharos Confidentiality Agreement also contains customary non-solicitation provisions with regard to certain of Pharos' employees, customers and suppliers which will remain in force for a period of 12 months from the date of the Pharos Confidentiality Agreement.

Ratio Confidentiality Agreement

Ratio and Pharos entered into a confidentiality agreement dated 12 March 2026 pursuant to which Pharos has undertaken to Ratio, amongst other things: (i) to keep information relating to Ratio and the Acquisition strictly confidential and not to disclose it to any person except as permitted by the terms of the Ratio Confidentiality Agreement; and (ii) to use such confidential information solely for the purpose of evaluating, negotiating, advising upon or implementing the Acquisition.

Pharos' obligations under the Ratio Confidentiality Agreement, unless otherwise specified, remain in force for a period of 18 months from the date of the Ratio Confidentiality Agreement.

The Ratio Confidentiality Agreement also contains customary non-solicitation provisions with regard to certain of Ratio's employees, customers and suppliers which will remain in force for a period of 12 months from the date of the Ratio Confidentiality Agreement.

Cooperation Agreement

Ratio and Pharos have entered into a Cooperation Agreement pursuant to which:

- Ratio has agreed to use all reasonable efforts to ensure that the Regulatory Conditions are fulfilled as soon as practicable and, in any event, in sufficient time to enable the Effective Date to occur before the Long-stop Date;
- Ratio has agreed to have primary responsibility for obtaining any regulatory approvals and clearances, subject to Pharos consulting and updating Ratio to a reasonable extent;
- Pharos and Ratio have agreed to certain customary undertakings to co-operate in relation to such Regulatory Conditions; and
- Ratio has agreed to provide Pharos with certain information as may be reasonably requested and is required for the Scheme Document.

The Cooperation Agreement records the intention of Pharos and Ratio to implement the Acquisition by way of the Scheme, subject to Ratio's right to switch to a Takeover Offer in certain circumstances. Pharos and Ratio have agreed to certain customary provisions if the Scheme should switch to a Takeover Offer.

The Cooperation Agreement also contains certain provisions that shall apply in respect of the Pharos Share Plans and certain other employee-related matters.

The Cooperation Agreement shall be terminated with immediate effect:

- if Pharos and Ratio so agree in writing at any time prior to the Effective Date;
- if this announcement is not released at or before 5.00 p.m. on 24 June 2026 (unless otherwise agreed between Pharos and Ratio prior to that time);
- if the Acquisition, with the permission of the Panel (where required), lapses (or is withdrawn by Ratio), other than: (i) as a result of Ratio's right to switch to a Takeover Offer; or (ii) it is otherwise to be followed within 10 Business Days by a Rule 2.7 announcement made by Ratio or a concert party to implement the Acquisition by a different offer or scheme on substantially the same or improved terms;
- upon service of written notice by Ratio to Pharos if, amongst other things, the Pharos Board withdraws, adversely qualifies or modifies its recommendation or recommends a competing offer;
- if a competing offer by a third party is announced under Rule 2.7 of the Code or Pharos announces that it or any member of its group has entered into agreement(s) to effect a competing offer;
- upon service of written notice by Ratio to Pharos if the Acquisition is being implemented by way of the Scheme and (i) the Scheme Document is not posted within 28 days of the date of this Announcement (subject to exceptions); (ii) the Court Meeting, General Meeting and/or the Court Sanction Hearing is not held on or before the 22nd day after the expected date set out in the Scheme Document (or such later date as may be determined by Ratio with the agreement of Pharos or, in a competitive situation, with the consent of the Panel); (iii) the Scheme is not approved by the requisite majority of Pharos Shareholders at the Court Meeting or the Pharos resolutions are not passed by the requisite majority of Pharos Shareholders at the General Meeting; or (iv) the Scheme is not sanctioned at the Court Sanction Hearing; or
- if the Effective Date has not occurred on or before the Long-stop Date.

14 Structure of and Conditions to the Acquisition

It is intended that the Acquisition will be effected by means of a Court-approved scheme of arrangement between Pharos and Pharos Shareholders under Part 26 of the Companies Act although Ratio reserves the right to implement the Acquisition by means of a Takeover Offer (subject to Panel consent and in compliance with the Code).

A Scheme of Arrangement is a formal arrangement between Pharos and its shareholders, which is governed by the Companies Act. The Scheme of Arrangement must be approved both by the Pharos Shareholders and the Court.

If approved by the requisite majorities of Pharos Shareholders and sanctioned by the Court, upon becoming Effective, the Scheme will bind all Pharos Shareholders (regardless of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, in what way they voted)). The purpose of the Scheme is to provide for Ratio to become the holder of the entire issued ordinary share capital of Pharos. This is to be achieved by the transfer of the Pharos Shares to Ratio, in consideration for which the Pharos Shareholders shall receive the consideration on the basis set out in paragraph 2 of this announcement. The Cash Consideration and Special Dividend payable under the terms of the Acquisition will be despatched to Pharos Shareholders no later than 14 days after the Effective Date.

The Scheme shall be subject to the Conditions and further terms set out below and in Appendix I to this announcement and the full terms and conditions to be set out in the Scheme Document

and shall only become Effective, if, among other things, the following events occur on or before 11.59 p.m. on the Long-stop Date:

- a) the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders who are on the register of members of Pharos at the Voting Record Time, in each case present and entitled to vote and voting, whether in person or by proxy, at the Court Meeting (or any adjournment of such meeting);
- b) the resolutions required to approve and implement the Scheme being duly passed by Pharos Shareholders representing the requisite majority or majorities of votes cast at the General Meeting (or any adjournment thereof);
- c) the satisfaction or waiver of the Regulatory Conditions in Vietnam and Egypt;
- d) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Pharos and Ratio); and
- e) the delivery of a copy of the Court Order to the Registrar of Companies.

The Scheme will lapse if:

- the Court Meeting and the General Meeting are not held by the 22nd day after the expected date of such meetings to be set out in the Scheme Document in due course (or such later date, if any, as: (x) Ratio and Pharos may agree; or (y) (in a competitive situation), Ratio may specify with the consent of the Panel, and in each case, if required, that the Court may allow);
- the Court Sanction Hearing is not held by the 22nd day after the expected date of such hearing to be set out in the Scheme Document (or such later date, if any, as: (x) Ratio and Pharos may agree; or (y) (in a competitive situation) Ratio may specify with the consent of the Panel and in each case, if required, that the Court may allow); or
- the Scheme does not become Effective by no later than 11.59 p.m. on the Long-stop Date.

Subject to satisfaction (or waiver, where applicable) of the Conditions, the Scheme is expected to become Effective in H1 2027.

The Acquisition does not require the approval of the shareholders of Ratio.

Further details of the Scheme, including an indicative timetable for its implementation, will be set out in the Scheme Document which shall be distributed to Pharos Shareholders (along with the Forms of Proxy for use in connection with the Court Meeting and the General Meeting) in due course, and in any event within 28 days from the date of this announcement.

15 Disclosure of Interests in Pharos

Save in respect of the irrevocable undertakings referred to in paragraph 6 above, as at the close of business on the Latest Practicable Date neither Ratio, nor any of its directors, nor, so far as Ratio is aware, any person acting in concert (within the meaning of the Code) with it has neither:

- i. any interest in or right to subscribe for any relevant securities of Pharos;
- ii. any short positions in respect of relevant Pharos Shares (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;
- iii. any Dealing Arrangement, in relation to Pharos Shares or in relation to any securities convertible or exchangeable into Pharos Shares; or

- iv. borrowed or lent any relevant Pharos Shares (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code), save for any borrowed shares which had been either on-lent or sold.

'Interests in securities' for these purposes arise, in summary, when a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person shall be treated as having an 'interest' by virtue of the ownership, voting rights or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities and 'relevant securities of Pharos' are Pharos Shares or securities convertible or exchangeable into Pharos Shares.

It has not been practicable for Ratio to make enquiries of all of its concert parties in advance of the release of this announcement. Therefore, all relevant details in respect of Ratio's concert parties shall be included in the Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Code.

16 Delisting of Pharos Shares

Prior to the Scheme becoming Effective, it is intended that Pharos will make an application to the London Stock Exchange to cancel trading in the Pharos Shares on the Main Market and to the FCA to cancel the listing of the Pharos Shares from the Equity Shares (Commercial Companies) category of the Official List, in each case with effect from shortly after the Effective Date. It is intended that dealings in, and registrations of transfers of, Pharos Shares (other than the registration of the transfer of the Scheme Shares to Ratio pursuant to the Scheme) will be suspended shortly prior to the Effective Date at a time to be set out in the Scheme Document.

On the Effective Date, Pharos will become a wholly-owned subsidiary of Ratio and share certificates in respect of Pharos Shares will cease to be valid and should be destroyed. In addition, entitlements to Pharos Shares held within the CREST system will be cancelled on the Effective Date.

Upon the Scheme becoming Effective, Ratio (and/or its nominee(s)) will acquire the Scheme Shares fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them including the right to receive and retain all dividends and distributions (if any) declared after the Effective Date.

17 General

Ratio reserves the right to elect (with the consent of the Panel and in compliance with the Code) to implement the Acquisition by way of a Takeover Offer for the Pharos Shares as an alternative to the Scheme. In such event, the Takeover Offer shall be implemented on the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments, including (without limitation) an acceptance condition set at a level permitted by the Panel.

The Acquisition shall be made subject to the Conditions and further terms set out in Appendix I to this announcement and to be set out in the Scheme Document. The bases and sources of certain financial information contained in this announcement are set out in Appendix II to this announcement. A summary of the irrevocable undertakings given in relation to the Acquisition is contained in Appendix III to this announcement. Certain terms used in this announcement are defined in Appendix IV to this announcement.

The Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and the General Meeting will be distributed to Pharos Shareholders (along with

the Forms of Proxy for use in connection with the Court Meeting and the General Meeting) in due course, and in any event within 28 days of the date of this announcement. The Scheme Document and Forms of Proxy shall be made available to all Pharos Shareholders at no charge to them.

Shore Capital and Rothschild & Co have each given and not withdrawn their consent to the publication of this announcement with the inclusion herein of the references to their names in the form and context in which they appear.

18 Documents available on website

Copies of the following documents will be made available on Ratio's and Pharos' websites at <https://ratiopetroleum.com/Offer-disclaimer/> and <https://www.pharos.energy/investors/offer> respectively until the Effective Date:

- this announcement;
- the Pharos Confidentiality Agreement, the Ratio Confidentiality Agreement and the Cooperation Agreement referred to in paragraph 13 above;
- the irrevocable undertakings referred to in paragraph 6 above and summarised in Appendix III to this announcement;
- the LoC; and
- the consent letters from Shore Capital and Rothschild & Co referred to in paragraph 17 above.

The contents of the websites referred to in this announcement and any websites accessible from hyperlinks on these websites are not incorporated into and do not form part of this announcement.

Enquiries:

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Pinsent Masons LLP is acting as legal adviser to Ratio, and Ashurst LLP is acting as legal adviser to Pharos, in connection with the Acquisition.

Important notices

*Shore Capital and Corporate Limited ("**Shore Capital**"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser to Ratio and no one else in connection with the Acquisition and the matters and arrangements set out in this announcement. Shore Capital will not regard any other person as their client in relation to the Acquisition or any other matter or arrangement set out in this announcement and will not be responsible to anyone other than Ratio for providing the protections afforded to clients of Shore Capital, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement. Neither Shore Capital nor any of their respective affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Shore Capital in connection with the Acquisition, this announcement, any statement contained herein or otherwise. No representation or warranty, express or implied, is made by Shore Capital as to the contents of this announcement.*

*N.M. Rothschild & Sons Limited ("**Rothschild & Co**"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser and Rule 3 adviser to Pharos and no one else in connection with the Acquisition and the matters and arrangements set out in this announcement. Rothschild & Co will not regard any other person as its client in relation to the Acquisition or any other matter or arrangement set out in this announcement and will not be responsible to anyone other than Pharos for providing the protections afforded to clients of Rothschild & Co, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement. Neither Rothschild & Co nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Rothschild & Co in connection with the Acquisition, this announcement, any statement contained herein or otherwise. No representation or warranty, express or implied, is made by Rothschild & Co as to the contents of this announcement.*

Further information

This announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, pursuant to the Acquisition or otherwise, nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, invitation, solicitation, purchase, sale, issuance or exchange is unlawful.

The Acquisition shall be made solely by means of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, any document by which the Takeover Offer is made) which,

together with the Forms of Proxy (or forms of acceptance, if applicable), shall contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the resolutions proposed in connection with the Acquisition. Any vote, approval, decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or if the Acquisition is to be implemented by way of a Takeover Offer, the Offer Document).

The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and the release of this announcement shall not give rise to any implication that there has been no change in the facts set out in this announcement since such date.

This announcement has been prepared for the purpose of complying with English law, the Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England and Wales. The Acquisition will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the Financial Conduct Authority.

Pharos will prepare the Scheme Document to be distributed to Pharos Shareholders. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, in the event that the Acquisition is to be implemented by means of a Takeover Offer, the Offer Document), which, together with the Forms of Proxy, will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Pharos Shareholders are advised to read the Scheme Document (including the related Forms of Proxy) (and/or, in the event that the Acquisition is to be implemented by way of a Takeover Offer, the Offer Document) carefully once these become available because they will contain important information in relation to the Acquisition. Any decision in respect of the Scheme or other response in relation to the Acquisition by Pharos Shareholders should be made only on the basis of the information contained in the Scheme Document (and/or, in the event that the Acquisition is to be implemented by way of a Takeover Offer, the Offer Document).

This announcement contains inside information in relation to each of Pharos and Ratio for the purposes of Article 7 of the Market Abuse Regulation. The person responsible for making this announcement on behalf of Pharos is Katherine Roe, Chief Executive Officer of Pharos and the person responsible for making this announcement on behalf of Ratio is Itay Raphael, Chief Executive Officer of Ratio.

This announcement does not constitute a prospectus or prospectus exempted document.

Ratio reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments to reflect the change in structure by which the Acquisition is to be implemented and compliance with all applicable laws.

Overseas shareholders

The release, publication or distribution of this announcement in or into certain jurisdictions other than the United Kingdom may be restricted by the laws and/or regulations of those jurisdictions. Persons into whose possession this announcement comes who are not resident in the United Kingdom or who are subject to the laws and/or regulations of any jurisdiction other than the United Kingdom should inform themselves of, and observe, any such applicable laws and/or regulations in their jurisdiction. In particular, the ability of persons who are not resident in the United Kingdom to vote their Pharos Shares with respect to the Scheme at the Court Meeting or the resolution(s) at the General Meeting, or to appoint another person as proxy to vote at the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located. Further details in

relation to Overseas Shareholders will be contained in the Scheme Document. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Ratio or required by the Code, and permitted by applicable law and regulation, the Acquisition shall not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. If the Acquisition is implemented by a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national state or other securities exchange, of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from or within any Restricted Jurisdiction.

The availability of the Acquisition to Pharos Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

Additional Information for Pharos Shareholders Resident in the United States

*Pharos Shareholders resident in the United States should note that the Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under, and governed by, the law of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**"). Accordingly, the Acquisition is subject to the disclosure and procedural requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure and procedural requirements of United States tender offer and proxy solicitation rules. If, in the future, Ratio exercises the right to implement the Acquisition by way of a Takeover Offer and determines to extend the Takeover Offer into the United States, the Acquisition will be made in compliance with applicable United States laws and regulations, including (to the extent applicable and subject to any applicable exemptions) Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Any such Takeover Offer would be made in the United States by Ratio and no one else.*

*Financial information included in this announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards under UK-adopted international accounting standards and in accordance with International Financial Reporting Standards ("**IFRS**") and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States ("**US GAAP**"). US GAAP differs in certain significant respects from accounting standards applicable in the United Kingdom. None of the financial information in this announcement has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).*

The receipt of cash pursuant to the Acquisition by a US holder of Pharos Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Pharos Shareholder is therefore urged to consult with independent legal, tax and financial advisers in connection with making a decision regarding the Acquisition.

Ratio and Pharos are each organised and located in a non-US jurisdiction and some or all of their officers and directors may be residents of a non-US jurisdiction. In addition, most or all of the assets of Ratio and Pharos are located outside the United States. It may therefore be difficult for holders of Pharos Shares located in the United States to effect service of process within the United States upon Ratio or Pharos or to enforce their rights and any claim arising out of US securities law. It may not be possible to sue Ratio and Pharos (or their officers and directors) in a non-US court for violations of US securities laws. Furthermore, it may be difficult to compel Ratio or Pharos and their respective affiliates to subject themselves to the jurisdiction or judgment of a US court.

In accordance with normal UK practice and to the extent permitted under Rule 14e-5(b) of the US Exchange Act (if applicable), Ratio, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Pharos Shares outside of the United States, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes effective, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including English law, the Code and the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at <https://www.londonstockexchange.com/>.

Neither the US Securities and Exchange Commission nor any securities commission of any state of the United States has approved or disapproved the Acquisition, passed upon the fairness of the Acquisition, or passed upon the adequacy or accuracy of this announcement. Any representation to the contrary is a criminal offence in the United States.

Forward looking statements

*The information provided in this announcement contains certain forward-looking statements and information (collectively, "**forward-looking statements**") within the meaning of applicable securities laws. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to assumptions, risks and uncertainties, many of which are beyond the control of Ratio or Pharos. Forward-looking statements are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expect", "plan", "anticipate", "believe", "intend", "maintain", "continue to", "pursue", "design", "result in", "sustain" "estimate", "potential", "growth", "near-term", "long-term", "forecast", "contingent" and similar expressions, or are events or conditions that "will", "would", "may", "could" or "should" occur or be achieved. The forward-looking statements contained in this announcement speak only as of the date hereof and are expressly qualified by this cautionary statement.*

In addition, information and statements relating to reserves are by their nature forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated, and can be profitably produced in the future. The recovery and reserve estimates of Pharos' reserves provided herein are estimates only, and there is no guarantee that the estimated reserves will be recovered. Consequently, actual results may differ materially from those anticipated in the forward-looking statements.

Forward-looking statements are based upon, among other things, factors, expectations and assumptions that Ratio and Pharos have made as at the date of this announcement regarding, among other things: the satisfaction of the conditions to closing of the Acquisition in a timely manner, if at all,

including the receipt of all necessary approvals; and that the Acquisition will comply with all applicable requirements of the Code, the Panel, the London Stock Exchange and the Financial Conduct Authority.

Undue reliance should not be placed on the forward-looking statements because no assurance can be given that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These risks include, but are not limited to: the completion and timing of the Acquisition; the ability of Ratio and Pharos to receive, in a timely manner, the necessary regulatory, Court, shareholder, stock exchange and other third-party approvals and to satisfy the other conditions to closing of the Acquisition; the ability of the parties to complete the Acquisition on the terms contemplated by Ratio and Pharos or at all; consequences of not completing the Acquisition, including the volatility of the share prices of Ratio and Pharos, negative reactions from the investment community, and the required payment of certain costs related to the termination of the Acquisition; and the focus of management's time and attention on the Acquisition and other disruptions arising from the Acquisition.

Except as may be required by applicable securities laws, neither Ratio nor Pharos assume any obligation or intent to update publicly or revise any forward-looking statements made herein, whether as a result of new information, future events or otherwise.

No profit forecasts, profit estimates or quantified financial benefit statement

No statement in this announcement is intended as a profit forecast, profit estimate or quantified financial benefit statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Ratio or Pharos, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Ratio or Pharos, as appropriate.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they shall be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Electronic communications

Please be aware that addresses, electronic addresses and certain information provided by Pharos Shareholders, persons with information rights and other relevant persons for the receipt of communications from Pharos may be provided to Ratio during the offer period as requested under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Publication on website and availability of hard copies

A copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Ratio's and Pharos' websites at <https://ratiopetroleum.com/Offer-disclaimer/> and <https://www.pharos.energy/investors/offer> respectively by no later than 12 noon (London time) on 25 June 2026. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this announcement.

Pharos Shareholders and persons with information rights may request a hard copy of this announcement by contacting Pharos' Registrar, Equiniti, by writing to them at Highdown House, Yeoman Way, Worthing, West Sussex, United Kingdom, BN99 6DA or by calling them on +44 (0)371 384 2050 during business hours (lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Please note that Equiniti cannot provide any financial, legal or tax advice. Calls may be recorded and monitored for security and training purposes.

Pharos Shareholders and persons with information rights may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be sent to them in hard copy form, again by writing to the address set out above or by calling the telephone number above.

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, Pharos confirms that as at the date of this announcement, it has in issue and admitted to trading on the main market of the London Stock Exchange 416,320,478 ordinary shares of £0.05 each. Accordingly, the total number of voting rights in Pharos is 416,320,478. The International Securities Identification Number (ISIN) of the ordinary shares is GB00B572ZV91. Pharos does not hold any shares in treasury. The LEI of Pharos is 549300DDKLXYLLO4N524.

APPENDIX I
CONDITIONS AND FURTHER TERMS OF THE ACQUISITION

Part A: Conditions to the Scheme and the Acquisition

- 1 The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Code, by no later than 11.59 p.m. on the Long-stop Date.

Conditions of the Scheme

- 2 The Scheme will be subject to the following Conditions:
 - 2.1 its approval by a majority in number of the Scheme Shareholders who are on the register of members of Pharos (or the relevant class or classes thereof) at the Voting Record Time, present and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof) and who represent not less than 75 per cent. in value of Scheme Shares held by such Scheme Shareholders; and (ii) such Court Meeting (and any separate class meeting which may be required) being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date, if any, as: (x) Ratio and Pharos may agree; or (y) (in a competitive situation) Ratio may specify with the consent of the Panel and in each case, if required, that the Court may allow); and
 - 2.2 the resolutions to be proposed at the General Meeting being duly passed at the General Meeting (or any adjournment thereof); and (ii) such General Meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date, if any, as: (x) Ratio and Pharos may agree; or (y) (in a competitive situation) Ratio may specify with the consent of the Panel and in each case, if required, that the Court may allow); and
 - 2.3 the sanction of the Scheme by the Court (with or without modification (but subject to such modification being on terms acceptable to Ratio and Pharos)); and (ii) the Court Sanction Hearing being held on or before the 22nd day after the expected date of the Court Sanction Hearing to be set out in the Scheme Document in due course (or such later date, if any, as: (x) Ratio and Pharos may agree; or (y) (in a competitive situation) Ratio may specify with the consent of the Panel and in each case, if required, that the Court may allow); and
 - 2.4 the delivery of a copy of the Court Order to the Registrar of Companies.

General Conditions

- 3 In addition, subject as stated in Part B of this Appendix I and to the requirements of the Panel, Ratio and Pharos have agreed that the Acquisition will be conditional upon the following Conditions and, accordingly, the Court Order will not be delivered to the Registrar of Companies unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

Regulatory approvals

3.1 Regulatory Conditions

Egypt

- 3.1.1 receipt of the written consent of the Egyptian Government (as may be represented by the Ministry of Petroleum and Mineral Resources in Egypt or another appropriate official representative, body or office) to the indirect assignment of the rights, duties and obligations of PEF as a result of the Acquisition under either: (i) each of the Concession Agreements (if the Merged Concession Agreement has not been issued by Egyptian law prior to the Acquisition becoming Effective); or (ii) the Merged Concession Agreement (if the Merged Concession Agreement has been issued by Egyptian law prior to the Acquisition becoming Effective), in a form and subject to conditions (if any) that are reasonably satisfactory to Ratio;
- 3.1.2 a pre-merger filing having been submitted to and accepted by the Egyptian Competition Authority, under the Egyptian Competition Law's executive regulations issued by prime ministerial decree no. 1316 for 2005 as amended, including by prime ministerial decree no. 1120 of 2024 of the Egyptian Competition Law and receipt, in a form and subject to conditions (if any) that are reasonably satisfactory to Ratio, of an approval from the Egyptian Competition Authority of the Acquisition or lapse of the relevant statutory pre-merger review period set out in the Egyptian Competition Law without a response from the Egyptian Competition Authority (as applicable);

Vietnam

- 3.1.3 in the case of the Blocks 125 & 126 PSC and, as necessary, the Blocks 125 & 126 JOA, receipt of approval in writing issued by the Prime Minister of Vietnam (or another person as authorised in writing by the Prime Minister of Vietnam) for the change of control in both SEVL and SEVL's Affiliate (as defined in the Blocks 125 & 126 PSC) resulting from the Acquisition, in a form and subject to conditions (if any) that are reasonably satisfactory to Ratio;
- 3.1.4 the waiver in writing (or non-exercise within any applicable time limits) by:
- 3.1.4.1 in the case of the Blocks 125 & 126 PSC, PetroVietnam; and
- 3.1.4.2 in the case of the Blocks 125 & 126 JOA, SOVICO,
- of any right of pre-emption, right of first refusal or any other similar or analogous right under the relevant Blocks 125 & 126 PSC and Blocks 125 & 126 JOA as a result of the Acquisition, all in a form and subject to conditions (if any) that are reasonably satisfactory to Ratio;
- 3.1.5 if PetroVietnam asserts within 120 days of submitting the application for waiver of pre-emption under paragraph 3.1.4.1 that the pre-emption rights under applicable Petroleum Laws are triggered as a result of the Acquisition, receipt of a waiver in writing (or non-exercise within any applicable time limits) by PetroVietnam of such pre-emption rights in respect of the Blocks 125 & 126 PSC, Block 9-2 (CNV) PC and Block 16-1 (TGT) PC, in a form and subject to conditions (if any) that are reasonably satisfactory to Ratio; and
- 3.1.6 the submission to and acceptance by the Vietnam Competition Commission in accordance with the Vietnamese Competition Laws of a merger control filing in relation to the Acquisition, and either, as applicable, and all in a form and subject to conditions (if any) that are reasonably satisfactory to Ratio: (i) issuance by the Vietnam Competition Commission of an explicit clearance notice in respect of the Acquisition within the applicable statutory review period, or (ii) the lapsing of the applicable statutory review period prescribed under the Vietnamese Competition Laws without any response from the Vietnam Competition Commission.

Third party clearances

- 3.2 other than in relation to the matters referred to in Condition 3.1.1 to 3.1.6 above no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which would or might:
- 3.2.1 make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Pharos Group by any member of the Wider Ratio Group void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit, or restrain, restrict, impede, challenge, delay or otherwise interfere with the implementation of, or impose material additional conditions or obligations with respect to, the Acquisition or the acquisition of any shares or other securities in, or control or management of, any member of the Wider Pharos Group by any member of the Wider Ratio Group or require amendment of the Scheme;
 - 3.2.2 require, prevent or materially delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider Ratio Group or by any member of the Wider Pharos Group of all or any part of their businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof) to an extent which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition;
 - 3.2.3 impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Ratio Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Ratio (or any member of the Wider Pharos Group) or on the ability of any member of the Wider Pharos Group or any member of the Wider Ratio Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider Pharos Group to an extent which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition;
 - 3.2.4 other than pursuant to the implementation of the Scheme or, if applicable, sections 974 to 991 of the Companies Act, require any member of the Wider Ratio Group or the Wider Pharos Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Pharos Group or any asset owned by any third party which is material in the context of the Wider Pharos Group or the Wider Ratio Group, in either case, taken as a whole;

- 3.2.5 require, prevent or delay a divestiture by any member of the Wider Ratio Group of any shares or other securities (or the equivalent) in any member of the Wider Pharos Group;
- 3.2.6 result in any member of the Wider Pharos Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition;
- 3.2.7 impose any limitation on the ability of any member of the Wider Ratio Group or any member of the Wider Pharos Group to conduct, integrate or co-ordinate all or any part of their respective businesses with all or any part of the business of any other member of the Wider Ratio Group and/or the Wider Pharos Group in a manner which is adverse and material to the Wider Ratio Group and/or the Wider Pharos Group, in either case, taken as a whole or in the context of the Acquisition; or
- 3.2.8 otherwise affect the business, assets, value, profits, prospects or operational performance of any member of the Wider Pharos Group or any member of the Wider Ratio Group in each case in a manner which is adverse to and material in the context of the Wider Pharos Group taken as a whole or of the financing of the Acquisition,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or proposed acquisition of any Pharos Shares or otherwise intervene having expired, lapsed, or been terminated;

- 3.3 to the extent not already covered by Conditions 3.1.1 to 3.1.6 above, all other notifications, filings or applications which are deemed by Ratio to be necessary under any applicable legislation or regulation or reasonably considered to be appropriate in any relevant jurisdiction having been made in connection with the Acquisition and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with and all Authorisations which are deemed to be reasonably necessary or appropriate by Ratio in any jurisdiction for or in respect of the Scheme and the Acquisition or the proposed acquisition of any shares or other securities in, or control of, Pharos by any member of the Wider Ratio Group having been obtained on terms and in a form reasonably satisfactory to Ratio (acting reasonably) from all appropriate third parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Pharos Group or the Wider Ratio Group has entered into contractual arrangements in each case where the direct consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting or other time period or to comply with such obligation or obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider Pharos Group, any member of the Wider Ratio Group or the ability of Ratio to implement the Scheme and all such Authorisations remaining in full force and effect at the time at which the Scheme becomes otherwise unconditional in all respects and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

- 3.4 no temporary restraining order, preliminary or permanent injunction, preliminary or permanent injunction, or other law or order issued and being in effect by a court or other Third Party which has the effect of making the Acquisition or any acquisition or proposed acquisition of any shares or other securities or control or management of, any member of the Wider Pharos Group by any member of the Wider Ratio Group, or the implementation of either of them, void, voidable, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prohibiting, preventing, restraining, restricting, delaying or otherwise interfering with the completion or the approval of the Acquisition or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Pharos Group by any member of the Wider Ratio Group;

Confirmation of absence of adverse circumstances

- 3.5 except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Pharos Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition or the proposed acquisition by any member of the Wider Ratio Group of any shares or other securities in Pharos or because of a change in the control or management of any member of the Wider Pharos Group or otherwise, would or might reasonably be expected to result in, in each case, to an extent which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition:
- 3.5.1 any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Wider Pharos Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - 3.5.2 the rights, liabilities, obligations, interests or business of any member of the Wider Pharos Group or any member of the Wider Ratio Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Pharos Group or any member of the Wider Ratio Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or becoming capable of being terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
 - 3.5.3 any member of the Wider Pharos Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Pharos Group taken as a whole or in the context of the Acquisition;
 - 3.5.4 any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Pharos Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Pharos Group otherwise than in the ordinary course of business;
 - 3.5.5 other than in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Pharos Group or any

- such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;
- 3.5.6 the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Pharos Group being prejudiced or adversely affected;
- 3.5.7 the creation or acceleration of any material liability (actual or contingent) by any member of the Wider Pharos Group other than trade creditors or other liabilities incurred in the ordinary course of business; or
- 3.5.8 any liability of any member of the Wider Pharos Group to make any severance, termination, bonus or other payment to any of its directors or other officers other than in the ordinary course of business;

No material transactions, claims or changes in the conduct of the business of the Pharos Group

- 3.6 except as Disclosed, no member of the Wider Pharos Group having since 31 December 2025:
 - 3.6.1 save as between Pharos and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the issue or transfer out of treasury of Pharos Shares on the exercise of options or vesting of awards granted in the ordinary course or as contemplated in the Cooperation Agreement under the Pharos Share Plans, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Pharos Shares out of treasury;
 - 3.6.2 recommended, declared, paid or made or agreed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) other than the FY25 Final Dividend and the Special Dividend or to Pharos or one of its wholly-owned subsidiaries;
 - 3.6.3 save as between Pharos and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, merged with (by statutory merger or otherwise) or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so, in each case to an extent which is material in the context of the Wider Pharos Group taken as a whole;
 - 3.6.4 save as between Pharos and its wholly-owned subsidiaries or between such wholly-owned subsidiaries of Pharos, made, authorised, proposed or announced an intention to propose any change in its loan capital (or equivalent thereof) other than in the ordinary course of business and to an extent which is material in the context of the Wider Pharos Group taken as a whole;
 - 3.6.5 issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save in the ordinary course of business and save as between Pharos and its

wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability to an extent which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition;

- 3.6.6 entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) (otherwise than in the ordinary course of business) which is of a long term, unusual or onerous nature, or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is or is likely to be materially restrictive on the business of any member of the Wider Pharos Group to an extent which is or is reasonably likely to be material to the Wider Pharos Group taken as a whole;
- 3.6.7 entered into any licence or other disposal of intellectual property rights of any member of the Wider Pharos Group which are material in the context of the Wider Pharos Group taken as a whole and outside the normal course of business;
- 3.6.8 entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary the terms of or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider Pharos Group save for salary increases, bonuses or variations of terms in the ordinary course of business, which is material in the context of the Wider Pharos Group taken as a whole;
- 3.6.9 proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the Wider Pharos Group which, taken as a whole, are material in the context of the Wider Pharos Group taken as a whole;
- 3.6.10 (i) (excluding the trustee of any pension scheme(s) established by a member of the Wider Pharos Group other than Pharos itself) made, agreed or consented to or procured any material change to: (a) the terms of any existing trust deeds, rules, policy or other governing documents, or entered into or established any new trust deeds, rules, policy or other governing documents, constituting any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider Pharos Group or their dependants and established by a member of the Wider Pharos Group (a “**Relevant Pension Plan**”); (b) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan; (c) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; or (d) the basis or rate of employer contribution to a Relevant Pension Plan, in each case to the extent which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law; (ii) enter into or propose to enter into one or more bulk annuity contracts in relation to any Relevant Pension Plan; or (iii) carried out any act: (a) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension Plan; (b) which would or is reasonably likely to create a material debt owed by an employer to any Relevant Pension Plan; (c) which would or might accelerate any obligation

on any employer to fund or pay additional contributions to any Relevant Pension Plan; or (d) which would, having regard to the published guidance of the Pensions Regulator give rise directly or indirectly to a liability in respect of a Relevant Pension Plan arising out of the operation of sections 38 and 38A of the Pensions Act 2004 in relation to a Relevant Pension Plan, in each case to the extent which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law;

- 3.6.11 entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Scheme) otherwise than in the ordinary course of business which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition;
- 3.6.12 purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect of the matters mentioned in sub-paragraph 3.6.1 above, made any other change to any part of its share capital to an extent which (other than in the case of Pharos) is material in the context of the Wider Pharos Group taken as a whole (except, in each case, where relevant, as between Pharos and wholly-owned subsidiaries of Pharos or between the wholly-owned subsidiaries of Pharos);
- 3.6.13 other than with respect to claims between Pharos and its wholly-owned subsidiaries (or between such subsidiaries), waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition;
- 3.6.14 made any alteration to its articles of association or other constitutional documents (in each case, other than in connection with the Scheme) which is material in the context of the Acquisition;
- 3.6.15 (other than in respect of a member of the Wider Pharos Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition;
- 3.6.16 been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition;

- 3.6.17 entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition;
- 3.6.18 terminated or varied the terms of any agreement or arrangement between any member of the Wider Pharos Group and any other person in a manner which would or might be expected to have a material adverse effect on the financial position of the Wider Pharos Group taken as a whole;
- 3.6.19 taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Pharos Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code; or
- 3.6.20 have taken steps or made omissions which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Pharos Group which is necessary for the proper carrying on of its business.

No material adverse change

- 3.7 since 31 December 2025, and except as Disclosed, there having been:
 - 3.7.1 no adverse change and no circumstance having arisen which would be expected to result in any adverse change or deterioration in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Pharos Group to an extent which is material to the Wider Pharos Group taken as a whole or in the context of the Acquisition;
 - 3.7.2 no litigation, arbitration proceedings, prosecution or other legal proceedings including, without limitation, with regard to intellectual property rights used by the Wider Pharos Group having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Pharos Group or to which any member of the Wider Pharos Group is a party (whether as claimant or defendant or otherwise) which, in any such case, might reasonably be expected to have a material adverse effect on the Wider Pharos Group taken as a whole, and no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Pharos Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider Pharos Group which, in any such case, might reasonably be expected to have a material adverse effect on the Wider Pharos Group taken as a whole;
 - 3.7.3 no contingent or other liability having arisen, increased or become apparent which is reasonably likely to adversely affect the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Wider Pharos Group to an extent which is material to the Wider Pharos Group taken as a whole;
 - 3.7.4 no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Pharos Group, which is necessary for the proper carrying on of its business and the withdrawal,

cancellation, termination or modification of which is material and reasonably be expected to have a material adverse effect on the Wider Pharos Group taken as a whole; and

- 3.7.5 no member of the Wider Pharos Group having conducted its business in material breach of any applicable laws and regulations which in any case is material in the context of the Wider Pharos Group taken as a whole;
- 3.8 since 31 December 2025, except as Disclosed, Ratio not having discovered:
 - 3.8.1 that any financial, business or other information concerning the Wider Pharos Group publicly announced or disclosed to any member of the Wider Ratio Group at any time prior to the date of this announcement by or on behalf of any member of the Wider Pharos Group or to any of their advisers is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which is, in any case, material in the context of the Wider Pharos Group taken as a whole or in the context of the Acquisition;
 - 3.8.2 that any member of the Wider Pharos Group is subject to any liability, contingent or otherwise and which is material in the context of the Wider Pharos Group taken as a whole; or
 - 3.8.3 any information which affects the import of any information disclosed to Ratio at any time prior to the date of this announcement by or on behalf of any member of the Wider Pharos Group which is material in the context of the Wider Pharos Group taken as a whole.

Environmental liabilities

- 3.9 except as Disclosed, Ratio not having discovered:
 - 3.9.1 any past or present member of the Wider Pharos Group has not complied in any material respect with all applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human or animal health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Pharos Group;
 - 3.9.2 there has been a material disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human or animal health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any material liability (whether actual or contingent) on the part of any member of the Wider Pharos Group;
 - 3.9.3 there is or is likely to be any obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property, asset or any controlled waters currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider Pharos Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, under any

environmental legislation, common law, regulation, notice, circular, Authorisation or order of any third party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto; or

- 3.9.4 circumstances exist (whether as a result of making the Acquisition or otherwise) which would be reasonably likely to lead to any third party instituting (or whereby any member of the Wider Pharos Group would be likely to be required to institute), an environment audit or take any steps which would in any such case be reasonably likely to result in any actual or contingent liability to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property of any description or any asset now or previously owned, occupied or made use of by any past or present member of the Wider Pharos Group (or on its behalf) or by any person for which a member of the Wider Pharos Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest;

Intellectual Property

- 3.10 no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Pharos Group which would be reasonably expected to have a material adverse effect on the Wider Pharos Group taken as a whole or is otherwise material in the context of the Acquisition, including:
- 3.10.1 any member of the Wider Pharos Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Pharos Group and material to its business being revoked, cancelled or declared invalid;
- 3.10.2 any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Pharos Group to, or the validity or effectiveness of, any of its intellectual property; or
- 3.10.3 any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Pharos Group being terminated or varied;

Anti-corruption and sanctions

- 3.11 except as Disclosed, Ratio not having discovered that (to an extent that is material in the context of the Wider Pharos Group taken as a whole):
- 3.11.1 any past or present member of the Wider Pharos Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in contravention of the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977 (so far as is applicable), as amended or any other applicable anti-corruption legislation;
- 3.11.2 any past or present member of the Wider Pharos Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governmental or supranational body or authority in any jurisdiction (so far as is applicable); or
- 3.11.3 a member of the Pharos Group has engaged in a transaction which would cause the Wider Ratio Group to be in breach of any law or regulation on completion of the Acquisition, including the economic sanctions administered by the United

States Office of Foreign Assets Control or HM Treasury & Customs or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states; or

No criminal property

- 3.12 except as Disclosed, Ratio not having discovered that any asset of any member of the Wider Pharos Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

Part B: Further terms of the Acquisition

- 1 Subject to the requirements of the Panel, Ratio reserves the right in its sole discretion to waive, in whole or in part, all or any of the Conditions set out in Part A of Appendix I, except Conditions 1, 2.1(i), 2.2(i), 2.3(i) and 2.4 which cannot be waived. If any of Conditions 2.1(ii), 2.2(ii) or 2.3(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Ratio shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines or agreed with Pharos to extend the relevant deadline.
- 2 Ratio shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in Part A of Appendix I above that are capable of waiver by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
- 3 Under Rule 13.5(a) of the Code and subject to paragraph 4 below, Ratio may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Ratio in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
- 4 Condition 1, Conditions 2.1, 2.2, 2.3, 2.4, 3.1.1, 3.1.2, 3.1.3 and 3.1.6 (except Conditions 3.1.4 and 3.1.5) in Part A of Appendix I above, and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to Rule 13.5(a) of the Code.
- 5 Any Condition that is subject to Rule 13.5(a) of the Code may be waived by Ratio.
- 6 If the Panel requires Ratio to make an offer or offers for Pharos Shares under the provisions of Rule 9 of the Code, Ratio may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
- 7 Ratio reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms of the Cooperation Agreement, to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such an event, for so long as the Cooperation Agreement is continuing, a Takeover Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments, including an acceptance condition set at not more than 90 per cent. of the Pharos Shares on a fully diluted basis (or such other percentage as may be permitted under the terms of the Cooperation Agreement) and (to the extent necessary) consultation with the Panel, being in any case more than 50 per cent. of the Pharos Shares). If the Acquisition is effected by way of a Takeover Offer, and such Takeover Offer becomes or is declared unconditional and sufficient acceptances are received in respect of such Takeover Offer, Ratio intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act so as to acquire compulsorily the remaining Pharos Shares in respect of which the Takeover Offer has not been accepted.
- 8 The Acquisition will be subject, *inter alia*, to the Conditions and certain further terms which are set out in this Appendix I and to the full terms which will be set out in the Scheme Document

and such further terms as may be required to comply with the Companies Act, the Court, the Code, the Panel, the London Stock Exchange and the Financial Conduct Authority.

- 9 Pharos Shares will be acquired by Ratio fully paid and free from all liens, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them as at the Effective Date, including the right to receive and retain all dividends and distributions (if any) declared, made or paid after the Acquisition becomes Effective.
- 10 If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or other distribution and/or other return of capital or value is announced, declared, made or paid or becomes payable in respect of the Pharos Shares (other than the FY25 Final Dividend and the Special Dividend), Ratio reserves the right to reduce the Cash Consideration payable under the terms of the Acquisition for the Pharos Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the Cash Consideration payable under the terms of the Acquisition will be deemed to be a reference to the Cash Consideration as so reduced. Any exercise by Ratio of its rights referred to in this paragraph 10 shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, Pharos Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value.
- 11 The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
- 12 The Scheme will be governed by English law and be subject to the jurisdiction of the Court, to the Conditions set out above and full terms to be set out in the Scheme Document. The Acquisition will be subject to the applicable requirements of the Companies Act, the Court, the Code, the Panel, the London Stock Exchange and the Financial Conduct Authority.
- 13 Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

APPENDIX II SOURCES OF INFORMATION AND BASES OF CALCULATION

In this announcement, unless otherwise stated or the context otherwise requires, the following bases and sources have been used.

1. Financial information relating to Ratio has been extracted or derived (without any adjustment) from the annual report and audited accounts of Ratio for the financial year ended 31 December 2025.
2. Financial information relating to Pharos has been extracted or derived (without any adjustment) from the annual report and audited accounts of Pharos for the financial year ended 31 December 2025.
3. The value of each Pharos Share is calculated:
 - (i) by reference to the price of 25.4 pence per Pharos Share, being the Closing Price on the Latest Practicable Date;
 - (i) on the basis of the existing number of Pharos Shares in issue referred to in paragraph 4 below plus 27,750,876 Pharos Shares which may be issued on or after the date of this announcement pursuant to the Pharos Share Plans as at the Latest Practicable Date.
4. As at the close of business on the Latest Practicable Date, Pharos had in issue 416,320,478 Pharos Shares (and no shares held in treasury). Therefore, the total voting rights in issue in Pharos at the latest practicable date is 416,320,478.
5. Unless otherwise stated, all prices, volume weighted average prices and Closing Prices for Pharos Shares are based upon London Stock Exchange derived from Bloomberg for the relevant periods and have been rounded to one decimal place.
6. The exchange rate of 0.2532 for the conversion of ILS into pounds Sterling has been derived from Bloomberg and is based on the exchange rate as at 17:00 (BST) on the Latest Practicable Date.
7. The exchange rate of 0.7582 for the conversion of USD into pounds Sterling has been derived from Bloomberg and is based on the exchange rate as at 17:00 (BST) on the Latest Practicable Date.
8. Pro forma production is quoted on the basis of 6.60 average daily production quoted in boepd.

**APPENDIX III
IRREVOCABLE UNDERTAKINGS**

Irrevocable Undertakings from Pharos Directors and Pharos Shareholders

The following holders or controllers of Pharos Shares have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting and, if Ratio exercises its right to implement the Acquisition by way of a Takeover Offer, to accept or procure acceptance of such offer:

Part A - Pharos Directors' Irrevocable Undertakings

Name of Pharos Director	Number of Pharos Shares in respect of which undertaking is given	Percentage of Pharos issued share capital as at the Latest Practicable Date
Joao Pedro Felix Saraiva E Silva	250,000	0.06%
Katherine Roe	135,178	0.03%
Susan Rivett	1,848,163	0.44%
Geoffrey Stephen Green	95,000	0.02%
Lisa Mitchell*	51,948	0.01%
TOTAL	2,380,289	0.57%

* The beneficial title to the Pharos Shares registered in the name of Lisa Mitchell is held by Alexander John Barblett (spouse of Lisa Mitchell).

The obligations of the Pharos Directors under the irrevocable undertakings shall lapse and cease to have effect if:

- Ratio announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition; or
- the Acquisition lapses (or, in the case of a Takeover Offer, is withdrawn) in accordance with its terms; or
- the Scheme or Takeover Offer (as the case may be) does not become Effective before 11.59 p.m. on the Long-stop Date.

Part B - Non-director Pharos Shareholder irrevocable undertakings

Name of Pharos Shareholder giving undertaking	Number of Pharos Shares in respect of which undertaking is given	Percentage of Pharos issued share capital as at the Latest Practicable Date
Bradley Radoff and The Radoff Family Foundation	90,061,307	21.63%

Name of Pharos Shareholder giving undertaking	Number of Pharos Shares in respect of which undertaking is given	Percentage of Pharos issued share capital as at the Latest Practicable Date
Blue Albacore Business Ltd	31,827,279	7.64%
Ettore Contini	32,393,577	7.78%
Palamos Limited	916,572	0.22%
(i) Josephine V. Story; (ii) the Edward T. Story Marital Trust Dtd 12.27.2023; and (iii) The Story Family Trust Dtd 5.9.2011	16,271,613	3.91%
TOTAL	171,470,348	41.19%

The irrevocable undertakings shall lapse and cease to have effect:

- if Ratio announces, with the consent of the Panel that it does not intend to proceed with the Acquisition; or
- if the Scheme or Takeover Offer (as the case may be) does not become Effective before 11.59 p.m. on the Long-stop Date; or
- if the Acquisition lapses (or, in the case of a Takeover Offer, is withdrawn) in accordance with its terms; or

and in the case of Bradley Radoff and The Radoff Family Foundation only:-

- immediately if, after the release of this announcement, a third party announces, prior to the fifteenth Business Day after the date of despatch of the Scheme Document or the Offer Document (as applicable) to Pharos Shareholders, in accordance with Rule 2.7 of the Code, a firm intention to make an offer to acquire all the issued and to be issued equity share capital of Pharos in cash on terms which represent an improvement of 15 per cent. or greater in the amount or value of the consideration offered under the terms of the Acquisition as at the date of such third party announcement and Ratio does not, within 10 Business Days of such third party announcement, announce revised terms for the Acquisition which are equal to or exceed the value of such third party offer,

and in the case of Blue Albacore Business Ltd, Ettore Contini and Palamos Limited only:-

- immediately if, after the release of this announcement, a third party announces, prior to the fifth Business Day after the date of despatch of the Scheme Document or the Offer Document (as applicable) to Pharos Shareholders, in accordance with Rule 2.7 of the Code, a firm intention to make an offer to acquire all the issued and to be issued equity share capital of Pharos in cash on terms which represent an improvement of 20 per cent. or greater in the amount or value of the consideration offered under the terms of the Acquisition as at the date of such third party announcement and Ratio does not, within 15

Business Days of such third party announcement, announce revised terms for the Acquisition which are equal to or exceed the value of such third party offer,

and in the case of (i) Josephine V. Story; (ii) the Edward T. Story Marital Trust Dtd 12.27.2023; and (iii) The Story Family Trust Dtd 5.9.2011 only:-

- immediately if, after the release of this announcement, a third party announces, prior to the fifth Business Day after the date of despatch of the Scheme Document or the Offer Document (as applicable) to Pharos Shareholders, in accordance with Rule 2.7 of the Code, a firm intention to make an offer to acquire all the issued and to be issued equity share capital of Pharos in cash on terms which represent an improvement of 15 per cent. or greater in the amount or value of the consideration offered under the terms of the Acquisition as at the date of such third party announcement and Ratio does not, within 15 Business Days of such third party announcement, announce revised terms for the Acquisition which are equal to or exceed the value of such third party offer.

APPENDIX IV DEFINITIONS

The following definitions apply throughout this announcement unless the context requires otherwise:

2C contingent resources	2C contingent resources categorised in line with 2018 SPE/WPC/AAPG/SPEE/SEG/SPWLA/EAGE Petroleum Resource Management System
2P reserves	2P commercial reserves categorised in line with 2018 SPE/WPC/AAPG/SPEE/SEG/SPWLA/EAGE Petroleum Resource Management System
Acquisition	the recommended offer pursuant to which Ratio shall acquire the entire issued and to be issued ordinary share capital of Pharos to be effected by means of the Scheme (or by way of Takeover Offer under certain circumstances described in this announcement) and, where the context admits, any subsequent revision, variation, extension or renewal thereof
Authorisations	regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals
BCM	billion cubic meters
Block 16-1 (TGT) PC	the petroleum contract dated 15 November 1999 in respect of Block 16-1 (TGT) entered into by and between PetroVietnam, PetroVietnam Exploration Production Corporation, SOCO Vietnam, PTTEP Hoang Long Company Limited, and OPECO Vietnam, as amended by the first amendment agreement dated 24 September 2025
Block 9-2 (CNV) PC	the petroleum contract dated 16 December 2000 in respect of Block 9-2 (CNV) entered into by and between PetroVietnam, SOCO Vietnam and PTTEP Hoan-Vu Company Limited, as amended by the first amendment agreement dated 24 September 2025
Blocks 125 & 126 JOA	the joint operating agreement dated 12 December 2017 with respect to Blocks 125 & 126 (Incestive Blocks), Phu Khanh Basin, Offshore, the Socialist Republic of Vietnam entered into by and between SEVL and SOVICO
Blocks 125 & 126 PSC	the petroleum production sharing contract dated 27 October 2017 in respect of Blocks 125 & 126 Offshore entered into by and between PetroVietnam, SEVL and SOVICO
boepd	barrels of oil equivalent per day
Business Day	a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business in London
Cash Consideration	23.0683 pence in cash for each Pharos Share payable by Ratio to Pharos Shareholders pursuant to the Acquisition
Chevron	Chevron Mediterranean Limited
Closing Price	the closing middle market price of a Pharos Share on a particular trading day as derived from the Daily Official List published by the London Stock Exchange
CNV	the Ca Ngu Vang offshore field located in the Cuu Long Basin, Vietnam
Code	the City Code on Takeovers and Mergers
Combined Group	the enlarged Ratio Group following completion of the Acquisition comprising the Pharos Group and the Ratio Group

Companies Act	the Companies Act 2006, as amended
Concession Agreements	together, the El Fayum Concession Agreement and the North Beni Suef Concession Agreement and “ Concession Agreement ” means either one of them, as the context requires
Conditions	the conditions to the implementation of the Acquisition, as set out in Appendix I to this announcement and to be set out in the Scheme Document
Cooperation Agreement	the agreement dated 24 June 2026 between Ratio and Pharos relating to, among other things, the implementation of the Acquisition, as described in paragraph 13 of this announcement
Court	the High Court of Justice in England and Wales
Court Meeting	the meeting of Scheme Shareholders to be convened pursuant to an order of the Court under the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), including any adjournment thereof, notice of which is to be contained in the Scheme Document
Court Order	the order of the Court sanctioning the Scheme under section 899 of the Companies Act
Court Sanction Hearing	the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear
Dana Petroleum	Dana Petroleum Limited
Dealing Arrangement	an arrangement of the kind referred to in Note 11(a) on the definition of acting in concert in the Code
Dealing Disclosure	has the same meaning as in Rule 8 of the Code
Disclosed	the information fairly disclosed by, or on behalf of Pharos, (i) in the annual report and accounts of the Pharos Group for the financial year ended 31 December 2025; (ii) in this announcement; (iii) in any other announcement to a Regulatory Information Service by, or on behalf of Pharos prior to the date of this announcement; or (vi) as otherwise fairly disclosed to Ratio (or its respective officers, employees, agents or advisers) prior to the date of this announcement
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA
Effective	in the context of the Acquisition: <ul style="list-style-type: none"> (a) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms upon the delivery of a copy of the Court Order to the Registrar of Companies; or (b) if the Acquisition is implemented by way of a Takeover Offer, such Takeover Offer having been declared and become unconditional in accordance with the Code
Effective Date	the date on which the Scheme or the Takeover Offer (as applicable) becomes Effective
EGPC	Egyptian General Petroleum Corporation
Egyptian Competition Authority	the statutory body established under the Egyptian Competition Law, responsible for monitoring the market and

	enforcing the provisions of the Egyptian Competition Law and its executive regulations in Egypt
Egyptian Competition Law	Law No. 3 of 2005 on the Protection of Competition and the Prohibition of Monopolistic Practices, as amended by Law No. 190 of 2008, Law 56 of 2014 and Law 175 of 2022, as may be in force from time to time
Egyptian Government	the government of the Arab Republic of Egypt
EI Fayum Concession Agreement	the concession agreement dated 15 July 2004 among PEF, the Arab Republic of Egypt and the EGPC in respect of the EI Fayum area (Western Desert, Arab Republic of Egypt), as amended
E&P	oil and gas exploration and production
Euroclear	Euroclear UK & International Limited
Excluded Shares	any Pharos Shares: (a) held by or on behalf of Ratio or the Wider Ratio Group; or (b) held in treasury, in each case, immediately prior to the Scheme Record Time;
ExxonMobil	Exxon Mobil Corporation
FCA or Financial Conduct Authority	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the UK Financial Services and Markets Act 2000, as amended
FID	Final Investment Decision
Forms of Proxy	the forms of proxy for use in connection with each of the Court Meeting and the General Meeting which shall accompany the Scheme Document
FSMA	the Financial Services and Markets Act 2000, as amended from time to time
FY25 Final Dividend	as described in paragraph 2 of this announcement
General Meeting	the general meeting of Pharos Shareholders (including any adjournment thereof) to be convened in connection with the Scheme to consider and, if thought fit, to approve the resolution(s) (with or without amendment) and including any adjournment, postponement or reconvening thereof, notice of which is to be contained in the Scheme Document
Hess	Hess Corporation
JOA	Joint Operating Agreement
Latest Practicable Date	23 June 2026, being the last Business Day prior to this announcement
LEI	Legal Entity Identifier
London Stock Exchange or LSE	London Stock Exchange plc
Long-stop Date	9 June 2027, or such later date: (i) as may be agreed in writing by Ratio and Pharos (with the Panel's consent, if required); or (ii) (in a competitive situation) as may be specified by Ratio with the consent of the Panel; or (iii) as the Panel may direct under the Note on Section 3 of Appendix 7 of the Code, and, in each case, as the Court may approve (if such approval is required)
LoC	the irrevocable letter of credit dated 23 June 2026 from Israel Discount Bank Ltd., applied for by Ratio Energies in favour of Ratio, as beneficiary, to fund the Cash Consideration pursuant to the Acquisition

Market Abuse Regulation	the retained EU law version of Regulation (EU) No. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended from time to time (including by the Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310))
Merged Concession Agreement	the draft concession agreement among PEF, the Arab Republic of Egypt, the EGPC and IPR Lake Qarun Petroleum Company in respect of the merged El Fayum (Western Desert, Arab Republic of Egypt) and North Beni Suef (Nile Valley, Arab Republic of Egypt) areas
mmbbl	million barrels of oil
mmboe	million barrels of oil equivalent
Navitas Petroleum	Navitas Petroleum LP
NewMed Energy	NewMed Energy LP
Noble Energy	Noble Energy, Inc.
North Beni Suef Concession Agreement	the concession agreement dated 24 December 2019 among PEF, the Arab Republic of Egypt and the EGPC in respect of the North Beni Suef area (Nile Valley, Arab Republic of Egypt), as amended
Offer Document	should the Acquisition be implemented by means of a Takeover Offer, the document to be published by or on behalf of Ratio in connection with the Acquisition, containing, inter alia, the terms and conditions of the Acquisition
OPECO Vietnam	OPECO Vietnam Ltd.
Opening Position Disclosure	has the same meaning as in Rule 8 of the Code
Overseas Shareholders	Pharos Shareholders (or nominees of, or custodians or trustees for Pharos Shareholders) not resident in, or nationals or citizens of, the United Kingdom
Panel	the Panel on Takeovers and Mergers
PC	petroleum contract
PEF	Pharos El Fayum
Petroleum Law 1993	Petroleum Law No. 18-L/CTN of the National Assembly of Vietnam dated 6 July 1993 (as amended from time to time)
Petroleum Law 2022	Petroleum Law No. 12/2022/QH15 of the National Assembly of Vietnam dated 14 November 2022
Petroleum Laws	together, Petroleum Law 1993 and/or Petroleum Law 2022 as the context requires
PetroVietnam	Vietnam National Industry – Energy Group
Pharos	Pharos Energy plc, a company incorporated in England and Wales with registered number 03300821 and whose registered office is at 27/28 Eastcastle Street, London, United Kingdom, W1W 8DH
Pharos Confidentiality Agreement	the confidentiality agreement dated 4 March 2026 between Ratio and Pharos, as described in paragraph 13 of this announcement
Pharos Directors or Pharos Board	the board of directors of Pharos at the time of this announcement or, where the context so requires, the directors of Pharos from time to time
Pharos Group	Pharos and its subsidiary undertakings and, where the context permits, each of them

Pharos Shareholders or Shareholders	the holders of Pharos Shares
Pharos Share Plans	(i) the Pharos Long Term Incentive Plan approved by the Pharos Board on 23 June 2011 and amended and approved by Pharos Shareholders on 8 June 2021; (ii) the Pharos 2014 Deferred Share Bonus Plan adopted by the Pharos Board on 10 September 2014 (as amended); (iii) the Pharos 2024 Deferred Share Bonus Plan adopted by the Pharos Board on 17 September 2024; and (iv) the Pharos 2009 Discretionary Share Option Plan adopted by the Pharos Board on 5 March 2009 and approved by Pharos shareholders on 10 June 2009 (as amended)
Pharos Shares	the ordinary shares of £0.05 each in the capital of Pharos
Prime Minister of Vietnam	the head of the government of the Socialist Republic of Vietnam
PSC	Production Sharing Contract
Ratio	Ratio Petroleum Energy LP, a public limited partnership established in Israel with registered number 550268411 and whose registered office is at 85 Yehuda Halevi St. Tel Aviv 6579614 (TASE: RTPTp)
Ratio Confidentiality Agreement	the confidentiality agreement dated 12 March 2026 between Ratio and Pharos, as described in paragraph 13 of this announcement
Ratio Directors	the board of directors of Ratio at the time of this announcement or, where the context so requires, the directors of Ratio from time to time
Ratio Energies	Ratio Energies LP, a public limited partnership established in Israel with registered number 550012777 and whose registered office is at 85 Yehuda Halevi St. Tel Aviv 6579614 (TASE: RATI-L)
Ratio Group	Ratio and its subsidiary undertakings and, where the context permits, each of them
Registrar of Companies	the Registrar of Companies in England and Wales
Regulatory Conditions	the Conditions set out in paragraphs of Part A of Appendix I to this announcement
Regulatory Information Service	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
Restricted Jurisdiction	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Pharos Shareholders
Rothschild & Co	N.M. Rothschild & Sons Limited, financial adviser and Rule 3 adviser to Pharos
Scheme Document	the document to be sent to Pharos Shareholders containing, amongst other things, the Scheme and the notices convening the Court Meeting and the General Meeting
Scheme or Scheme of Arrangement	the proposed scheme of arrangement under Part 26 of the Companies Act between Pharos and the Pharos Shareholders in connection with the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Pharos and Ratio

Scheme Record Time	the time and date to be specified in the Scheme Document by reference to which the entitlements of Scheme Shareholders under the Scheme will be determined, expected to be 6.00 p.m. on the Business Day immediately prior to the Effective Date
Scheme Shareholders	a holder of Scheme Shares
Scheme Shares	unless otherwise defined in the Scheme Document, the Pharos Shares: <ul style="list-style-type: none"> (a) in issue at the date of the Scheme Document; (b) (if any) issued after the date of the Scheme Document but before the Voting Record Time and which remain in issue at the Scheme Record Time; and (c) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time on terms that the holder thereof shall be bound by this Scheme or in respect of which the original or any subsequent holders thereof are, or have agreed in writing to be, bound by this Scheme, in each case (where the context requires) which remain in issue at the Scheme Record Time, other than any Excluded Shares
SEVL	SOCO Exploration (Vietnam) Limited
Shore Capital	Shore Capital and Corporate Limited, financial adviser to Ratio
Significant Interest	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in Section 548 of the Companies Act) of such undertaking
SOCO Vietnam	SOCO Vietnam Ltd
SOVICO	SOVICO Holdings Company
Special Dividend	a special dividend of 4.0 pence in cash per Pharos Share to be paid from Pharos' existing cash resources that the board of directors of Pharos intends to declare prior to completion of the Acquisition with the record and payment dates aligned with the corresponding dates for determining entitlements to, and payment of, the Cash Consideration due to Pharos Shareholders under the terms of the Acquisition
Takeover Offer	should the Acquisition be implemented by way of a Takeover Offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Ratio to acquire the entire issued ordinary share capital of Pharos and, where the context admits, any subsequent revision, variation, extension or renewal of such takeover offer
TASE	Tel Aviv Stock Exchange Ltd.
TCF	trillion cubic feet
TGT	Te Giac Trang offshore field located in the Cuu Long Basin, Vietnam
Third Party	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland

United States or US	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof
US Exchange Act	the US Securities Exchange Act of 1934, as amended
Vietnam Competition Commission	the competition commission of Vietnam
Vietnamese Competition Laws	means law on competition no. 23/2018/QH14 dated 12 June 2018 of the National Assembly of Vietnam
Voting Record Time	the time and date to be specified in the Scheme Document by reference to which entitlement to vote at the Court Meeting will be determined, expected to be 6.30 p.m. on the day which is two Business Days before the date of the Court Meeting or if the Court Meeting is adjourned, 6.30 p.m. on the day which is two Business Days prior to the date of such adjourned meeting
Wider Pharos Group	Pharos and associated undertakings and any other body corporate, partnership, joint venture or person in which Pharos and such undertakings (aggregating their interests) have a Significant Interest
Wider Ratio Energies Group	Ratio Energies and associated undertakings and any other body corporate, partnership, joint venture or person in which Ratio Energies and all such undertakings (aggregating their interests) have a Significant Interest (including, for the avoidance of doubt, the Wider Ratio Group)
Wider Ratio Group	Ratio and associated undertakings and any other body corporate, partnership, joint venture or person in which Ratio and all such undertakings (aggregating their interests) have a Significant Interest

For the purposes of this announcement, “**subsidiary**”, “**subsidiary undertaking**”, “**undertaking**”, “**group undertaking**” and “**associated undertaking**” have the respective meanings given thereto by the Companies Act.

All references to “**ILS**” and “**₪**” are to the lawful currency of Israel.

All references to “**pounds**”, “**pounds Sterling**”, “**Sterling**”, “**£**”, “**pence**”, “**penny**” and “**p**” are to the lawful currency of the United Kingdom.

All references to “**USD**” “**US\$**” or “**\$**” are to the lawful currency of the United States.

All the times referred to in this announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.

All references to statutory provisions or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and order from time to time made thereunder or deriving validity therefrom.

Schedule 2

Part 1 – Share Incentive Plans

The parties agree that the following provisions will, where appropriate, apply to the Pharos Share Plans and certain other employee incentive arrangements. For the avoidance of doubt, references to Pharos employees in this Schedule shall include the executive directors of Pharos, unless otherwise stated.

1. Definitions

1.1 For the purposes of this Schedule, the following words shall have the following meanings:

Court Sanction Date	means the date on which the Scheme is sanctioned by the Court under section 899 of the Companies Act 2006;
Pharos EBT	means the Pharos Employee Benefit Trust constituted by a trust deed dated 5 March 2001;
Pharos RemCo	means the remuneration committee of the Pharos Board;
Pharos Share Plans	means the Pharos Long Term Incentive Plan approved by the Pharos Board on 23 June 2011 and amended and approved by Pharos Shareholders on 8 June 2021 (the LTIP), the Pharos 2014 Deferred Share Bonus Plan adopted by the Pharos Board on 10 September 2014 (as amended) and the Pharos 2024 Deferred Share Bonus Plan adopted by the Pharos Board on 17 September 2024 (together the DSBP) and the Pharos 2009 Discretionary Share Option Plan adopted by the Board on 5 March 2009 and approved by shareholders on 10 June 2009 (as amended) (the DSOP);
Scheme Record Time	has the meaning given to it in the Announcement; and
Special Dividend	means the supplementary dividend that is proposed to be declared by Pharos prior to the completion of the Acquisition with the record and payment dates aligned with the corresponding dates for determining entitlements to, and payment of, Cash Consideration due to Pharos Shareholders under the terms of the Acquisition.

1.2 Capitalised words and terms used but not defined in this Schedule shall have the meaning given to them in this agreement.

1.3 In the event of a Switch, the provisions of Parts 1 and 2 of this Schedule shall apply mutatis mutandis and any reference to the Court Sanction Date shall be read as if it referred to the date on which the Takeover offer becomes or is declared to be unconditional.

2. **The Pharos Share Plans**

2.1 The following number of Pharos Shares are subject to outstanding options under the Pharos Share Plans as at the date of this agreement:

Pharos Share Plan	Aggregate Pharos Shares under option
LTIP	25,472,334
DSBP	2,108,542
DSOP	170,000
TOTAL	27,750,876

2.2 Pharos confirms that as at the date of this agreement cash conditional awards (being awards with the right to receive a cash sum equivalent to the value of a notional number of Pharos Shares) are outstanding under the LTIP over an equivalent of 1,630,829 Pharos Shares.

2.3 Pharos confirms that as at the date of this agreement there are no rights to acquire Pharos Shares granted by any member of the Pharos Group other than under the terms of the Pharos Share Plans.

2.4 Pharos confirms that no member of the Pharos Group currently intends to grant any awards under the Pharos Share Plans other than at a time and at a level consistent with Pharos's normal practice and Ratio acknowledges that Pharos intends to grant the following awards after the date of this agreement that would usually have been made in the normal course in March 2026:

- (a) awards under the LTIP over an estimated 6,900,000 Pharos Shares and cash conditional awards linked to a further estimated 500,000 Pharos Shares (the **2026 LTIP Awards**); and
- (b) awards under the DSBP over a number of Pharos Shares with an aggregate market value of £277,336 at the date of grant in respect of the deferral by executive directors of one third of their annual bonus for the 2025 financial year (the **2025 DSBP Awards**).

2.5 Ratio acknowledges that if for any reason Pharos Shares cannot be issued or transferred when options are exercised or awards vest under any of the Pharos Share Plans, such options and awards may be settled by Pharos in cash.

2.6 Ratio acknowledges that prior to the Effective Date the Pharos Directors (and, where appropriate, the Pharos RemCo or its delegate(s)) may operate the Pharos Share Plans as they consider appropriate in accordance with the rules of the Pharos Share Plans, the subsisting terms applicable to awards under the Pharos Share Plans and Pharos's normal practice, subject to Rule 21 of the Code. For the avoidance of doubt, "operate" includes (without limitation):

- (a) determining the terms of and granting new options or awards and/or making cash awards in lieu of granting new share-based awards;
- (b) satisfying the vesting, exercise and release of options or awards under the Pharos Share Plans in accordance with their terms by issuing new Pharos Shares, transferring (or directing the transfer of) market purchase Pharos Shares, or via

the transfer of Pharos Shares out of the Pharos EBT or Pharos Shares held in treasury, or paying cash of equivalent value (as applicable);

- (c) providing funds (whether in the form of loans or gifts) to the Pharos EBT to acquire Pharos Shares (whether by way of issue, transfer or market purchase) to satisfy awards that have vested or are anticipated to vest under the Pharos Share Plans;
- (d) determining the treatment of options or awards held by participants who cease employment with the Pharos Group prior to the Effective Date;
- (e) Pharos RemCo discretion being exercised in accordance with the terms of the Pharos Share Plans, prior to the Court Sanction Date and in a manner which is consistent with this Schedule 2; and
- (f) making any amendments to the rules of the Pharos Share Plans or the terms of any awards granted thereunder which do not require the approval of Pharos Shareholders, do not create any material additional cost for Pharos, or where such amendments are necessary to comply with any local law requirement or to facilitate the administration of any Pharos Share Plan, and before making any such amendments, Pharos will consult with Ratio for the purposes of securing any necessary consents from the Panel for the purposes of Rule 21.1 of the Code.

3. **Treatment of options and awards under the Pharos Share Plans in connection with the Acquisition**

LTIP

3.1 Ratio acknowledges that, in consequence of the Acquisition:

- (a) the Pharos RemCo will determine that awards under the LTIP (**LTIP Awards**) which have not previously vested will vest immediately upon Court sanction of the Scheme in respect of such number of Pharos Shares as may be determined by the Pharos RemCo in accordance with the rules of the LTIP (**LTIP Rules**);
- (b) LTIP Awards may be conditionally exercised during the period commencing on the date on which the Court orders the convening of the Court Meeting and ending at 12 noon on the day immediately preceding the Court Meeting (the **Exercise Window**);
- (c) the exercise of any LTIP Awards during the Exercise Window shall become effective immediately upon Court sanction of the Scheme; and
- (d) all vested LTIP Awards which have not been exercised within the Exercise Window will lapse at the end of the period of six months commencing with the Court Sanction Date, in accordance with the LTIP rules (but, for the avoidance of doubt, no LTIP Award shall be exercisable in such six month period).

3.2 Ratio acknowledges that the Pharos RemCo has broad discretion to determine the level of vesting of LTIP Awards having regard to such factors as it deems appropriate as set out in the LTIP Rules and that the Pharos RemCo is not obliged to require compliance with performance measures or to apply time prorating to such LTIP Awards.

3.3 Ratio acknowledges that it is the current intention of the Pharos RemCo to determine that:

- (a) LTIP Awards granted before the date of this agreement will vest in full on the basis that any performance conditions would be treated as fully satisfied and that no time pro-rating would be applied; and

- (b) on vesting of the 2026 LTIP Awards, any performance conditions will be treated as fully satisfied and time pro-rating shall be applied as follows, in each case using the usual (and not the actual) date of grant of such options or cash conditional awards (being in March 2026) as the commencement of the relevant period for time pro-rating purposes:
 - (i) where vesting occurs before the expiry of the first complete year from the usual date of grant, by rounding up the number of options or cash that vest as if the awards had been held to the end of that first complete year from the usual date of grant; and
 - (ii) where vesting occurs on or after the expiry of the first complete year from the usual date of grant, the number of options or cash that vest shall be calculated on a strict time apportionment basis by reference to the period elapsed from the usual date of grant to the actual date of vesting; and
- (c) a cash payment in respect of the 2026 LTIP Awards that vest be made to each relevant participant as compensation for (i) missing the cash equivalent entitlement linked to the dividend entitlement on 12 June 2026 (the **June 2026 Dividend**) resulting from the late grant of these awards, and (ii) if the Pharos Share price on the actual date of grant of these awards is higher than the Pharos Share price at the usual grant date in March 2026, the reduced number of Pharos Shares subject to or linked to these awards, and Ratio agrees that Pharos shall be entitled to make the cash compensatory awards described in this sub-paragraph (c).

3.4 Pharos agrees that it shall promptly notify Ratio of any decision, determination or exercise of discretion by the Pharos RemCo pursuant to paragraph 3 of this Schedule 2.

DSBP

3.5 Ratio acknowledges that, in consequence of the Acquisition, all unvested options under the DSBP will vest in full immediately upon Court sanction of the Scheme and will lapse at the end of the period of one month commencing with the Court Sanction Date, in accordance with the DSBP rules.

3.6 Ratio acknowledges and agrees that Pharos shall be entitled to make a cash payment in respect of the 2025 DSBP Awards that vest to each relevant participant as compensation for (i) missing the cash equivalent entitlement linked to the dividend entitlement on the June 2026 Dividend resulting from the late grant of these awards, and (ii) if the Pharos Share price on the actual date of grant of these awards is higher than the Pharos Share price at the usual grant date in March 2026, the reduced number of Pharos Shares actually granted.

DSOP

3.7 Ratio acknowledges that, in consequence of the Acquisition, all options under the DSOP will lapse at the end of the period of four weeks commencing with the Court Sanction Date, in accordance with the DSOP rules.

General obligations

3.8 Each of Ratio and Pharos acknowledges that if the Acquisition is effected by way of the Scheme:

- (a) the Scheme Record Time will take place after the Court Sanction Date to allow those participants in Pharos Share Plans who acquire Pharos Shares on or before

the Court Sanction Date to have those Pharos Shares acquired by Ratio and dealt with through the Scheme;

- (b) the record and payment dates of the Special Dividend will be aligned in order to allow those participants in Pharos Share Plans who acquire Pharos Shares on or before the Court Sanction Date to receive the Special Dividend in respect of those Pharos Shares; and
- (c) Pharos shareholder approval will be sought for an amendment to the articles of association of Pharos by the adoption and inclusion of a new article under which any Pharos Shares issued after the Scheme Record Time will be immediately transferred to Ratio (or as it may direct) in exchange for the same consideration to be paid by Ratio as is due under the Scheme or such other consideration as may be agreed between Ratio and Pharos and disclosed in the Scheme Document.

3.9 Vesting, exercise and settlement under the Pharos Share Plans as described herein will be subject to the usual deductions for applicable taxes and national insurance and similar social security deductions or contributions, where required by law.

Pharos EBT

3.10 As at the date of this agreement the Pharos EBT holds 2,203,106 Pharos Shares (**Unallocated Trust Shares**) and £384.31 cash (**Trust Cash**). In addition, the Pharos EBT has an outstanding loan to Pharos of ££2,688,640.30 (**Trust Loan**). The parties agree that Pharos will request that the trustee of the Trust agree to use the Unallocated Trust Shares to the maximum extent possible to satisfy the exercise of outstanding options under the Pharos Share Plans before, or as a consequence of, the Acquisition. To the extent there are insufficient Pharos Shares in the Pharos EBT to satisfy option exercises under the Pharos Share Plans, Pharos intends to request the trustee of the Pharos EBT to use the Trust Cash to the extent necessary to subscribe for new Pharos Shares or purchase existing Pharos Shares to satisfy such exercises. Pharos and Ratio also agree that any residual Trust Cash following the Acquisition will be used to pay off the Trust Loan, to the extent that any such Trust Cash is not applied in the settlement of any costs or fees associated with the termination of the Pharos EBT.

Employee communications and participation in the Acquisition

3.11 Pharos and Ratio intend to write (in electronic form) jointly to participants in the Pharos Share Plans on, or as soon as reasonably practicable after, the posting of the Scheme Document (or such later date as is agreed with the Panel) to inform them of:

- (a) the impact of the Scheme on their rights held under the relevant Pharos Share Plans and any Pharos Shares they may receive in respect of such rights, and any action they may wish to take in connection with the Acquisition, as set out in this Schedule 2; and
- (b) where required, Ratio's proposals pursuant to Rule 15 of the Code.

3.12 Ratio's acknowledgements and Pharos's confirmations in paragraphs 2 and 3 of this Schedule do not impose any contractual restrictions or obligations on any member of the Pharos group or their boards of directors.

4. General

4.1 Subject to applicable confidentiality, legal and regulatory requirements, each party will cooperate with the other party in order to facilitate the implementation of the arrangements set out in this Schedule 2.

- 4.2 Ratio acknowledges that, following prior consultation with Ratio and having provided Ratio with reasonable time to review and comment on any draft submission, Pharos may make any submission to the Panel which it deems necessary to implement the arrangements contemplated by this Schedule 2, and Ratio agrees to co-operate promptly and in good faith in the making of any such submission.

Part 2 – Employees

1. Ordinary course matters

- 1.1 Ratio acknowledges that prior to the Effective Date, Pharos will carry out annual or other periodic pay reviews, one-off bonus awards (including awards made on hiring), appraisals and promotion rounds in the ordinary course of business and consistent with Pharos's past practice.

2. Annual and other periodic bonus arrangements

- 2.1 In respect of any financial year of Pharos ending before the Effective Date, annual and other periodic bonuses will be determined by Pharos in accordance with relevant Pharos policies and practices, in a manner consistent with Pharos's past practice.
- 2.2 Subject to paragraph 2.3 below, in respect of Pharos's financial year in which the Effective Date occurs, annual bonuses and other periodic bonuses will be determined in accordance with Pharos's relevant policies and practices existing on the Effective Date in a manner consistent with Pharos' past practice, applying the target and maximum opportunities and performance metrics (both financial and individual/personal performance metrics) put in place by Pharos under the relevant policies and practices.
- 2.3 If following the Effective Date it is, by reason of the Acquisition and/or the consequent cancellation of Pharos's listing, not reasonably practicable to operate any financial and/or other performance metrics which applied to any Pharos annual or periodic bonus prior to the Effective Date, Ratio will use its reasonable endeavours to ensure that any replacement performance metrics shall not, in its reasonable opinion, be materially more difficult to achieve than the metrics in place prior to the Effective Date.

3. Maintenance of compensation and benefits

Ratio will, on and following the Effective Date, fully observe the terms and conditions of employment of all employees (whether based in the United Kingdom or elsewhere) of the Pharos Group, including in relation to pensions, redundancy and severance payments in accordance with applicable Law.

4. Severance protections

Ratio acknowledges and agrees that where any terminations of employment, or substantive reorganisation of the working arrangements of the workforce, are proposed within one year of the Effective Date and in connection with the transaction contemplated by this agreement, Ratio shall ensure that the relevant member(s) of the Pharos Group undertakes meaningful consultations, in good faith, with any trade union, works council or employee body which is recognised by the Pharos Group (whether by way of voluntary agreement or otherwise) prior to implementing any such changes or terminations.

Signatures

Pharos Energy PLC:

By 

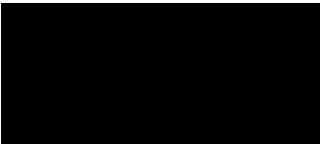
Name: Katherine Roe

Title: Director / Chief Executive Officer

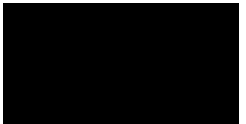
Ratio Petroleum Energy LP:

Signed by **Ratio Petroleum Energy LP**, acting by its
General Partner, Ratio Petroleum Ltd,
acting by

Ligad Rotlevy
Full Name (Director)

..... 
Signature of Director of Ratio
Petroleum Ltd.

Yigal Landau
Full Name (Director)

..... 
Signature of Director of Ratio
Petroleum Ltd.