

## DEED OF IRREVOCABLE UNDERTAKING – DIRECTOR

To: Ratio Petroleum Energy LP (the **Offeror**)

24 June 2026

### Proposed offer for Pharos Energy plc

#### 1. Introduction

I, the undersigned, understand that:

- 1.1 the Offeror is considering making an offer to acquire, directly or indirectly, all the issued and to be issued ordinary shares of £0.05 each (the “**Ordinary Shares**”) in the capital of Pharos Energy plc (the “**Target**”) (the “**Proposed Transaction**”) other than those Ordinary Shares owned by the Offeror or any of its subsidiaries at the time of publication of the formal document (the “**Scheme Document**”) containing details of a Scheme (as defined below) or a formal document containing an Offer (as defined below) (the “**Offer Document**”);
- 1.2 it is intended that the Proposed Transaction will be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (a “**Scheme**”), but the Offeror has reserved the right to elect to implement the Proposed Transaction by way of a takeover offer, as defined in the Companies Act 2006 (an “**Offer**”); and
- 1.3 the Proposed Transaction will be made substantially on the terms and conditions to be set out in a firm offer announcement to be made under Rule 2.7 of the City Code on Takeovers and Mergers (the “**Code**”) (the “**Announcement**”) and substantially in the form of the draft Announcement in Schedule 2, together with any additional terms and conditions as may be required by: (i) the Panel on Takeovers and Mergers (the Panel); (ii) the Code; (iii) the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority; and (iv) any other relevant securities exchange and/or any other applicable law or regulation; or (v) as the Offeror and the Target may agree.

#### 2. Warranties and undertakings

I irrevocably and unconditionally undertake, agree, represent and warrant to and with the Offeror that as at the date of this undertaking:

- 2.1 I have the power and authority to enter into this undertaking and perform my obligations under it;
- 2.2 I am the beneficial owner of (or am otherwise able to control the exercise of all rights, including voting rights, attaching to) the Ordinary Shares specified in Part 1 of Schedule 1 (the “**Shares**”, which expression will be deemed to include any shares in the capital of the Target (other than any Plan Shares (as defined below):
  - 2.2.1 attributable to or derived from the Shares or into which the Shares may be converted, subdivided or consolidated as a result of any reorganisation of the share capital of the Target; and/or
  - 2.2.2 in which I acquire an interest,in each case after the date of this undertaking);
- 2.3 I am able to procure the transfer of the Shares free from all liens, equities, charges, encumbrances, options, rights of pre-emption, and any other third-party rights and interests of any nature;

- 2.4 I am also the holder of the option(s) and/or award(s) granted under the Target's employee and director share plans (the "**Share Plan**") over the number of Ordinary Shares specified in Part 2 of Schedule 1 (the "**Plan Shares**") and, on completion of the Proposed transaction, those Plan Shares will be treated as Shares for the purposes of this undertaking;
- 2.5 I am not interested in, or otherwise able to control the exercise of voting rights attaching to, any shares or other securities of the Target, other than those of which details are set out in Schedule 1;
- 2.6 unless and until the obligations under this undertaking lapse in accordance with the terms of this undertaking, I will not (and, if applicable, I will procure that the registered holder of the Shares will not):
- 2.6.1 sell, transfer, charge, encumber, pledge or grant any option over or otherwise dispose of any of the Shares or any interest in any of the Shares except to the Offeror under the terms of the Proposed Transaction;
  - 2.6.2 accept or give any undertaking in respect of any other offer or similar transaction in respect of any of the Shares which might frustrate the Proposed Transaction or any part of it (whether it is conditional or unconditional and irrespective of the means by which it is to be implemented);
  - 2.6.3 acquire any further interest in any shares in the Target other than pursuant to the Share Plan unless the Panel has first determined, and confirmed to the Offeror and the Target, that I am not acting in concert with the Offeror for the purpose of Note 9 on the definition of "acting in concert" in the Code; or
  - 2.6.4 enter into any agreement or arrangement with any person, whether conditionally or unconditionally, or solicit or encourage any person, to do any of the acts referred to in this paragraph 2.6; and
- 2.7 unless and until the obligations under this undertaking lapse in accordance with the terms of this undertaking, I will not, in my capacity as a shareholder of the Target, without the prior written consent of the Offeror, convene or requisition, or join in convening or requisitioning, any general or class meeting of the Target.

### 3. **Scheme**

I irrevocably and unconditionally undertake to the Offeror that, if the Proposed Transaction is implemented by way of a Scheme:

- 3.1 I shall (unless the Offeror otherwise requests in writing) exercise or, where applicable, procure the exercise of, all rights attaching to the Shares on any resolution (whether or not amended and whether put to a show of hands or a poll) which is proposed at any general or class meeting of the Target (including any adjournment thereof) or at any meeting of holders of shares in the Target convened by a court pursuant to section 896 of the Companies Act 2006 (including any adjournment thereof) (any such meeting being a "**Shareholders' Meeting**") which:
- 3.1.1 is necessary to implement the Proposed Transaction;
  - 3.1.2 might reasonably be expected to have any impact on the fulfilment of any condition to the Proposed Transaction;
  - 3.1.3 might reasonably be expected to impede or frustrate the Proposed Transaction in any way (which shall include any resolution to approve a scheme of arrangement, merger, acquisition or disposal relating to any shares in the Target or any of its subsidiaries, or any asset of the Target or any of its subsidiaries, by or to a third party);
  - 3.1.4 adjourns a Shareholders' Meeting; or

3.1.5 might otherwise reasonably be expected to impact on the success of the Proposed Transaction,

in each case, only in accordance with the Offeror's instructions;

3.2 I shall exercise or, where applicable, procure the exercise of, all rights attaching to the Shares to requisition or join in the requisitioning of any general meeting of the Target for the purposes of voting on any resolution referred to under paragraph 3.1, or to require the Target to give notice of any such meeting, only in accordance with the Offeror's instructions;

3.3 the Offeror will acquire the Shares pursuant to the Scheme which provides for the transfer of the Shares to the Offeror, free from any lien, charge, option, equity, encumbrance or other third party interests of any nature whatsoever and together with all rights of any nature attaching or accruing to them including the right to all dividends or other distributions (if any) declared or made after the date of the Announcement, save as otherwise stated in the Announcement;

3.4 for the purposes of voting on any resolution referred to under paragraph 3.1, I shall, if required by the Offeror, execute, or procure the execution of, any form of proxy required by the Offeror appointing any person named by the Offeror to attend and vote at the relevant meetings and I shall not amend, revoke or withdraw any such form of proxy; and

3.5 without prejudice to paragraph 3.3, I shall after the despatch of the Scheme Document to shareholders of the Target (and without prejudice to any right I have to attend and vote in person at the Shareholders' Meetings to implement the Proposed Transaction (including any adjournment thereof)):

3.5.1 in the case of those Shares specified in Part 1 of Schedule 1, as soon as reasonably practicable and in any event within five Business Days of the date of the Scheme Document; or

3.5.2 in the case of any other Shares that I subsequently become able to control the voting rights in respect of, as soon as reasonably practicable and in any event within five Business Days of the date on which I become able to control the exercise of the voting rights attaching to those Shares,

return, or procure the return of, if applicable, the signed forms of proxy enclosed with the Scheme Document (completed and signed and voting in favour of the resolutions to implement the Proposed Transaction) in accordance with the instructions printed on those forms of proxy or complete an electronic appointment of proxy, and, if applicable, in respect of any Shares held in uncertificated form, take or procure the taking of any other action which may be required by or on behalf of the Offeror or its nominated representative in order to make a valid proxy appointment and give valid proxy instructions (voting in favour of the resolutions to implement the Proposed Transaction).

#### 4. Offer

I irrevocably and unconditionally undertake to the Offeror that, if the Proposed Transaction is implemented by way of an Offer:

4.1 upon the Offer being made, I will accept, or where applicable, procure the acceptance of the Offer in respect of the Shares and transfer the Shares free from all liens, charges, options, equities, encumbrances and rights of pre-emption and any other third party rights of any nature and together with all rights now or hereafter attaching thereto, including voting rights and the right to all dividends and other distributions (if any) declared, made or paid hereafter subject to the matters referred to in the Announcement;

4.2 I shall (unless the Offeror otherwise requests in writing) exercise or, where applicable, procure the exercise of, all rights attaching to the Shares on any resolution (whether or not amended and whether put to a show of hands or a poll) which is proposed at any Shareholders' Meeting which might otherwise reasonably be expected to:

4.2.1 impact on the fulfilment of any condition to the Proposed Transaction;

4.2.2 impede or frustrate the Proposed Transaction in any way (which shall include any resolution to approve a scheme of arrangement, merger, acquisition or disposal relating to any shares in the Target or any of its subsidiaries, or any asset of the Target or any of its subsidiaries, by a third party); or

4.2.3 impact on the success of the Proposed Transaction,

in each case only in accordance with the Offeror's instructions;

4.3 I shall, after the despatch of the Offer Document to shareholders of the Target:

4.3.1 in the case of those Shares referred to in Part 1 of Schedule 1, as soon as reasonably practicable and in any event within five Business Days of the date of the Offer Document; or

4.3.2 in the case of any other Shares that I subsequently become able to control the voting rights in respect of, as soon as reasonably practicable and in any event within five Business Days of the date on which I become able to control the voting rights attaching to those Shares,

duly accept (or procure acceptance of) the Offer in accordance with its terms in respect of such Shares; and

4.4 notwithstanding that the terms of the Offer Document will confer rights of withdrawal on accepting shareholders, I shall not withdraw any acceptance of the Offer in respect of the Shares or any of them and shall procure that no rights to withdraw any acceptance in respect of such Shares or any further Shares which I become able to control the voting rights in respect of, are exercised.

## 5. **Publicity and provision of information**

5.1 I acknowledge that in accordance with:

5.1.1 Rule 2.10 of the Code, particulars of this undertaking will be disclosed in the Announcement;

5.1.2 Rule 24.3 of the Code, particulars of this undertaking will be included in the Scheme Document and/or the Offer Document (as applicable); and

5.1.3 Rule 26.1 of the Code, this undertaking will be published on a website following release of the Announcement.

5.2 I consent to:

5.2.1 the issue of the Announcement with the references to me and this undertaking substantially in the form and context in which they appear in the form of the draft Announcement set out in Schedule 2;

5.2.2 the despatch of the Scheme Document and/or Offer Document (as applicable) containing particulars of this undertaking and, if required, details of my (and my close family relatives' and related trusts') interests and dealings in Target securities or Offeror securities as required by the Code; and

5.2.3 this undertaking being published on a website following issue of the Announcement.

5.3 By no later than close of business on the fifth Business Day before the publication date of the Scheme Document or the Offer Document (as applicable), I will supply to the Offeror all information required to be included in the Scheme Document or the Offer Document (as applicable) concerning myself, my close family relatives and related trusts, including but not limited to:

5.3.1 my interests and the interests of any persons acting in concert with me for the purposes of the Code in securities of the Offeror and the Target; and

5.3.2 all my dealings, and the dealings of any persons acting in concert with me for the purposes of the Code in securities of the Offeror and the Target since commencement of the offer period (as defined in the Code).

5.4 I will notify the Offeror immediately of any dealings by me or my close family relatives and related trusts in securities of the Offeror and/or the Target after the date of this undertaking and before the obligations under this undertaking lapse in accordance with this undertaking.

## 6. **Lapse of undertaking**

6.1 All obligations under this undertaking will lapse and cease to have any effect:

6.1.1 immediately if the Offeror announces, with the consent of the Panel, that it does not intend to proceed with the Proposed Transaction;

6.1.2 immediately if the Scheme does not become effective or the Offer does not become unconditional before 11.59 p.m. on the Long Stop Date (as defined in the Announcement); or

6.1.3 on and from the time and date on which the Proposed Transaction lapses (or, in the case of an Offer, is withdrawn), save that switching from a Scheme to an Offer, or vice versa, shall not be deemed to constitute the lapsing or withdrawal of the Proposed Transaction.

6.2 If this undertaking lapses and ceases to have effect in accordance with paragraph 6.1:

6.2.1 any accrued rights or liabilities in respect of non-performance of any obligation under this undertaking falling due for performance before such lapse shall not be affected, and

6.2.2 I shall have no claim against the Offeror and the Offeror shall have no claim against me, other than in respect of any prior breach of any of the terms of this undertaking.

## 7. **General**

7.1 By way of security for my obligations under this undertaking I irrevocably appoint, severally, each of the Offeror and any director of the Offeror to be my attorney to, in my name and on my behalf, sign, execute and deliver any documents and do all such acts and things as may be necessary for or incidental to the performance of my obligations under this undertaking. I agree that this power of attorney is irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 until this undertaking lapses in accordance with paragraph 6.

7.2 If any of the Shares are not registered in my name, I will procure that the registered holder(s) of those Shares act in accordance with the terms of this undertaking.

7.3 I acknowledge that:

7.3.1 the release of the Announcement is at the Offeror's absolute discretion and the Offeror reserves the right not to release the Announcement;

7.3.2 nothing in this undertaking obliges the Offeror to despatch the Offer Document (or consent to the despatch of the Scheme Document, as applicable) if it is not required to do so under the Code;

- 7.3.3 without prejudice to my obligations in this undertaking, I am obliged to make appropriate disclosure under the Code by no later than 12 noon on the following Business Day in the event that I am no longer able to comply with the terms of this undertaking or no longer intend to do so;
- 7.3.4 I am not a client of Shore Capital and accordingly it will not be responsible to me for providing the protections afforded to its clients or for giving advice in relation to the Proposed Transaction or in connection with this undertaking; and
- 7.3.5 I have been given an adequate opportunity to consider whether or not to give this undertaking and to obtain independent advice about the nature of this undertaking.
- 7.4 I acknowledge that, if I breach any of my obligations in this undertaking, damages alone would not be an adequate remedy and that an order for specific performance would be an essential element of any adequate remedy for that breach.
- 7.5 Any reference to a time, date or period in this undertaking is a reference to London time and may be extended by mutual agreement between the parties but, as regards any time, date or period originally fixed or so extended, time will be of the essence.
- 7.6 This undertaking will bind my estate and personal representatives.
- 7.7 No variation of this undertaking shall be effective unless agreed between each of the parties to it.
- 7.8 The ejusdem generis principle of construction shall not apply to this undertaking. Any phrase introduced by the terms "other", "including", "include" and "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words following or preceding those terms.
- 7.9 In this undertaking:
- 7.9.1 a reference to a "Business Day" means a day (other than a Saturday or Sunday) on which banks are generally open in London for normal business;
- 7.9.2 a reference to a person having an "interest in shares" includes all interests which a person would be required to notify to the Target if he were a director of the Target; and
- 7.9.3 the expression the "Proposed Transaction" extends to any improved or revised offer announced by or on behalf of the Offeror during the offer period, whether voluntary or mandatory, irrespective of how the improved or revised offer is to be implemented and, for the avoidance of doubt, this undertaking will continue to be binding in respect of the Shares in respect of any improved or revised offer; and
- 7.9.4 references to "Shore Capital" mean Shore Capital Partners, financial adviser to the Offeror.
- 7.10 This undertaking and any non-contractual obligations arising out of or in connection with it will be governed by, and construed in accordance with, the laws of England and Wales.
- 7.11 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute, claim or controversy arising out of or in connection with this undertaking (including a dispute, claim or controversy relating to any non-contractual obligations arising out of or in connection with this undertaking) and I irrevocably submit to the exclusive jurisdiction of the courts of England and Wales for all purposes in relation to this undertaking.

**SCHEDULE 1**

**PART 1**

**THE SHARES**

<b>Name(s) of registered holders as appearing on the register of members</b>	<b>Name(s) of beneficial holders</b>	<b>No. of Ordinary Shares</b>
Wealth Nominees Limited	Susan Rivett	1,831,388
Held via Barclays SIPP	Susan Rivett	16,775

**PART 2**

**OPTION(S)/AWARDS GRANTED UNDER THE SHARE PLAN(S)**

1. **NAME OF SHARE PLAN: PHAROS ENERGY PLC 2024 DEFERRED SHARE BONUS PLAN**

No. of Ordinary Shares subject to option	Date of grant	Exercise period	Exercise price
440,349*	30-04-2024	30-04-2026 to 30-04-2034	£0.00
452,996*	24-01-2025	24-01-2027 to 24-01-2035	£0.00

\*Numbers include accrued dividends and are subject to further adjustments for subsequent dividend accruals (including for the FY2025 final dividend as well as any other accruals subsequently becoming due).

1. **NAME OF SHARE PLAN: PHAROS ENERGY PLC LONG-TERM INCENTIVE PLAN**

No. of Ordinary Shares subject to option	Date of grant	Exercise period	Exercise price
2,269,665*	23-03-2023	23-03-2026 to 23-03-2033	£0.00
2,892,919*	30-04-2024	30-04-2027 to 30-04-2034	
2,818,263*	27-03-2025	27-03-2028 to 27-03-2035	

\*Numbers include accrued dividends and are subject to further adjustments for subsequent dividend accruals (including for the FY2025 final dividend as well as any other accruals subsequently becoming due).

**SCHEDULE 2**  
**DRAFT ANNOUNCEMENT**

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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**

<b>Name of Pharos Director</b>	<b>Number of Pharos Shares in respect of which undertaking is given</b>	<b>Percentage of Pharos issued share capital as at the Latest Practicable Date</b>
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%
<b>TOTAL</b>	<b>2,380,289</b>	<b>0.57%</b>

\* 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**

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

<b>Name of Pharos Shareholder giving undertaking</b>	<b>Number of Pharos Shares in respect of which undertaking is given</b>	<b>Percentage of Pharos issued share capital as at the Latest Practicable Date</b>
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%
<b>TOTAL</b>	<b>171,470,348</b>	<b>41.19%</b>

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:

<b>2C contingent resources</b>	2C contingent resources categorised in line with 2018 SPE/WPC/AAPG/SPEE/SEG/SPWLA/EAGE Petroleum Resource Management System
<b>2P reserves</b>	2P commercial reserves categorised in line with 2018 SPE/WPC/AAPG/SPEE/SEG/SPWLA/EAGE Petroleum Resource Management System
<b>Acquisition</b>	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
<b>Authorisations</b>	regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals
<b>BCM</b>	billion cubic meters
<b>Block 16-1 (TGT) PC</b>	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
<b>Block 9-2 (CNV) PC</b>	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
<b>Blocks 125 &amp; 126 JOA</b>	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
<b>Blocks 125 &amp; 126 PSC</b>	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
<b>boepd</b>	barrels of oil equivalent per day
<b>Business Day</b>	a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business in London
<b>Cash Consideration</b>	23.0683 pence in cash for each Pharos Share payable by Ratio to Pharos Shareholders pursuant to the Acquisition
<b>Chevron</b>	Chevron Mediterranean Limited
<b>Closing Price</b>	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
<b>CNV</b>	the Ca Ngu Vang offshore field located in the Cuu Long Basin, Vietnam
<b>Code</b>	the City Code on Takeovers and Mergers
<b>Combined Group</b>	the enlarged Ratio Group following completion of the Acquisition comprising the Pharos Group and the Ratio Group

<b>Companies Act</b>	the Companies Act 2006, as amended
<b>Concession Agreements</b>	together, the El Fayum Concession Agreement and the North Beni Suef Concession Agreement and “ <b>Concession Agreement</b> ” means either one of them, as the context requires
<b>Conditions</b>	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
<b>Cooperation Agreement</b>	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
<b>Court</b>	the High Court of Justice in England and Wales
<b>Court Meeting</b>	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
<b>Court Order</b>	the order of the Court sanctioning the Scheme under section 899 of the Companies Act
<b>Court Sanction Hearing</b>	the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act
<b>CREST</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear
<b>Dana Petroleum</b>	Dana Petroleum Limited
<b>Dealing Arrangement</b>	an arrangement of the kind referred to in Note 11(a) on the definition of acting in concert in the Code
<b>Dealing Disclosure</b>	has the same meaning as in Rule 8 of the Code
<b>Disclosed</b>	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
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA
<b>Effective</b>	in the context of the Acquisition: <ul style="list-style-type: none"> <li>(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</li> <li>(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</li> </ul>
<b>Effective Date</b>	the date on which the Scheme or the Takeover Offer (as applicable) becomes Effective
<b>EGPC</b>	Egyptian General Petroleum Corporation
<b>Egyptian Competition Authority</b>	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
<b>Egyptian Competition Law</b>	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
<b>Egyptian Government</b>	the government of the Arab Republic of Egypt
<b>EI Fayum Concession Agreement</b>	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
<b>E&amp;P</b>	oil and gas exploration and production
<b>Euroclear</b>	Euroclear UK & International Limited
<b>Excluded Shares</b>	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;
<b>ExxonMobil</b>	Exxon Mobil Corporation
<b>FCA or Financial Conduct Authority</b>	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
<b>FID</b>	Final Investment Decision
<b>Forms of Proxy</b>	the forms of proxy for use in connection with each of the Court Meeting and the General Meeting which shall accompany the Scheme Document
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>FY25 Final Dividend</b>	as described in paragraph 2 of this announcement
<b>General Meeting</b>	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
<b>Hess</b>	Hess Corporation
<b>JOA</b>	Joint Operating Agreement
<b>Latest Practicable Date</b>	23 June 2026, being the last Business Day prior to this announcement
<b>LEI</b>	Legal Entity Identifier
<b>London Stock Exchange or LSE</b>	London Stock Exchange plc
<b>Long-stop Date</b>	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)
<b>LoC</b>	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

<b>Market Abuse Regulation</b>	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))
<b>Merged Concession Agreement</b>	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
<b>mmbbl</b>	million barrels of oil
<b>mmboe</b>	million barrels of oil equivalent
<b>Navitas Petroleum</b>	Navitas Petroleum LP
<b>NewMed Energy</b>	NewMed Energy LP
<b>Noble Energy</b>	Noble Energy, Inc.
<b>North Beni Suef Concession Agreement</b>	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
<b>Offer Document</b>	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
<b>OPECO Vietnam</b>	OPECO Vietnam Ltd.
<b>Opening Position Disclosure</b>	has the same meaning as in Rule 8 of the Code
<b>Overseas Shareholders</b>	Pharos Shareholders (or nominees of, or custodians or trustees for Pharos Shareholders) not resident in, or nationals or citizens of, the United Kingdom
<b>Panel</b>	the Panel on Takeovers and Mergers
<b>PC</b>	petroleum contract
<b>PEF</b>	Pharos El Fayum
<b>Petroleum Law 1993</b>	Petroleum Law No. 18-L/CTN of the National Assembly of Vietnam dated 6 July 1993 (as amended from time to time)
<b>Petroleum Law 2022</b>	Petroleum Law No. 12/2022/QH15 of the National Assembly of Vietnam dated 14 November 2022
<b>Petroleum Laws</b>	together, Petroleum Law 1993 and/or Petroleum Law 2022 as the context requires
<b>PetroVietnam</b>	Vietnam National Industry – Energy Group
<b>Pharos</b>	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
<b>Pharos Confidentiality Agreement</b>	the confidentiality agreement dated 4 March 2026 between Ratio and Pharos, as described in paragraph 13 of this announcement
<b>Pharos Directors or Pharos Board</b>	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
<b>Pharos Group</b>	Pharos and its subsidiary undertakings and, where the context permits, each of them

<b>Pharos Shareholders or Shareholders</b>	the holders of Pharos Shares
<b>Pharos Share Plans</b>	(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)
<b>Pharos Shares</b>	the ordinary shares of £0.05 each in the capital of Pharos
<b>Prime Minister of Vietnam</b>	the head of the government of the Socialist Republic of Vietnam
<b>PSC</b>	Production Sharing Contract
<b>Ratio</b>	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)
<b>Ratio Confidentiality Agreement</b>	the confidentiality agreement dated 12 March 2026 between Ratio and Pharos, as described in paragraph 13 of this announcement
<b>Ratio Directors</b>	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
<b>Ratio Energies</b>	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)
<b>Ratio Group</b>	Ratio and its subsidiary undertakings and, where the context permits, each of them
<b>Registrar of Companies</b>	the Registrar of Companies in England and Wales
<b>Regulatory Conditions</b>	the Conditions set out in paragraphs of Part A of Appendix I to this announcement
<b>Regulatory Information Service</b>	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
<b>Restricted Jurisdiction</b>	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
<b>Rothschild &amp; Co</b>	N.M. Rothschild & Sons Limited, financial adviser and Rule 3 adviser to Pharos
<b>Scheme Document</b>	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
<b>Scheme or Scheme of Arrangement</b>	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

<b>Scheme Record Time</b>	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
<b>Scheme Shareholders</b>	a holder of Scheme Shares
<b>Scheme Shares</b>	unless otherwise defined in the Scheme Document, the Pharos Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of the Scheme Document;</li> <li>(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</li> <li>(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,</li> </ul> in each case (where the context requires) which remain in issue at the Scheme Record Time, other than any Excluded Shares
<b>SEVL</b>	SOCO Exploration (Vietnam) Limited
<b>Shore Capital</b>	Shore Capital and Corporate Limited, financial adviser to Ratio
<b>Significant Interest</b>	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
<b>SOCO Vietnam</b>	SOCO Vietnam Ltd
<b>SOVICO</b>	SOVICO Holdings Company
<b>Special Dividend</b>	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
<b>Takeover Offer</b>	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
<b>TASE</b>	Tel Aviv Stock Exchange Ltd.
<b>TCF</b>	trillion cubic feet
<b>TGT</b>	Te Giac Trang offshore field located in the Cuu Long Basin, Vietnam
<b>Third Party</b>	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
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland

<b>United States or US</b>	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
<b>US Exchange Act</b>	the US Securities Exchange Act of 1934, as amended
<b>Vietnam Competition Commission</b>	the competition commission of Vietnam
<b>Vietnamese Competition Laws</b>	means law on competition no. 23/2018/QH14 dated 12 June 2018 of the National Assembly of Vietnam
<b>Voting Record Time</b>	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
<b>Wider Pharos Group</b>	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
<b>Wider Ratio Energies Group</b>	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)
<b>Wider Ratio Group</b>	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.

I intend this document to be a deed and execute and deliver it as a deed.

Dated: 24 June 2026

Name: **Susan Jane Rivett**

EXECUTED and delivered as a )  
Deed by the person named )  
above in the presence of: )  
Witness's signature:

