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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

7 August 2026

RECOMMENDED INCREASED 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

On 24 June 2026, the board of directors of each of Ratio and Pharos announced that they had reached agreement on the terms of a recommended acquisition by Ratio of the entire issued and to be issued share capital of Pharos (the "**Original Acquisition**"). Under the terms of the Original Acquisition, Pharos Shareholders were entitled to receive a total value of up to 28.0 pence in cash per Pharos Share, comprising 23.0683 pence in cash per Pharos Share together with 4.0 pence in cash per Pharos Share by way of a special dividend and the FY25 Final Dividend (as defined below).

The scheme document in respect of the Original Acquisition (the "**Scheme Document**") was published and made available to Pharos Shareholders on 21 July 2026. This announcement should be read in conjunction with the Scheme Document.

Following the announcement of a competing offer for Pharos by Serica Energy plc ("**Serica**") on 26 July 2026 (the "**Serica Offer**"), the board of directors of each of Ratio and Pharos have engaged in further discussions and have agreed the terms of an increased recommended all-cash offer by Ratio for the entire issued and to be issued share capital of Pharos (the "**Increased Ratio Offer**") to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Acquisition**").

Capitalised terms used and not defined in this announcement have the meanings given to them in the Scheme Document.

2. Increased Ratio Offer

Under the terms of the Increased Ratio Offer, Pharos Shareholders will be entitled to receive:

- 28.8183 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 Pharos Board 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**"),

which would result in a total value of 32.8183 pence per Pharos Share. Pharos Shareholders, where they qualified, will continue to be entitled to retain the final dividend of 0.9317 pence in cash per Pharos Share for the financial year ended 31 December 2025 which was declared on 25 March 2026 and paid on 17 July 2026 to qualifying Pharos Shareholders on the register at close of business on 12 June 2026 (the "**FY25 Final Dividend**").

Accordingly, taking together the total value offered of 32.8183 pence per Pharos Share with the FY25 Final Dividend, the aggregate amount Pharos Shareholders will receive is 33.75 pence per Pharos Share.

The aggregate value of the Cash Consideration and the Special Dividend, 32.8183 pence per Pharos Share, values the entire issued and to be issued ordinary share capital of Pharos at approximately £146.4 million and represents:

- a premium of approximately 29.2% to the closing price of 25.4 pence per Pharos Share on 23 June 2026, being the last Business Day prior to the announcement of the Original Acquisition; and
- a premium of approximately 0.5% to the equivalent 32.6683 pence per Pharos Share being the aggregate of the cash consideration and special dividend announced in the Serica Offer.

The Increased Ratio Offer provides Pharos Shareholders with superior value than under the Serica Offer. In addition, given the combination of the irrevocable undertakings which Ratio has received (as to which see section 6 below) and Ratio's and the Wider Ratio Energies Group's extensive experience of obtaining regulatory consents under 7 international regimes, Ratio believes that the Increased Ratio Offer provides Pharos Shareholders with greater certainty and deliverability than will be achieved under the Serica Offer.

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 consideration under the terms of the Acquisition by the amount of such dividend, distribution or other return of value in which case any reference to consideration payable under the terms of the Acquisition will be deemed to be a reference to the 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.

3. Conditions

The Acquisition is subject to the terms and conditions in Part 4 of the Scheme Document dated 21 July 2026:

- with references to the "Cash Consideration" therein being read as 28.81830 pence in cash per Pharos Share, being the Cash Consideration as set out this announcement;
- with references to Conditions 3.1.1, 3.1.2, 3.1.3 and 3.1.6 (as set out in Part A of Part 4 of the Scheme Document) being read as corrected in the announcement made by Ratio on 27 July 2026; and
- with reference to the Long Stop Date being read as 15 July 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).

4. Pharos Directors' recommendation of the Increased Ratio Offer

The Pharos Directors, who have been so advised by Rothschild & Co as to the financial terms of the Increased Ratio Offer, consider the terms of the Increased Ratio Offer to be fair and reasonable. In providing its advice to the 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 unanimously recommend that Pharos Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting 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 as at close of business on 6 August 2026, being the latest practicable date prior to publication of this announcement (the "**Latest Practicable Date**").

In light of their recommendation of the Increased Ratio Offer, the Pharos Directors have decided unanimously to withdraw their recommendation of the Serica Offer and will not be proceeding to post a scheme document in connection with the Serica Offer to Pharos Shareholders. It is therefore recommended that Pharos Shareholders take no further action in relation to the Serica Offer.

5. 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. As a result of the Increased Ratio Offer, these irrevocable undertakings continue to apply in accordance with their terms.

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.

Further details of these irrevocable undertakings are set out in paragraph 4 of Part 7 of the Scheme Document.

As a result of this Announcement, the irrevocable undertakings given by Blue Albacore Business Ltd, Ettore Contini, Palamos Limited and the Ed Story Estate are no longer capable of lapsing under paragraph 7.1.4 or 7.1.5 (as applicable) of the relevant undertakings. As such, these irrevocable undertakings, which collectively account for 81,409,041 Pharos Shares representing 19.55 per cent of Pharos' issued share capital, will continue to be binding in accordance with their terms notwithstanding any higher competing offer from any third party, including Serica.

As a result of this Announcement, the irrevocable undertaking given by Aberforth Partners LLP in respect of the Serica Offer will lapse in accordance with its terms.

Unless a third party (including Serica) announces, prior to 11 August 2026 (being 15 Business Days after the date of despatch of the Scheme Document) a firm intention to make an offer to acquire all the issued and to be issued share capital of Pharos 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 Increased Ratio Offer and Ratio does not, within 10 Business Days of such third party announcement, announce revised terms for the Increased Ratio Offer which are equal to or exceed the value of such third party offer, the irrevocable undertakings given by Bradley Radoff and the Radoff Family Foundation shall no longer be capable of lapsing under paragraph 7.1.4 of the relevant undertakings. As such, if no third party offer is made which meets the requirements set out above prior to 11 August 2026, these irrevocable undertakings, which collectively account for 90,061,307 Pharos Shares representing 21.63 per cent. of Pharos' issued share capital, will continue to be binding in accordance with their terms notwithstanding any higher competing offer from any third party.

6. Timetable

The Scheme Document was published on 21 July 2026 and included, among other things, notices of the Court Meeting and General Meeting which were convened for 17 August 2026. Given the proximity of this Announcement to the proposed date of the Meetings and in order to provide Pharos Shareholders with more time to make informed voting decisions, the Pharos Board intends to adjourn these Meetings to a later date which it will announce in due course along with an updated timetable of principal events for the implementation of the Scheme.

The Long Stop Date is in any case being extended such that 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 15 July 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).

7. Co-operation Agreement

On the basis that the Pharos Board has reinstated its recommendation of the Increased Ratio Offer, Ratio and Pharos have agreed not to treat the announcement of the Serica Offer as a termination event in relation to the Co-operation Agreement and Ratio has also agreed not to elect to implement the Acquisition as a Takeover Offer without the consent of Pharos, insofar as that right arose as a result of the announcement of the Serica Offer.

8. Financing of the Increased Ratio Offer

The Cash Consideration payable under the Increased Ratio Offer will be funded by an increased irrevocable letter of credit dated 6 August 2026 ("**Increased LoC**") from Israel Discount Bank Ltd, applied for by Ratio Energies, and which 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 increased Cash Consideration payable by Ratio to Pharos Shareholders pursuant to the Increased Ratio Offer.

9. General

The Increased Ratio Offer does not change the strategic plans and intentions of Ratio with regard to management, employees, pensions, research and places of business of Pharos, as set out in paragraph 7 of Part 1 of the Scheme Document, or the proposals in respect of the Pharos Share Plans, as set out in paragraph 9 of Part 2 of the Scheme Document.

10. Consents

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.

11. Documents available on the website

Copies of the following documents will be available, free of charge, on Pharos' website at https://www.pharos.energy/investors/offer-by-ratio-petroleum/ and Ratio's website at https://ratiopetroleum.com/Offer-disclaimer/ no later than 12 noon on the Business Day following the date of this announcement and for the period up to and including the Effective Date or the date on which the Scheme lapses or is otherwise withdrawn, whichever is the earlier:

- this announcement;
- the Increased LoC; and
- the consent letters from each of Shore Capital and Rothschild & Co referred to in paragraph 9 above.

For the avoidance of doubt, neither the contents of those websites nor the contents of any website accessible from hyperlinks on those websites (or any other websites referred to in this announcement) are incorporated into, or form part of, this announcement.

Enquiries:

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Pinsent Masons LLP is acting as legal adviser to Ratio, and Ashurst Perkins Coie UK 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, as adjusted in accordance with the terms set out in this announcement, 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.

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-by-ratio-petroleum/ respectively by no later than 12 noon (London time) on the Business Day following the publication of this announcement. 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.