

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Interim financial information

(Unaudited)

June 30, 2025

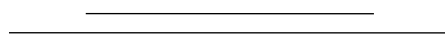
RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

**Interim financial information
(Unaudited)**

June 30, 2025

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Auditor's Review Report

To the participation unit holders of Ratio Petroleum Energy - Limited Partnership

Introduction

We have reviewed the accompanying financial information of Ratio Petroleum Energy - Limited Partnership (hereinafter the "Partnership") and its subsidiaries (hereinafter the "Group"), which includes the condensed consolidated statements of financial position as of June 30, 2025 and the condensed consolidated statements of profit or loss and other comprehensive loss, changes in partners' equity, and cash flows for the six-month period then ended. The board of directors and management of Ratio Petroleum Ltd., the general partner in the Partnership (hereinafter the "General Partner") are responsible for the preparation and presentation of interim financial information, pursuant to International Accounting Standard (IAS) 34 "Interim Financial Reporting", and are also responsible for the preparation of interim financial information in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970. Our responsibility is to express a conclusion on the interim financial information, based on our review.

Scope of review

We conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel regarding "Review of Interim Financial Information by the Entity's Auditors." A review of interim financial information consists of making inquiries, primarily with the people in responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards in Israel, and consequently does not provide us with certainty that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that leads us to believe that the above financial information is not prepared, in all material aspects, in accordance with International Accounting Standard (IAS) 34.

In addition to the previous paragraph, based on our review, nothing has come to our attention that leads us to believe that the above financial information does not comply, in all material aspects, with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970.

Tel Aviv,
August 12, 2025

Kesselman & Kesselman
Certified Public Accountants
A Member Firm of PricewaterhouseCoopers International Limited

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of June 30, 2025

	June 30		December 31
	2025	2024	2024
	(Unaudited)		(Audited)
	US Dollars, Thousands		
Assets			
Current assets:			
Cash and cash equivalents	745	2,195	1,031
Financial assets at fair value through profit or loss	3,759	3,569	3,674
Receivables and debt balances:			
Ratio Petroleum Trusts Energy Ltd. - Trustee - current account	97	88	90
Receivables in respect of joint ventures	134	202	219
Other receivables	206	233	75
Total current assets	4,941	6,287	5,089
Fixed assets, net	37	42	39
Right-of-use asset	138	168	153
Investments in exploration and evaluation assets	-	-	-
Non - current assets	175	210	192
Total assets	5,116	6,497	5,281
Liabilities and Partners' Equity			
Current liabilities -			
Payables:			
Accrued payables - joint venture	88	718	195
Ratio Petroleum Ltd. - General Partner - current account	1,138	657	746
Trade and other payables	144	106	132
Current maturities of lease liabilities	30	25	27
Total current liabilities	1,400	1,506	1,100
Non-current liabilities -			
Lease liability	127	142	131
Total liabilities	1,527	1,648	1,231
Commitments and contingencies			
Partners' Equity	3,589	4,849	4,050
Total liabilities and partners' equity	5,116	6,497	5,281

Date of Financial Statements Approval by the Board of Directors of the General Partner:
August 12, 2025.

Ratio Petroleum Ltd. – General Partner, by:

Ligad Rotlevy
Chairman of the Board

Itay Raphael (Tabibzada)
Chief Executive Officer

Shiri Moskovich
Chief Financial Officer

The Accompanying Notes are an Integral Part of the Financial Statements.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE LOSS

6 month period ended June 30, 2025

	6 months ended June 30		For the year ended December 31
	2025	2024	2024
	(Unaudited)		(Audited)
	US Dollars, Thousands		
Oil and gas exploration expenses, net	127	3,858	4,134
General and administrative expenses	310	464	1,049
Other income	-	(797)	(797)
Loss from ordinary operations	437	3,525	4,386
Finance income	(90)	(210)	(263)
Finance expenses	114	65	57
Net financing expenses (revenues)	24	(145)	(206)
Total loss and comprehensive loss for the year	461	3,381	4,180
Loss per participation unit, basic and diluted (expressed in US Dollars)	0.002	0.015	0.019

The Accompanying Notes are an Integral Part of these Condensed Consolidated Financial Statements.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN PARTNERS' EQUITY

6 month period ended June 30, 2025

	<u>Partnersh ip Equity</u>	<u>Warrants</u>	<u>Capital Reserve</u>	<u>Accumul ated Deficit</u>	<u>Total Equity</u>
	US Dollars, Thousands				
Balance as of January 1, 2025 (audited)	76,417	-	1,372	(73,739)	4,050
Movement during the 6-month period ended June 30, 2025 (unaudited) -					
Loss and comprehensive loss for the period	-	-	-	(461)	(461)
Balance as of June 30, 2025 (unaudited)	<u>76,417</u>	<u>-</u>	<u>1,372</u>	<u>(74,200)</u>	<u>3,589</u>
Balance as of January 1, 2024 (audited)	76,417	-	1,372	(69,559)	8,230
Movement during the 6-month period ended June 30, 2024 (unaudited) -					
Loss and comprehensive loss for the period	-	-	-	(3,381)	(3,381)
Balance as of June 30, 2024 (unaudited)	<u>76,417</u>	<u>-</u>	<u>1,372</u>	<u>(72,940)</u>	<u>4,849</u>
Balance as of January 1, 2023 (audited)	76,417	-	1,372	(69,559)	8,230
Movement during 2024:					
Loss and comprehensive loss for the year	-	-	-	(4,180)	(4,180)
Balance as of December 31, 2024 (audited)	<u>76,417</u>	<u>-</u>	<u>1,372</u>	<u>(73,739)</u>	<u>4,050</u>

The Accompanying Notes are an Integral Part of these Condensed Consolidated Financial Statements.

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RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
6-month period ended June 30, 2025

	6 months ended		For the year ended
	June 30		
	2025	2024	2024
	(Unaudited)		(Audited)
	US Dollars, Thousands		
Cash flows from operating activities:			
Net cash provided by (used for)			
operating activities, see Appendix A	(273)	(3,184)	(4,233)
Interest received	5	115	9
Interest paid for lease	(6)	(6)	(13)
Net cash used in operating activities	<u>(274)</u>	<u>(3,075)</u>	<u>(4,237)</u>
Cash flows from investing activities:			
Purchase of fixed assets	(1)	(1)	(1)
Sale (purchase) - financial instruments at fair value through profit or loss, net	-	3,423*	3,423
Net cash provided by (used in) investing activities	<u>(1)</u>	<u>3,422</u>	<u>3,422</u>
Cash flows from financing activities:			
Lease principal payments	(13)	(19)	(24)
Net cash used in financing activities	<u>(13)</u>	<u>(19)</u>	<u>(24)</u>
Increase (Decrease) in cash and cash equivalents	(288)	328	(839)
Cash and cash equivalents, beginning of the period	1,031	1,801	1,801
Gains from exchange rate differences on cash and cash equivalents	2	66	69
Balance of cash and cash equivalents at end of period	<u>745</u>	<u>2,195</u>	<u>1,031</u>

* Retrospective application due to a change in accounting policy, see Note 3N to the annual financial statements and Note 3C below.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

6-month period ended June 30, 2025

	6 months ended		For the year ended
	June 30		
	2025	2024	December 31 2024
	(Unaudited)		(Audited)
	US Dollars, Thousands		
(a) Appendix to the condensed statement of cash flows – net cash used in operations:			
Loss for the year	(461)	(3,381)	(4,180)
Adjustments for:			
Depreciation of fixed assets	3	3	7
Depreciation of right-of-use asset	15	16	31
Interest and dividend income	(5)	(115)	(9)
Finance expenses related to lease obligation	17	8	11
Gains from exchange rate differences on cash and cash equivalents	(2)	(66)	(69)
Gain from change in fair value of financial instruments at fair value through profit or loss	(84)	(68)	(174)
	<u>(517)</u>	<u>(3,603)</u>	<u>(4,383)</u>
Changes in operating assets and liabilities items:			
Decrease (increase) in other receivables:	(131)	(53)	105
Change in balance with joint venture receivables	85	(202)	(174)
Change in balance with the operator of joint ventures	-	45	
Change in balance with Ratio Petroleum Ltd. – General Partner	392	120	209
Change in balance with Ratio Petroleum Trusts Energy Ltd.	(7)	-	(2)
Increase (decrease) in trade and other payables	12	(62)	(36)
Increase (decrease) in accrued expenses of a joint venture	(107)	571	48
	<u>244</u>	<u>419*</u>	<u>150</u>
Net cash used in operating activities	<u>(273)</u>	<u>(3,184)</u>	<u>(4,233)</u>

* Retrospective application due to a change in accounting policy, see Note 3N to the annual financial statements and Note 3C below.

The Accompanying Notes are an Integral Part of these Condensed Consolidated Financial Statements.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements

As of June 30, 2025

(Unaudited)

NOTE 1 - GENERAL:

- A. Ratio Petroleum Energy - Limited Partnership (hereinafter the "Partnership") was established on the basis of the Partnership Agreement signed on May 16, 2016 (hereinafter the "Partnership Agreement") between Ratio Petroleum Ltd., as the General Partner (hereinafter the "General Partner") and Ratio Petroleum Trusts Energy Ltd., as Limited Partner (hereinafter the "Limited Partner" and/or "Trustee"). The Partnership was incorporated in Israel and is domiciled in Israel. The registered address of the Partnership is 85 Yehuda Halevy Street, Tel Aviv.

The General Partner and the Limited Partner hold 0.1% and 99.9% of the Partnership's equity, respectively. The Limited Partner serves as Trustee for the participation units.

The General Partner is a private company owned by D.L.I.N. Ltd. and Hiram Landau Ltd., each holding 50% of the issued share capital of the General Partner.

Since January 26, 2017, the Partnership has been a public partnership. Its participation units are traded on the Tel Aviv Stock Exchange Ltd.

The objective of the Partnership is to engage, by itself and/or through investees, in the exploration and/or development of hydrocarbons and/or their production outside the State of Israel, and to serve as the operator for hydrocarbon explorations and/or their development and/or their extraction. From the date of establishment of the Partnership and until the approval date of its financial statements, the Partnership holds rights in a number of oil assets through the Partnership's investee entities, and the activity therein is undertaken by the Partnership's investees. For details, see Note 4 below.

By its very nature, the Partnership's activities involve significant financial investments and a relatively high degree of financial risk and uncertainty; accordingly, the Partnership may be required to obtain additional sources of financing from time to time, in accordance with its work plans.

- B. As of the date of the Statements of Financial Position, the Partnership is the controlling shareholder (100%) of Ratio Petroleum Limited (hereinafter "Ratio Gibraltar"). Ratio Gibraltar is a private company incorporated under the laws of Gibraltar on April 15, 2013.

Ratio Gibraltar holds 100% of the issued share capital and voting rights of Ratio Guyana Limited ("Ratio Guyana"), and Ratio Philippines Limited ("Ratio Philippines"). For more information, see Note 4 below.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 1: -GENERAL (CONTINUED):

In addition, Ratio Gibraltar holds 100% of the issued share capital and voting rights of Ratio E&P Limited, a Gibraltar company established for business development operations, Ratio Suriname Limited, Ratio Malta Limited and Ratio North Sea Limited. As of the date of the Statements of Financial Position, said companies are not active and have no effect on the Group's operating results.

The results, assets and liabilities of Ratio Gibraltar and its investees are consolidated in the financial statements of the Group from the date on which control of Ratio Gibraltar was acquired.

C. "Iron Swords" War

Further to the disclosure in Note 1C to the annual financial statements regarding the "Iron Swords" War (hereinafter the "War") and its potential implications for the Partnership, it should be noted that during the period of the financial statements, the fighting in Gaza continued against the Hamas terrorist organization, against the Houthi terrorist organization in Yemen, against the Hezbollah terrorist organization, and a campaign against Iran also took place, during which there were casualties and property damage among the civilian population in Israel.

As of the approval date of the financial statements, there is significant uncertainty, and it is not possible to assess how the fighting will continue and whether it will once again expand to additional fronts.

At this stage, the Partnership is unable to reasonably estimate the implications of the continued war on its scope of operations and the results thereof. These implications depend, inter alia, on the duration and scope of the War, and on its economic impact on the Israeli economy as a whole and on the sector in which the Partnership operates.

In Israel, the Partnership's exposure is primarily related to the effects of the War on the Israeli economy and capital market, its ability to raise funds, and the erosion of the ILS-USD exchange rate. Since all of the Partnership's activities are located outside of Israel, the "Iron Swords" War and its continuation may have an impact due to the Partnership's status as an Israeli partnership and the global sentiment regarding how Israel is perceived worldwide.

The Partnership continues to monitor the development of events on an ongoing basis, and is considering the implications for its business activities and its steps accordingly. In addition, the Partnership has updated the authorities in all the countries in which it operates regarding the security situation in Israel and the continuation of the War.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 1: -GENERAL (CONTINUED):

As of the date of approval of the financial statements, the situation remains unchanged; therefore, the Partnership does not anticipate a material impact of the War on its financial stability or its ability to meet its liabilities in the foreseeable future.

In the Partnership's estimation, even in the event of a continued War and an economic slowdown in Israel, the Partnership will meet its existing liabilities as of June 30, 2025; consequently, it will be able to continue its operations in accordance with the strategy it has outlined.

D. The impact of rising inflation and interest rates

The rise in inflation rates over recent years in various countries worldwide has led central banks to implement significant monetary restraint, resulting in increased interest rates across most global economies.

During 2024 and the first half of 2025, some of the world's central banks began to lower interest rates to a certain extent. In tandem with the global decline in interest rates, the Bank of Israel lowered the interest rate in Israel in January 2024 by 0.25%, setting it at a rate of 4.5%. However, in light of the continued "Iron Swords" War and the exacerbation of geopolitical risks facing the State of Israel since the outbreak of the War—which led, inter alia, to the downgrading of Israel's credit rating by international rating agencies—the Bank of Israel has, at this stage, halted further interest rate reductions in Israel.

During the first half of 2025 and 2024, the Partnership incurred gains (losses) from an increase (decrease) in the value of financial assets, due to exchange rate differences, at fair value through profit or loss, in a total amount of approximately USD 84 thousand and USD (60) thousand, respectively, which were recognized under net financing expenses (income).

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 2 - BASIS OF PREPARATION OF THE CONDENSED FINANCIAL STATEMENTS:

A. Basis of Preparation of the Condensed Financial Statements

The Group's condensed financial information as of June 30, 2025, and for the six-month interim period then ended (hereinafter the "Interim Financial Information") was prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" (hereinafter "IAS 34"), and in accordance with the Securities Regulations (Periodic and Immediate Reports), 5730-1970 (hereinafter the "Reporting Regulations").

The Interim Financial Information does not include all the information and disclosures required in the framework of annual financial statements. The Interim Financial Information should be read in conjunction with the annual financial statements for 2024 (hereinafter the "Annual Financial Statements") and the notes thereto, which comply with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB) and include the additional disclosure required under the Securities Regulations (Annual Financial Statements), 5770-2010.

The Interim Financial Information is reviewed and is not audited.

B. Estimates and judgments

The preparation of interim financial statements requires the Group's management to exercise judgment and also requires the use of accounting estimates and assumptions, which affect the application of the Group's accounting policy and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In the preparation of these condensed consolidated interim financial statements, the significant judgments exercised by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those applied in the Annual Financial Statements.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES:

A. The significant accounting policies and methods of calculation applied in the preparation of the Interim Financial Information are consistent with those used in the preparation of the Annual Financial Statements.

B. New International Financial Reporting Standards, Amendments to Standards and New Interpretations:

New standards and amendments to existing standards that are not yet binding and which the Partnership did not choose to apply early:

The Group's Annual Financial Statements for 2024 included information regarding new IFRS Accounting Standards and amendments to existing IFRS Accounting Standards that are not yet binding and which the Group did not choose to apply early.

As of approval date of the financial statements, there are no new standards or amendments to existing standards that are relevant to the Group, which were not noted in the framework of the Group's Annual Financial Statements for 2024.

C. Change in accounting policy regarding the presentation in the statement of cash flows of cash flows from purchases and sales of financial assets at fair value through profit or loss, implemented as of the Annual Financial Statements for 2024.

As stated in Note 3N to the Annual Financial Statements, starting from the 2024 financial statements, the Partnership's management decided to change the Partnership's accounting policy and classify receipts or payments from the sale or purchase of financial assets at fair value through profit or loss, net, within cash flows from investing activities. Until such date, these cash flows were classified within cash flows from operating activities.

The impact of the change in accounting policy, which included a reclassification from cash flows provided by operating activities to cash flows provided by investing activities for the six-month period ended June 30, 2024, resulted in an increase in net cash provided by investing activities and a corresponding decrease in net cash provided by operating activities, in a total amount of approximately USD 3,423 thousand as of June 30, 2024.

The aforementioned change in accounting policy has no impact on the loss, the loss per participation unit, the equity, and has no impact on the total change in the Partnership's cash flows.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 4 - GROUP OPERATIONS - EXPLORATION AND EVALUATION RIGHTS:

A. Kaieteur Block - Ratio Guyana

Ratio Guyana is a private company which was incorporated under the laws of Gibraltar on April 15, 2013, to participate in oil and gas explorations.

The partners in the joint arrangement hold the rights for hydrocarbon exploration in an offshore area on the continental shelf of Guyana, known as the Kaieteur Block.

Esso Exploration and Production Guyana Limited (a subsidiary of ExxonMobil) (hereinafter "Exxon"), served as the operator of the Kaieteur Block until November 2023, as detailed below.

From May 20, 2021, until Exxon's exit from the Block on September 26, 2023, as detailed below, Exxon served as the operator of the Kaieteur Block, and the participation interests in the Kaieteur Block were held as follows:

Exxon	35%
Ratio Guyana	25%
Cataleya Energy Limited (Cataleya)	20%
Hess Guyana (Block B) Exploration Limited (Hess)	20%

As stated in Note 6A to the Annual Financial Statements for 2024, on September 26, 2023, Exxon notified Ratio Guyana that it cannot currently commit to performing an additional drilling within the Block area.

In light of the above and in accordance with the rights transfer agreement, Exxon and Hess will exit the Block and return the interests they hold in the Block to Ratio Guyana and Cataleya.

In addition, Exxon transferred the role of operator to Ratio Guyana, effective as of November 2023.

Accordingly, the parties applied to the Government of Guyana to update the aforementioned transfer of rights, such that following said transfer, each of Ratio Guyana and Cataleya will hold 50% of the rights in the Block, as well as to change the identity of the operator in accordance with the provisions of the Guyana Agreement. As of the date of the report, the State's approval for the aforementioned transfer of rights has not yet been obtained.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 4 - GROUP OPERATIONS - EXPLORATION AND EVALUATION RIGHTS (CONTINUED):

On November 13, 2024, the Partnership announced that following Exxon's request to the Guyanese Ministry of Energy in early July 2020 to examine the possibility of extending the Guyana Agreement period due to the COVID-19 pandemic, Ratio Guyana submitted an additional request to the Guyanese Ministry of Energy to extend the Guyana Agreement period by one year due to the COVID-19 pandemic. On November 17, 2024, the Partnership announced that the Guyanese Ministry of Energy approved the aforementioned request. Accordingly, the deadline for the partners in the Block to notify the State of their intention to perform an additional drilling in the Block or to abandon it was also extended by one year, until February 2026 (whereas in practice, the notification deadline is November 2025).

In addition, in accordance with the terms of the Guyana Agreement, Ratio Guyana and Cataleya submitted a request to proceed to the second extension period. During the second extension period of the Guyana Agreement, the partners in the Block are required to notify the State whether they intend to perform an additional drilling in the Block. Should they decide to perform an additional drilling as aforesaid, such drilling must be carried out by February 2027.

It should further be noted that under the terms of the Guyana Agreement, the partners in the Block are required to relinquish 20% of the Block area. As of the date of the report, Ratio Guyana has submitted a notice to the State regarding the area it is prepared to relinquish. The Partnership will report in accordance with the law upon the State's approval of the decision.

As stated in Note 6A to the annual financial statements for the years 2023 and 2024, in accordance with the provisions of IFRS 6 regarding the assessment of existence of indicators for impairment of exploration and evaluation rights, and considering Exxon's exit from the Block and the absence of a significant alternative operator, and given that the Partnership's annual budget contains current expenses only in connection with Ratio Guyana, the Partnership concluded that there were indicators of impairment for the asset in Guyana as of the date of the annual financial statements for 2023. In light of the above, as of December 31, 2023, the Partnership recognized an impairment loss in respect of the full drilling costs and related costs capitalized to the asset, in a total amount of approximately USD 28 million, which were charged to the statement of profit or loss under the "Impairment of investment in exploration and evaluation rights" item.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 4 - GROUP OPERATIONS - EXPLORATION AND EVALUATION RIGHTS (CONTINUED):

As of the date of the report, Ratio Guyana is working to secure an additional partner or several additional partners, with the intention that one of them will serve as the operator in the Block, for the purpose of performing an additional drilling. It should be noted that as of the date of the report, Ratio Guyana has engaged with numerous energy companies following Exxon's exit from the Block. A number of companies expressed initial interest, and some even reviewed the existing data; however, all the companies approached decided not to proceed with the process in light of the existing geological risk factors in the Block, as well as the risks associated with achieving a commercial discovery that would be developed. In the event that a partner capable of serving as an operator to perform drilling in the Block is not found in the coming months, who would be willing to commit to a drilling and the entailing costs, and insofar as a further extension is not granted for the decision deadline set forth in the Guyana Agreement for performing additional drilling in the Block, Ratio Guyana will find it difficult to reach a decision to proceed and commit to drilling by the deadline stipulated in the Guyana Agreement.

In light of the above and in accordance with the provisions of the Guyana Agreement, insofar as Ratio Guyana does not reach a drilling decision as aforesaid by November 2025, and provided that no extension to the current deadline is granted, the State may demand the relinquishment of the Block.

It is clarified that insofar as a suitable partner is not found within the relevant timeframes, the Partnership will be compelled to consider how and in what manner to act within the framework of the law, including the possibility of relinquishing the Block or parts thereof to the State.

Exploration costs of Ratio Guyana from January 1, 2025, through the date of the statement of financial position, totaling approximately USD 61 thousand, were charged to profit or loss under the "Oil and gas exploration expenses, net" item for the six-month period ended June 30, 2025.

B. Service Contract no. 76 - Philippines

Ratio Philippines is a private company incorporated under the laws of Gibraltar on December 13, 2018, to participate in oil and gas explorations. As of the date of the statement of financial position, Ratio Gibraltar is taking steps to transfer its rights in SC76 to Ratio Philippines.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 4 - GROUP OPERATIONS - EXPLORATION AND EVALUATION RIGHTS (CONTINUED):

As stated in Note 6B to the Annual Financial Statements, on February 15, 2022, Ratio Gibraltar announced that it had received approval from the Philippine Department of Energy regarding the existence of a "Force Majeure" event due to the COVID-19 pandemic. Originally, it was determined that "Force Majeure" would apply from August 10, 2021, for a period of one year, or until the termination of the state of emergency declared in the country due to the COVID-19 pandemic, whichever is later.

However, following Ratio Gibraltar's request to the Philippine Department of Energy to amend the commencement date of the Force Majeure period, on November 7, 2022, the Philippine Department of Energy approved that the said period would commence on October 18, 2020, and end on November 7, 2022. The Department of Energy further announced that in light of the above, the second sub-phase of the exploration period under the SC76 Agreement, which includes a commitment to perform a 3D seismic survey and which commenced on October 18, 2020, will be extended until November 27, 2024.

On June 16, 2022, Ratio Gibraltar entered into an agreement with Navitas Petroleum Limited, a wholly-owned subsidiary of Navitas Petroleum, Limited Partnership (hereinafter "Navitas"), for the transfer of rights and cooperation in the energy sector in the Philippines. Navitas will acquire 30% (out of 100%) of Ratio Gibraltar's rights in SC76 in consideration for the reimbursement of Navitas's proportionate share of past costs, and in consideration for its participation in its proportionate share of the total future costs in the Block.

On May 16, 2023, approval was received from the Philippine Department of Energy for the transfer of 30% of Ratio Gibraltar's rights to Navitas. In accordance with this approval, Ratio Gibraltar and Navitas signed the Joint Operating Agreement (JOA). Ratio Gibraltar will remain the operator of SC76.

Pursuant to the terms of the agreement, in consideration for the transfer of rights as aforesaid, Navitas paid Ratio Gibraltar its share of past costs through March 31, 2023, in a total amount of approximately USD 605 thousand, which were recognized in the statement of profit or loss under the "Other income" item for the six-month period ended June 30, 2023.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 4 - GROUP OPERATIONS - EXPLORATION AND EVALUATION RIGHTS (CONTINUED):

The agreement further provides that in the event that a Final Investment Decision (FID) is reached for the first of the two projects—either SC76 or Dakhla Atlantique (see 4C below)—Navitas shall pay Ratio a one-time sum of USD 5 million (linked to the US Consumer Price Index from the date of the agreement's signing until the payment date). Should Navitas transfer its rights in one of the aforementioned assets prior to a FID being reached for such asset, this commitment shall be assigned to the transferee.

On September 26, 2023, the Partnership announced that it had entered into an agreement with the Philippine energy company Prime Oil and Gas, Inc. (hereinafter "Prime"), in an agreement for the transfer of rights in SC76. Pursuant to the terms of the agreement, Ratio, which holds 70% (out of 100%) of the rights in SC76, will transfer 35% (out of 100%) of the rights in SC76 to Prime in consideration for the reimbursement of Prime's proportionate share of past costs in SC76, in a total amount of approximately USD 797 thousand.

In addition, in the event of a commercial discovery justifying an appraisal well in SC76, Prime shall pay Ratio a one-time sum of approximately USD 5.8 million. The parties agreed that insofar as Prime in the future requests the role of operator from Ratio, which serves as the operator in SC76, then Ratio shall transfer the said role to Prime in consideration for a total sum of USD 3 million.

On February 28, 2024, the Philippine Department of Energy approved the said transfer. Prime's share of past costs, totaling USD 797 thousand as aforesaid, was recognized in the statement of profit or loss under the "Other income" item for the six-month period ended June 30, 2024.

On February 25, 2024, the Partnership announced that Ratio Gibraltar had entered into an agreement with a contractor for the performance of a seismic survey within the SC76 area.

On March 26, 2024, the Partnership announced the commencement of the said survey after all relevant regulatory approvals in the Philippines had been obtained. The survey was completed in May 2024. The survey covered an area of over 1,500 square kilometers, and its total expected cost (at 100%) is approximately USD 10.2 million.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 4 - GROUP OPERATIONS - EXPLORATION AND EVALUATION RIGHTS (CONTINUED):

The main stage of data processing was completed in recent weeks, and the Partnership's technical team has commenced the interpretation of the post-processed data. The Partnership estimates that, at the current work rate and provided there are no unforeseen events in connection with the interpretation work, the interpretation work is expected to be completed by the end of 2025. Regarding the aforesaid in connection with the examination of the merger transaction between the Partnership and Ratio Energies – Limited Partnership, see Section 5D below.

On October 1, 2024, the Partnership announced that after Ratio Gibraltar applied to the Philippine Department of Energy for a suspension of the SC76 Agreement timelines on "Force Majeure" grounds due to the ongoing war, in accordance with the terms of the SC76 Agreement ("Iron Swords War"), the Philippine Department of Energy approved the existence of such Force Majeure. The Force Majeure shall apply as aforesaid from October 23, 2023, and shall continue until the cessation of the circumstances constituting the Force Majeure, and will effectively extend the second sub-phase of the exploration period under the agreement. In light of the foregoing, the Partnership is unable to provide an exact date for the end of the period, and the stated end date is estimated and subject to extension.

In late November 2018, the Philippine Department of Energy presented 14 pre-defined areas as part of a tender it published for the acquisition of petroleum rights. The Partnership sought to acquire one of these areas with the aim of increasing its footprint in the East Palawan Basin, and Ratio Gibraltar submitted an application for the acquisition of rights in an offshore asset known as "Area 3" off the coast of the Philippines.

On July 23, 2024, the Partnership announced that the Philippine Department of Energy had notified Ratio Gibraltar that it had met the necessary conditions for signing an exploration and production agreement for Area 3 with the government of the Republic of the Philippines (the "Area 3 Agreement") and that a date would be coordinated for the signing of the said agreement.

In light of the foregoing, on July 23, 2024, the Board of Directors of the General Partner (following the approval of the General Partner's audit committee on July 10, 2024) approved Ratio Gibraltar's entry into the Area 3 Agreement and its addition to the Partnership's assets.

It should be clarified that, as of the report date, the Area 3 Agreement has not yet been signed, and Ratio Gibraltar is awaiting the signature of the President of the Philippines on the said agreement.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 4 - GROUP OPERATIONS - EXPLORATION AND EVALUATION RIGHTS (CONTINUED):

Ratio Gibraltar's net exploration expenses in the Philippines from January 1, 2025, through the date of the statement of financial position, totaling approximately USD 13 thousand, include partner reimbursements for expenses recorded in prior periods. Excluding this component, net expenses for the period would have amounted to approximately USD 78 thousand. The expenses were recognized in the statement of profit or loss under "Oil and gas exploration expenses."

The investment in the Project, net, from the date of Ratio Gibraltar's entry into the SC76 license through the date of the statement of financial position, totaled approximately USD 5.1 million.

C. Dakhla Atlantique Block - Morocco (Ratio Gibraltar)

On September 24, 2021, Ratio Gibraltar signed a reconnaissance contract with the Moroccan National Office of Hydrocarbons and Mines (Office National des Hydrocarbures et des Mines) (hereinafter "ONHYM"). On October 11, 2021, after obtaining the approval of the Moroccan Minister of Energy and Mines, the Partnership's audit committee and board of directors approved the reconnaissance contract.

The Reconnaissance Contract grants Ratio Gibraltar the exclusive right to study and research the Dakhla Atlantique Block, located in Morocco along the Atlantic coast, with an area starting from the shoreline and including shallow and deep water areas up to a water depth of over 3,000 meters. The total area of the Block is approximately 109,000 square kilometers, and during the term of the agreement, Ratio Gibraltar shall hold 100% of the rights therein. The primary work in the Block consists of mapping prospects and areas of interest within the license area, mainly through the interpretation of 2D and 3D seismic data. In parallel, reprocessing and advanced analyses of the seismic data were performed.

On June 16, 2022, Ratio Gibraltar entered into an agreement with Navitas, for the transfer of rights and cooperation in the energy sector in Morocco. Under the agreement, it was stipulated that Navitas and Ratio Gibraltar would undertake a joint evaluation of the investment potential in exploration assets in Morocco for a period of approximately one and a half years, including in connection with the Dakhla Atlantique Block. Navitas shall bear 30% of the total past expenses in connection with the cooperation in the Block, as well as 30% of the total future expenses. Total past expenses, as stipulated in the rights transfer agreement, amounted to approximately USD 124 thousand (100%), with Navitas' share totaling USD 37 thousand.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 4 - GROUP OPERATIONS - EXPLORATION AND EVALUATION RIGHTS (CONTINUED):

On October 16, 2023, the Moroccan Minister of Energy and Mines' approval was obtained for the extension of the reconnaissance contract by an additional year until September 30, 2024, at the request of Ratio Gibraltar and ONHYM.

In accordance with the terms of the reconnaissance contract, in August 2024, Ratio Gibraltar and ONHYM submitted an application to the Moroccan Minister of Energy for the extension of the reconnaissance contract by an additional year until September 30, 2025. On January 23, 2025, the Moroccan Minister of Energy and Mines' approval was obtained for the extension of the reconnaissance contract as stated. Ratio Gibraltar and ONHYM have agreed to commence discussions regarding the transition to a license. The Partnership estimates that such discussions will continue for several months.

Ratio Gibraltar continues to operate in the Block in accordance with the work program, which includes the reprocessing and interpretation of 3D seismic data, including the mapping of targets and prospects.

The exploration costs of Ratio Gibraltar for the operations in Morocco from January 1, 2025, through the date of the statement of financial position, totaling approximately USD 48 thousand, were recognized in the profit or loss statement under oil and gas exploration expenses.

The investment in the Project, net, from the date of Ratio Gibraltar's entry into the license, through the date of the statement of financial position, totaled approximately USD 1.1 million.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 5 - TRANSACTIONS WITH INTERESTED AND RELATED PARTIES:

A. Transactions with Interested and Related Parties:

	6 months ended June 30		For the year ended December 31
	2025	2024	2024
	(Unaudited)		(Audited)
	US Dollars, Thousands		
Amounts charged to management and general expenses:			
Management fees to the General Partner, see B below.	-	240	480
CEO remuneration	139	128	257
Remuneration and expenses to the Limited Partner, the Trustee	1	1	2

“Interested parties” - as defined by the Securities Regulations (Annual Financial Statements), 5770-2010.

“Related Party” - as defined by International Accounting Standard 24 (Amended) – “Related Party Disclosures.”

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 5 - TRANSACTIONS WITH INTERESTED AND RELATED PARTIES (CONTINUED):

B. On January 20, 2022, the general meeting of the participation unit holders approved a management services arrangement between the General Partner and the Partnership, whereby, in consideration for providing the Partnership with management services (including chairman of the board services), consulting services, business development services, consulting and support in the fields of finance, strategy, collaborations, crisis management, and other services required for the management of the Partnership's business—which shall be provided through officers of the General Partner who are among the controlling shareholders of the General Partner and their relatives—the General Partner shall be entitled to receive from the Partnership monthly management fees in a total amount of USD 40,000, plus VAT, in lieu of the operator fee arrangement that was in effect until that date. All other Partnership and General Partner management expenses, of any kind or nature, shall be borne by the Partnership. Furthermore, and in accordance with the provisions of section 65(51)(g)(1) of the Partnerships Ordinance, the Partnership shall reimburse the General Partner for all Partnership management expenses actually incurred by the General Partner, excluding such expenses paid, directly or indirectly, to the controlling shareholders of the company and expenses in which the controlling shareholders of the company have a personal interest in their payment; provided that such expenses paid for the purpose of an engagement with a director regarding their terms of office and employment shall be in accordance with the law. The said management services arrangement commenced on January 20, 2022, and shall remain in effect for a period of three years. The General Partner shall not be entitled to receive management fees or other payments from the Partnership, except for royalties to the controlling shareholders of the General Partner and except for payments that may be approved from time to time in accordance with the provisions of the Partnerships Ordinance.

As stated, the said management services arrangement was approved by the general meeting of the Partnership's participation unit holders on January 20, 2022, and was in effect for a period of three years. Under the terms of the Tender Offer, as stated in Note 12C(1) to the 2024 financial statements, the controlling shareholders of the General Partner of the Partnership, who are also the controlling shareholders of the General Partner of Ratio Energies, announced that, should the Tender Offer be accepted, the General Partner will continue to manage the Partnership's business, but the management fees will be canceled. The Tender Offer was not accepted.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 5 - TRANSACTIONS WITH INTERESTED AND RELATED PARTIES (CONTINUED):

However, in light of receiving the offer for a merger transaction and the decision of the Partnership's General Partner's board of directors to examine said offer, as stated in Note 12(8) to the 2024 financial statements, and furthermore, in light of the Partnership's cash balances, the General Partner announced that, similarly to the arrangement proposed within the framework of the Tender Offer as detailed above, the General Partner does not intend to renew the management services arrangement at this time. In light of the above, the said arrangement was not renewed; therefore, the General Partner continues to manage the Partnership in accordance with the provisions of the Partnership Agreement, but without receiving any consideration.

- C. On November 10, 2024, the general meeting of the participation unit holders of Ratio Energies Limited Partnership (hereinafter "Ratio Energies") approved the execution of a full Tender Offer for the participation units of the Partnership, the validity of which is contingent upon the purchase of all of the Partnership's participation units (excluding the Partnership's participation units held by Ratio Energies) (hereinafter the "Tender Offer"), at a price of up to ILS 0.35 per participation unit, and to approve that, subject to the completion of the Tender Offer, ancillary actions required as a result thereof shall be carried out.

In accordance with the resolution of Ratio Energies' general meeting, on November 13, 2024, the Partnership announced that it had received a full Tender Offer specification from Ratio Energies for the purchase of 179,859,328 of the Partnership's participation units held by the offerees (as defined in the Tender Offer specification), in consideration for 35 agorot per participation unit. It should be noted that, as of the date of this report, the offeror holds 20% of the Partnership's participation units. In the event the Tender Offer is accepted and the offeror purchases all of the participation units held by the offerees, the Partnership will become a non-public limited partnership, and the Partnership's participation units will be delisted from trading on the Tel Aviv Stock Exchange. The last acceptance date according to the Tender Offer was December 1, 2024. On November 27, 2024, the Partnership announced the extension of the acceptance date until December 3, 2024.

On December 3, 2024, the Partnership announced that the Tender Offer by Ratio for the purchase of the Partnership's participation units was not accepted.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 5 - TRANSACTIONS WITH INTERESTED AND RELATED PARTIES (CONTINUED):

D. On January 12, 2025, the Partnership announced that it had received an inquiry from Ratio Energies regarding a merger transaction of the Partnership into Ratio Energies (the “Merger Transaction”), based on the principles approved by Ratio Energies' general meeting on November 10, 2024. The Partnership updated that it intends to examine the merger proposal. On January 19, 2025, the Partnership announced that the General Partner's board of directors had decided to examine the said merger proposal and updated Ratio Energies accordingly. Following this, the General Partner's board of directors decided to establish an independent committee to examine the proposal for the Merger Transaction. The committee appointed advisors and, to the best of the Partnership's knowledge, it discussed and considered response to Ratio Energies together with its advisors.

On August 11, 2025, the Partnership announced that the Partnership and Ratio Energies had decided—further to the Partnership's reports and its assessment that the recently commenced interpretation of the processed 3D seismic survey data conducted in Block SC76 in the Philippines (the “Seismic Survey”) is expected to be completed by the end of 2025—that due to the proximity of dates, it is justified to await the results of the Seismic Survey interpretation currently being performed and their publication in accordance with the law, prior to advancing the Merger Transaction. Shortly after the publication of the Seismic Survey results, discussions regarding a transaction between the partnerships shall resume.

At this time, it is not possible to estimate whether the said transaction will be completed.

RATIO PETROLEUM ENERGY - LIMITED PARTNERSHIP

Notes to the Condensed Financial Statements (continued)

As of June 30, 2025

(Unaudited)

NOTE 6 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK:

A. Fair value disclosure:

The following table presents the Group's financial assets measured at fair value within Level 1:

	As of June 30		As of December 31
	2025	2024	2024
	(Unaudited)		(Audited)
	US Dollars, Thousands		
Current assets -			
Financial assets at fair value through profit or loss	3,759	3,569	3,674
Total assets	3,759	3,569	3,674

The expected exercise date of the securities held by the Partnership is up to 12 months from the date of the statements of financial position; they are reported under current assets.

During the 6-month period ended June 30, 2025, and in the year ended December 31, 2024, no transfers occurred between the various levels of the fair value hierarchy.

B. The fair value of financial assets and financial liabilities

The Partnership's financial instruments, as of the date of the statements of financial position, are classified as financial assets at fair value through profit or loss, financial assets measured at amortized cost, or as financial liabilities measured at amortized cost. The carrying amount of financial instruments measured at amortized cost constitutes a reasonable approximation of their fair value.

NOTE 7 - EVENTS AFTER THE REPORTING PERIOD:

A. Transactions with interested and related parties

For developments after the reporting date, see Note 5D.

