



NEWMEDENERGY

**A world class investment proposition
in the East Med**

Investor Presentation
May 2021



Disclaimer

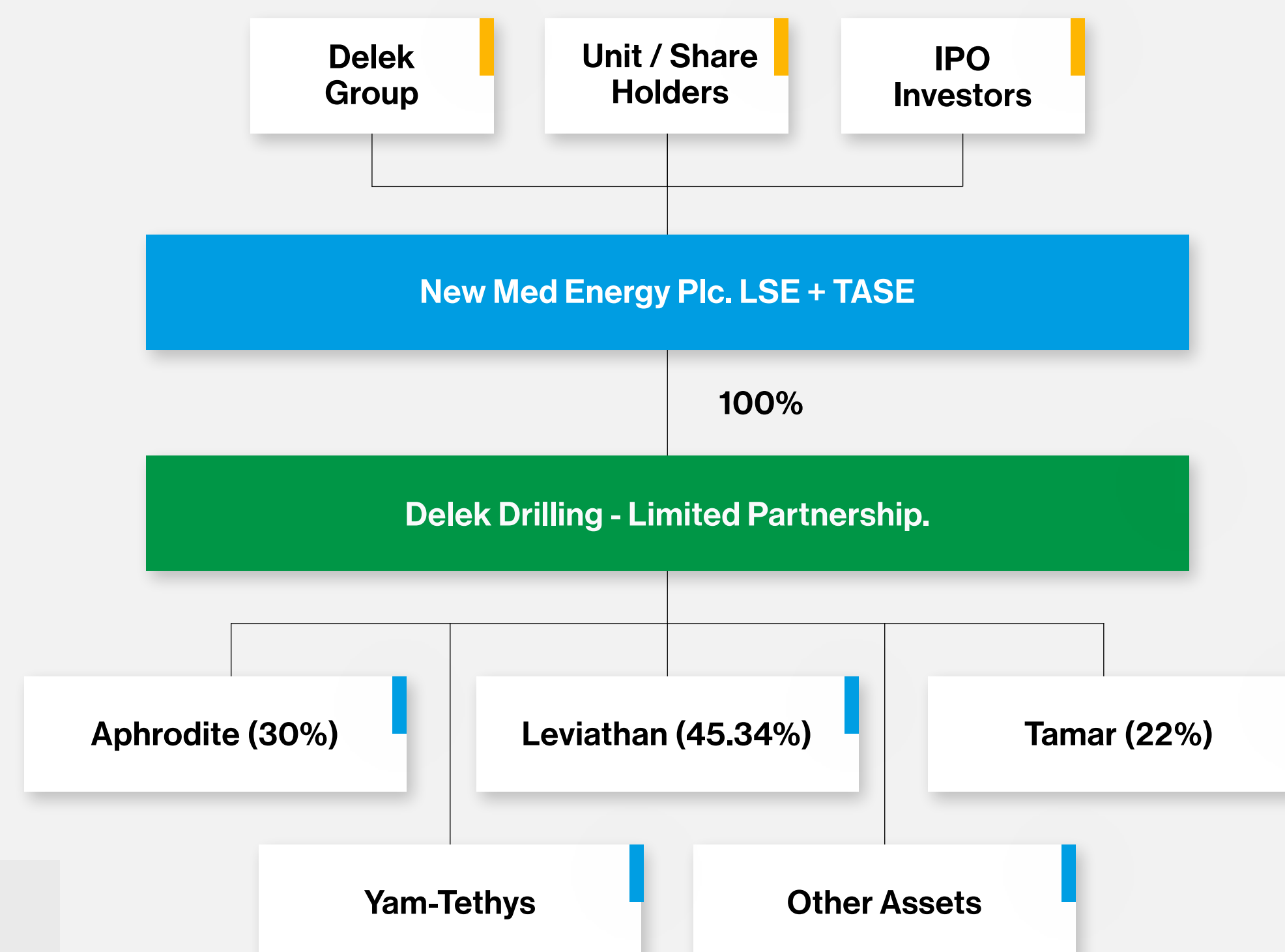
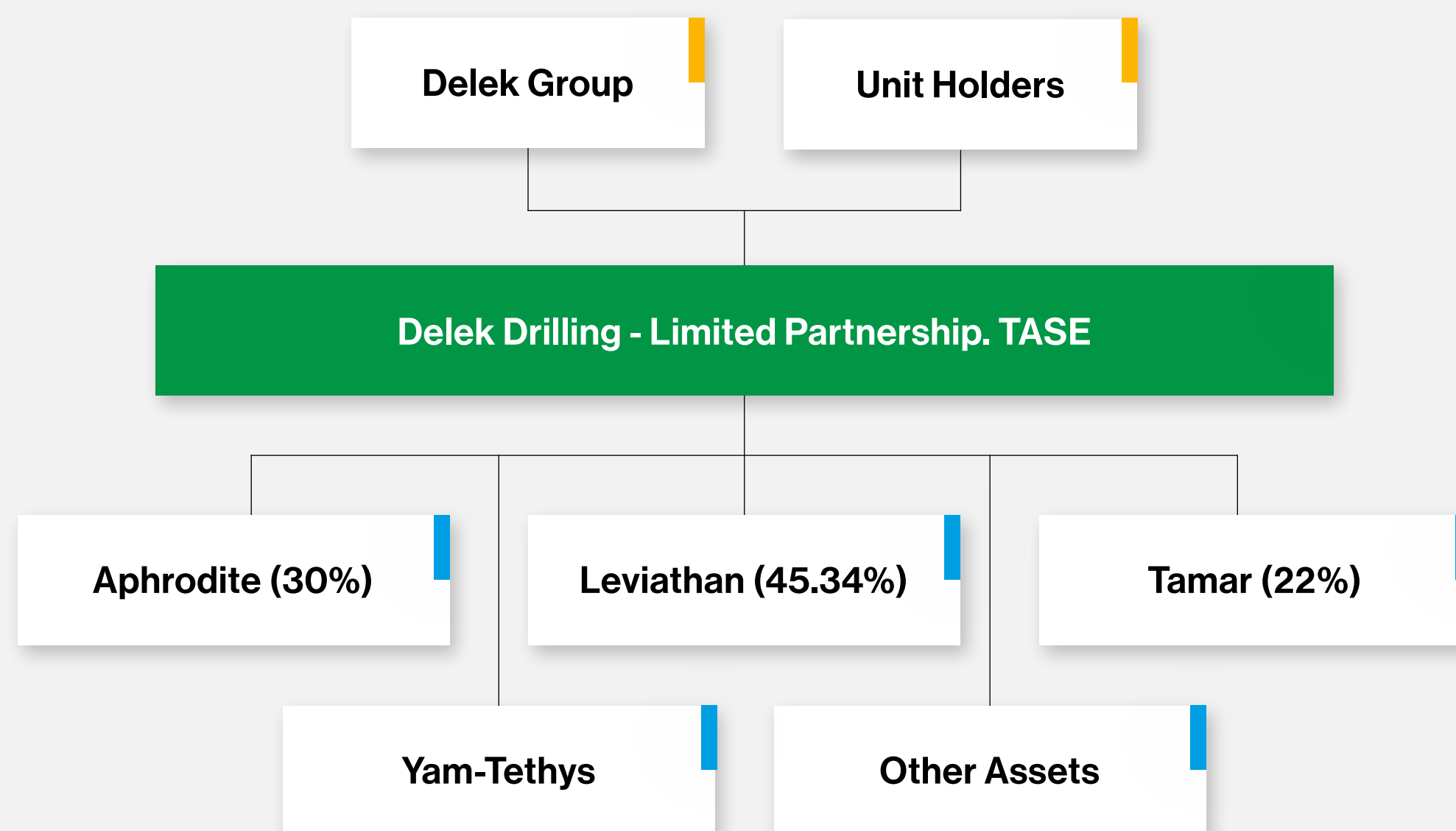
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Deal Description



- All unit holders who hold a right to participate in the limited partner rights in the partnership and will receive shares in NewMed in exchange for the participation units, pro rata for their holdings in the units.
- Delek Drilling will become a private subsidiary held 100% by NewMed, together with all its assets and liabilities, including the rights in the "Tamar" project, which will be sold before or after the completion of the transaction. At the partnership level there is no structural change.

Overview of s.350 Process

1. The exchange of securities under the contemplated transaction (the “Transaction”) is subject to an Israeli court approval pursuant to s.350 of the Companies Law.
2. The s.350 process is expected to include the following main steps:
 1. An application will be submitted to the court to approve the convening of a general meeting of the unitholders (the “GM”) to approve the Transaction.
 2. The application will be published as to allow unitholders or third parties to submit objections to the court (within 21 days).
 3. Subject to the court's approval, the GM circular will be published. The circular will include detailed description of the Transaction and its consequences (tax aspects, the listing, New-Med's corporate governance and applicable law, etc.)
 4. The GM resolution to approve the Transaction is subject to a 75% super majority approval and potentially also an approval by the majority of non-interested parties (excluding Delek Group). Certain unitholders may potentially argue before the court that such resolution must be approved separately by different classes of investors (e.g., individuals vs. corporations, etc.)
 5. A final application to approve the Transaction (following the GM's approval) is submitted to the court.
 6. Unitholders or third parties may submit objections to the court (within 10 days).
 7. The court decides to approve (or disapprove) the Transaction.
3. It is expected that an Israeli prospectus and a UK Registration Document of NewMed will be published prior to the GM.



Unlock value for NewMed Energy's shareholders

Key benefits of a London listing for NewMed Energy

NewMed Energy

Differentiated position

Unique portfolio characteristics making NewMed Energy stand out compared to London listed E&P companies

Improved market understanding

A more suitable platform for listing a large cap E&P business with more relevant peers for NewMed Energy and deeper understanding of the sector amongst investors

Increased research coverage

Significantly improved research coverage and global investor visibility

Diversified shareholder base

Ability to tap a broad, international investor pool providing opportunity to diversify NewMed Energy's shareholder base with improved access to international financing sources

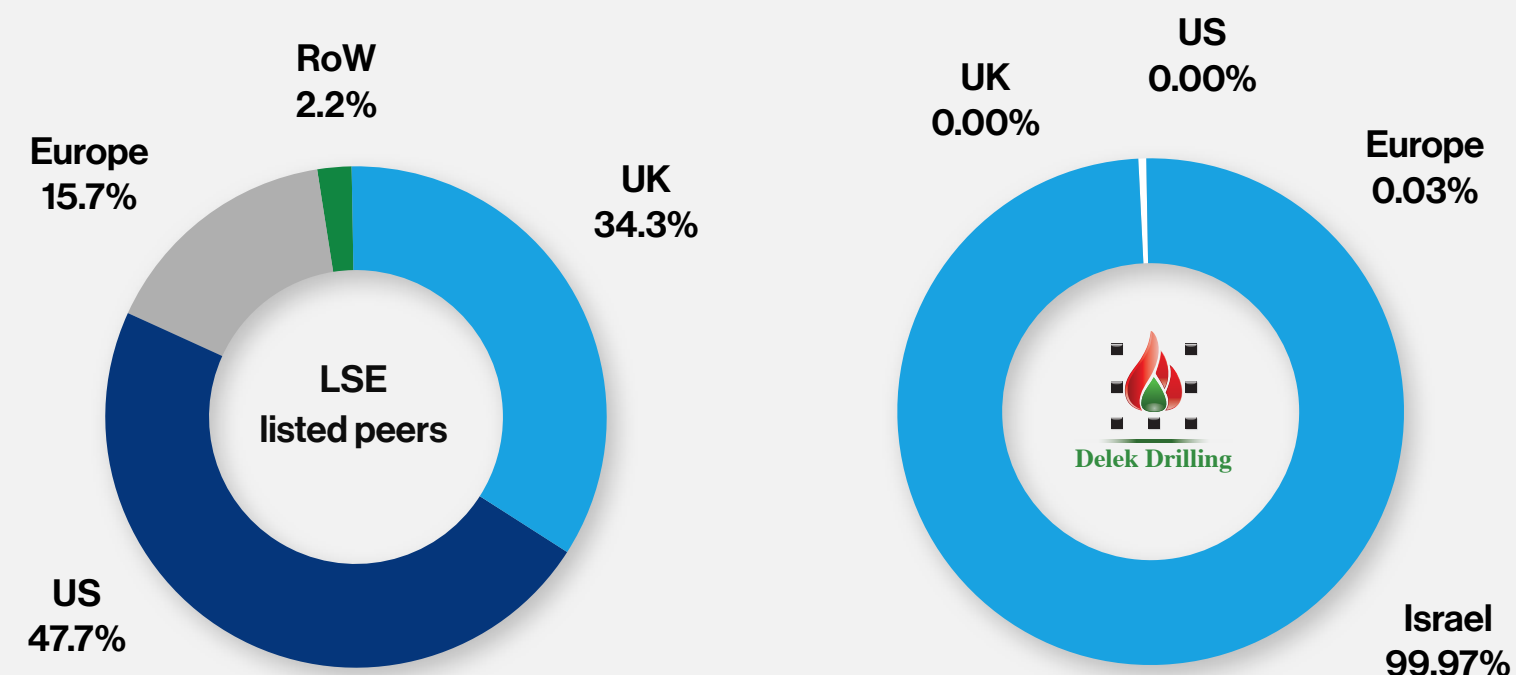
Improved liquidity & access to capital

NewMed Energy's shareholders to obtain access to a higher-volume, deeper-liquidity trading platform

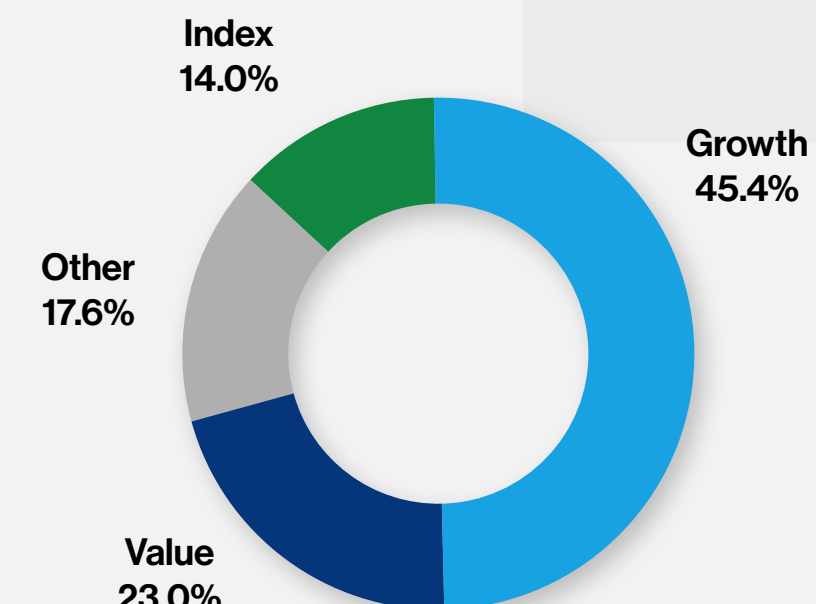
A London listing will enable NewMed Energy to become one of the largest LSE-listed independent E&P companies and fuel the next stage of growth and strategic direction

Diversified Shareholder Base

London listed E&P companies have a more UK/US centric investor base vs. Delek Drilling¹



Growth investors make up the majority of the London listed E&P companies institutional investor base



Ability to tap a broad, international investor pool providing opportunity to diversify NewMed Energy's shareholder base with improved access to international financing sources

Source: FactSet as of 29 April, 2021

¹ London listed E&P companies include Tullow Oil, Kosmos, Energean, Cairn, Seplat, Gulf Keystone and EnQuest & O/S is market cap weighted.
Based on publicly disclosed shareholders

Improved Market Understanding

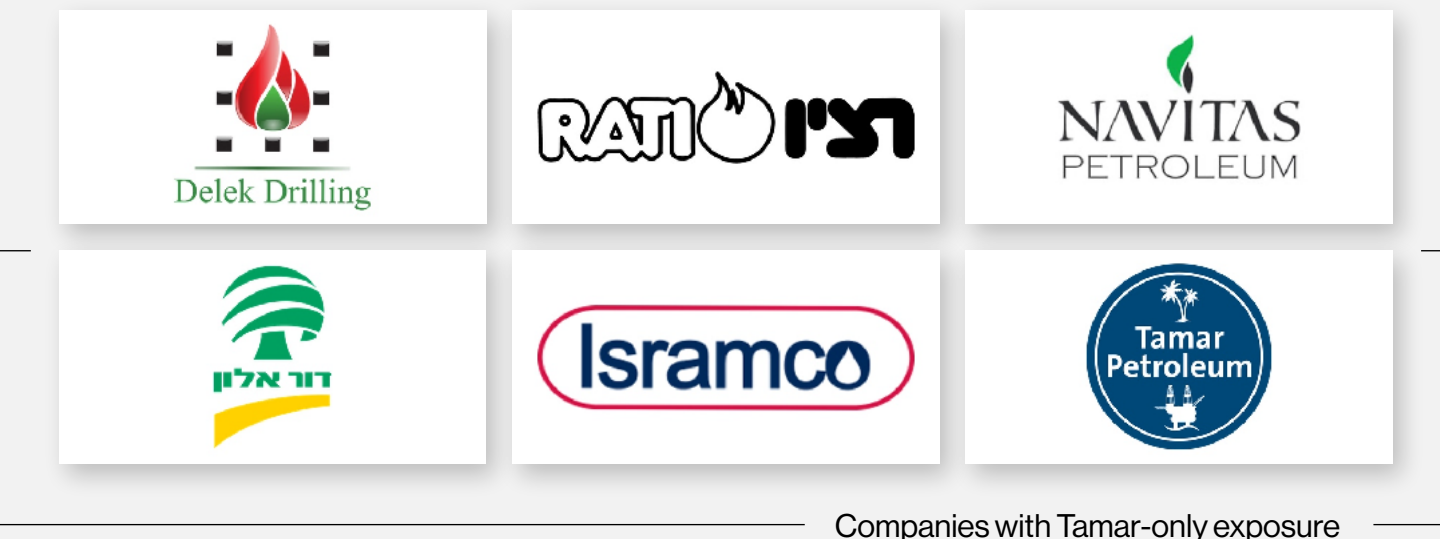


Key Considerations

- Currently overweight with Oil & Gas stocks, majority of them with similar / shared asset base.
- Delek Drilling comprises a notable portion of O&G equity market in Israel
- Existing peers are limited and focused mostly on two assets: Leviathan and Tamar

- “Hub” market in EMEA for Oil & Gas companies
- Offers a broader and more relevant peer group for Delek Drilling
- Market participants have a deeper understanding of the Oil & Gas sector

Select O&G Companies



















LSE represents a more suitable platform for listing a large cap E&P business with more relevant peers for NewMed Energy and deeper understanding of the sector amongst investors

Increased Research Coverage

Listing
Number of
Brokers

Selected Brokers

							
	Premium + TASE	Standard	Standard + US Listing	Premium	Premium	Standard	Premium
In addition to Delek Drilling current broker / bank coverage:	9	12	12	16	5	8	13
<div><div>J.P.Morgan</div><div></div><div></div><div>Jefferies</div><div></div></div>	<div><div>Investec</div><div>PEEL HUNT</div><div>Panmure Gordon</div><div></div><div>ODDO BHF</div><div></div></div>	<div><div>Investec</div><div>CHAPEL HILL DENHAM</div><div>UNITED CAPITAL</div><div>VETIVA</div><div>Renaissance Capital</div><div>AFR INVEST</div><div>CARDINAL STONE</div><div>Tellimer</div></div>	<div><div></div><div>Capital One</div><div>Goldman Sachs</div><div>BERENBERG</div><div>BARCLAYS</div><div>Jefferies</div><div>Renaissance Capital</div><div>RBC Capital Markets</div><div>Investec</div><div>BERNSTEIN</div></div>	<div><div>J.P.Morgan</div><div></div><div>CANACCORD</div><div>BERENBERG</div><div>Investec</div><div>PEEL HUNT</div><div>Jefferies</div><div>STIFEL</div><div>Renaissance Capital</div><div>BARCLAYS</div><div>RBC Capital Markets</div></div>	<div><div>J.P.Morgan</div><div>CANACCORD</div><div>Jefferies</div><div>BARCLAYS</div></div>	<div><div>CANACCORD</div><div>Pareto</div><div>SpareBank 1</div><div>ARDEN PARTNERS</div><div>J.P.Morgan</div><div>Renaissance Capital</div><div>STIFEL</div></div>	<div><div>J.P.Morgan</div><div></div><div>PEEL HUNT</div><div>STIFEL</div><div>BARCLAYS</div><div>RBC Capital Markets</div><div>CANACCORD</div></div>

An LSE listing could potentially allow NewMed Energy to have a significantly improved research coverage and global investor visibility

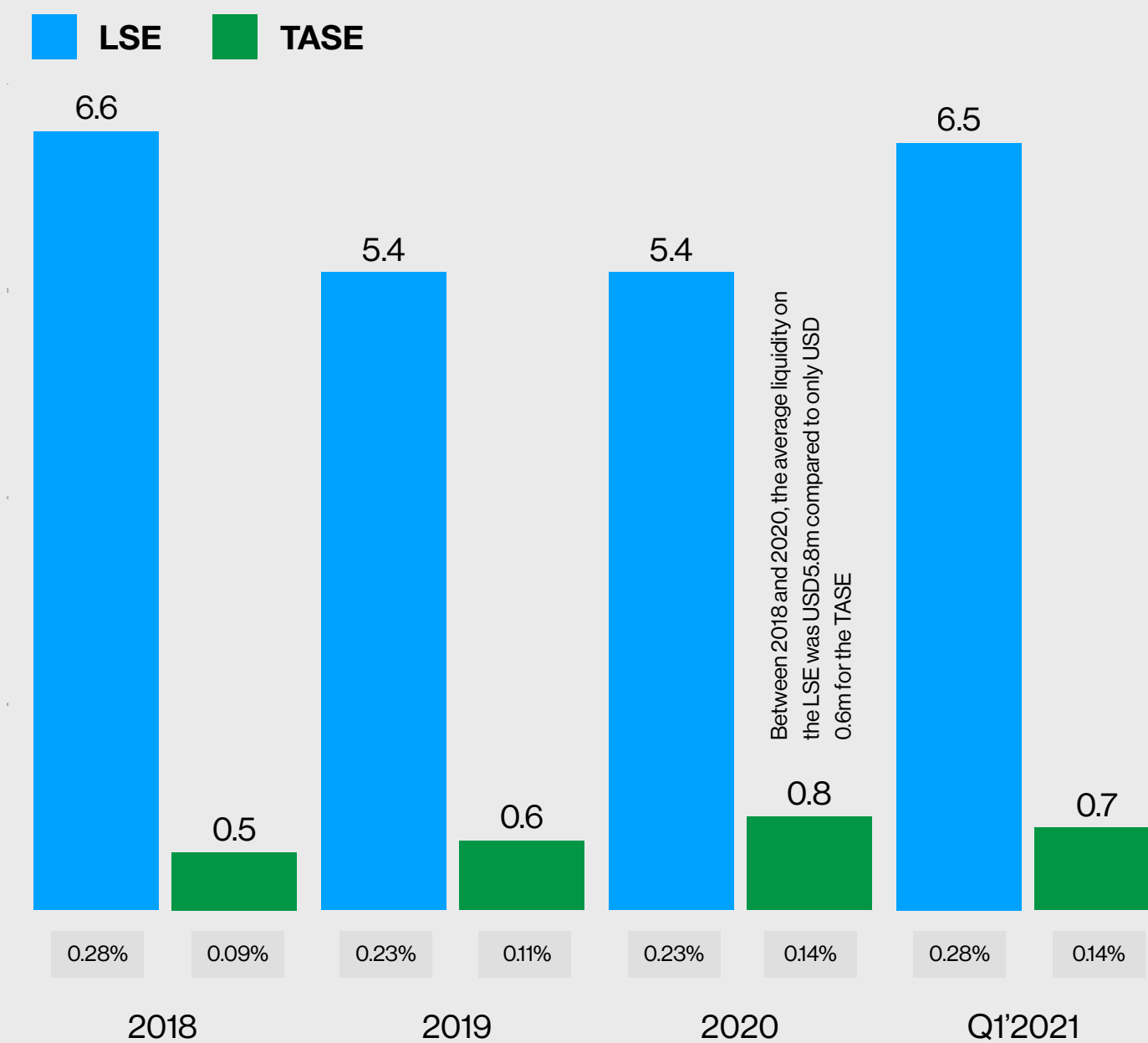
Source: Bloomberg
¹ Avg. of 11 across both Standard and Premium listed E&P peers

Improved Liquidity and Access to Capital

London is the most liquid exchange in Europe and provides the best platform for enhanced trading for international E&P companies

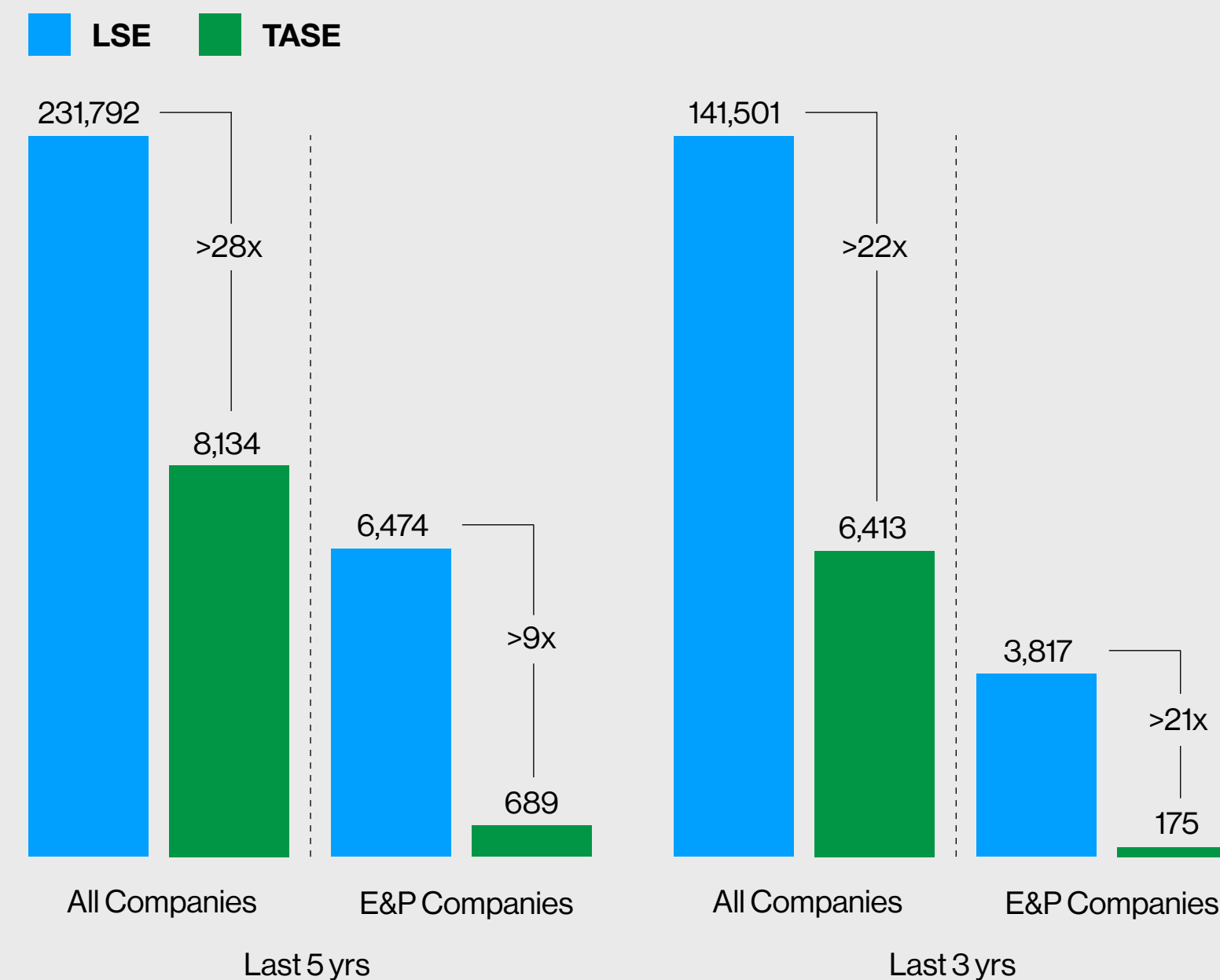
High liquid stock exchange

Trading volume, LSE vs. TASE (all companies), ADTV over time period (\$mm)



Abundant source of capital

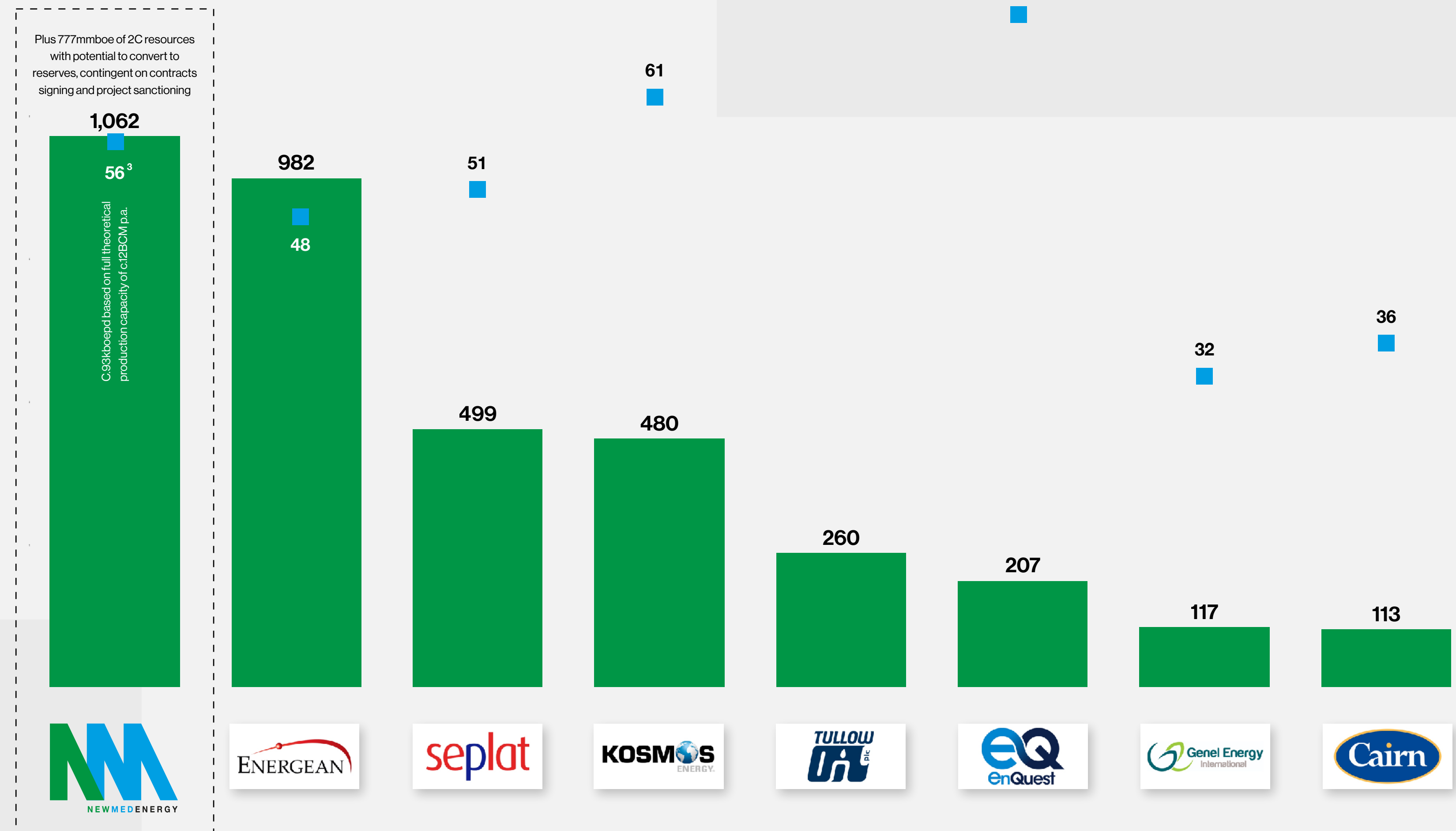
Equity issuances, LSE vs. TASE, over time period (\$mm)



New Med Energy's shareholders could benefit from access to a higher volume, deeper liquidity trading platform



NewMed Energy well positioned compared to its London listed E&P peers



Source: Company information

¹ Pro-forma for the sale of UK North Sea assets and purchase of Shell Egypt assets; ² Leviathan only and excludes 187mmboe of 2C resources from Aphrodite; ³ Comprised fully of Leviathan's 45.34% working interest production of c.3.3BCM



Introduction to **NewMed** **Energy**

Differentiated Proposition

Geography

High Quality investment opportunity of scale in the East Med

100%

O&G assets located in OECD or EU countries

Scale

Largest E&P player amongst London-listed peers by reserves, with 100% gas focus

5.9 TCF

Net 2P reserves¹

11.3 TCF

Net 2P + 2C resources¹

c.31 years

reserve life^{1,2}

3.3 BCM

2020A net production⁵

Growth

Capacity expansion plans and new projects to address increasing regional gas demand

8 BCM p.a.

regional gas deficit³ by 2025



Leviathan capacity expansion

Aphrodite project



NEWMEDENERGY

Cash flows

Strong, contracted, downside-protected cash flows supporting attractive future shareholders returns

\$2.6bn

2021-25E cumulative unlevered free cash flow⁴

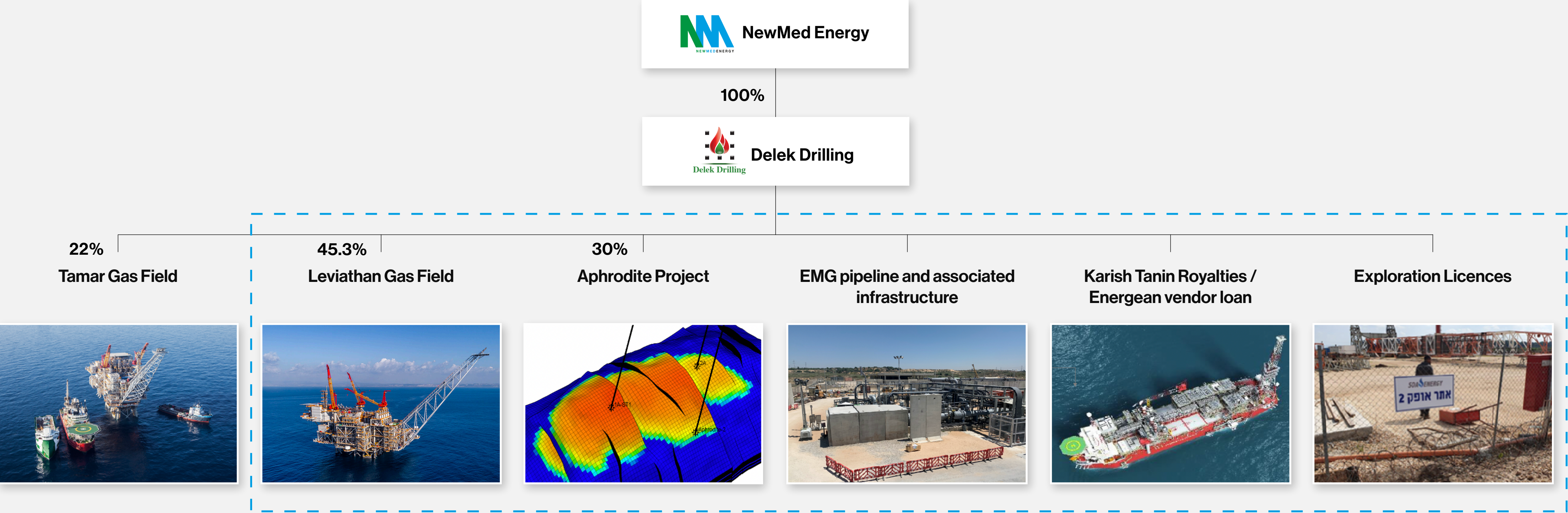
Unique portfolio characteristics making NewMed Energy stand out compared to London listed E&P companies

Source: Partnership information

Note: London E&P peers include Tullow Oil, Cairn Energy, Energean, Kosmos Energy, Genel Energy, Seplat, EnQuest. NewMed Energy figures are ex-Tamar.

¹ Gas reserves and resources as of December 2020; ² Reserve life: Net remaining 2P reserves / Annual production capacity; ³ Israel demand from BDO; Jordanian demand from Wood Mackenzie; Egyptian demand from Wood Mackenzie and includes demand from LNG feed; Supply figures for Egypt include onstream, under-development and contingent resources from Wood Mackenzie; Supply figures for Jordan from Wood Mackenzie; Supply figures for Israel from NewMed Energy estimates; ⁴ According to Leviathan NSAI report as of December 2020; ⁵ Comprised fully of Leviathan's 45.34% working interest

Overview of NewMed Energy's Asset Perimeter



NewMed Energy Perimeter

**NewMed Energy will contain all Delek Drilling assets and licences except Tamar Gas Field¹.
Tamar will be owned by NME at IPO, but is in the process of being sold (with sale likely to be completed post-IPO).**

Source: Partnership information, TASE
¹ Dalit gas field, the depleted Yam Tethys Gas field and related facilities, assets and liabilities will also be excluded from NewMed Energy's perimeter

Commitment to a long term ESG strategy



As a key regional player of natural gas resource development and decarbonisation, NewMed Energy has adopted a long-term, ambitious strategy that promotes the values of sustainability as part of its business activities

NewMed Energy is close to finalizing a long-term work program in the areas of Environment, Social and Corporate governance, which incorporates clear and transparent goals based on the UN Sustainable Development Goals

NewMed Energy's Board of Directors will nominate a senior officer to implement the work program and promote ESG practices in the company's activities, as well as designate the Audit Committee to oversee the work plan and monitor its progression

NewMed Energy will publish annual corporate responsibility reports, detailing ESG aspects of its business in accordance with the global standards of the GRI organization

Our Goals

Today

- Finalize Code of Business Conduct
- Finalize long-term ESG work program

This year

- Launch Sustainability Roadmap
- Operate in line with UN Sustainable Development Goals

Future

- Issue annual sustainability reports, depicting NewMed Energy's vision and progress in ESG matters

Corporate governance & Overview of Board of Directors

Regulatory framework

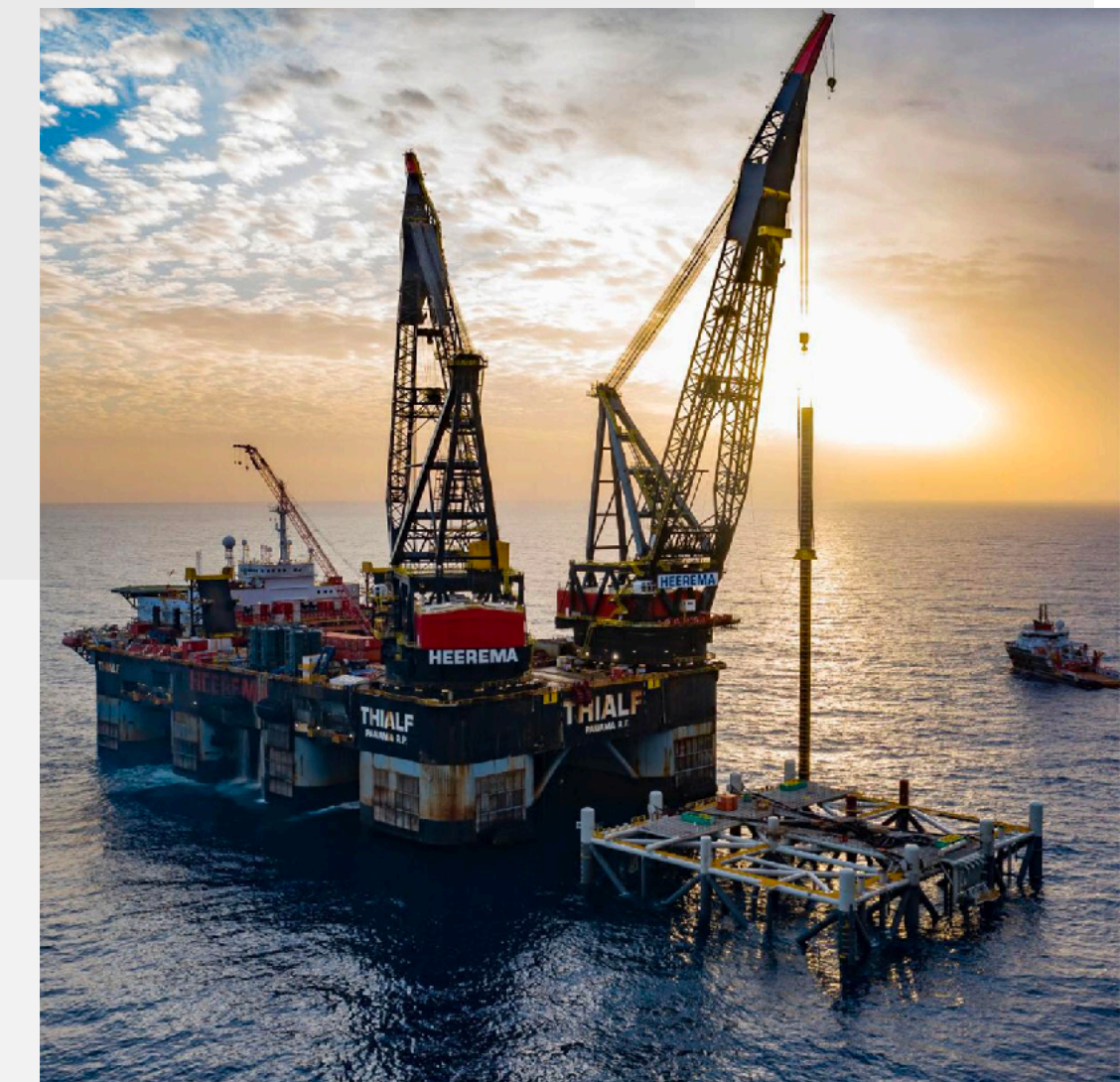
- Full compliance with LSE and TASE requirements

Management succession plan

- Delek Drilling team to migrate to NewMed Energy

Share dealing code

- Adoption of a code of securities dealings in relation to its shares, based on the requirements of the Market Abuse Regulation
- The code adopted will apply to the Directors and other relevant employees of the NewMed Energy



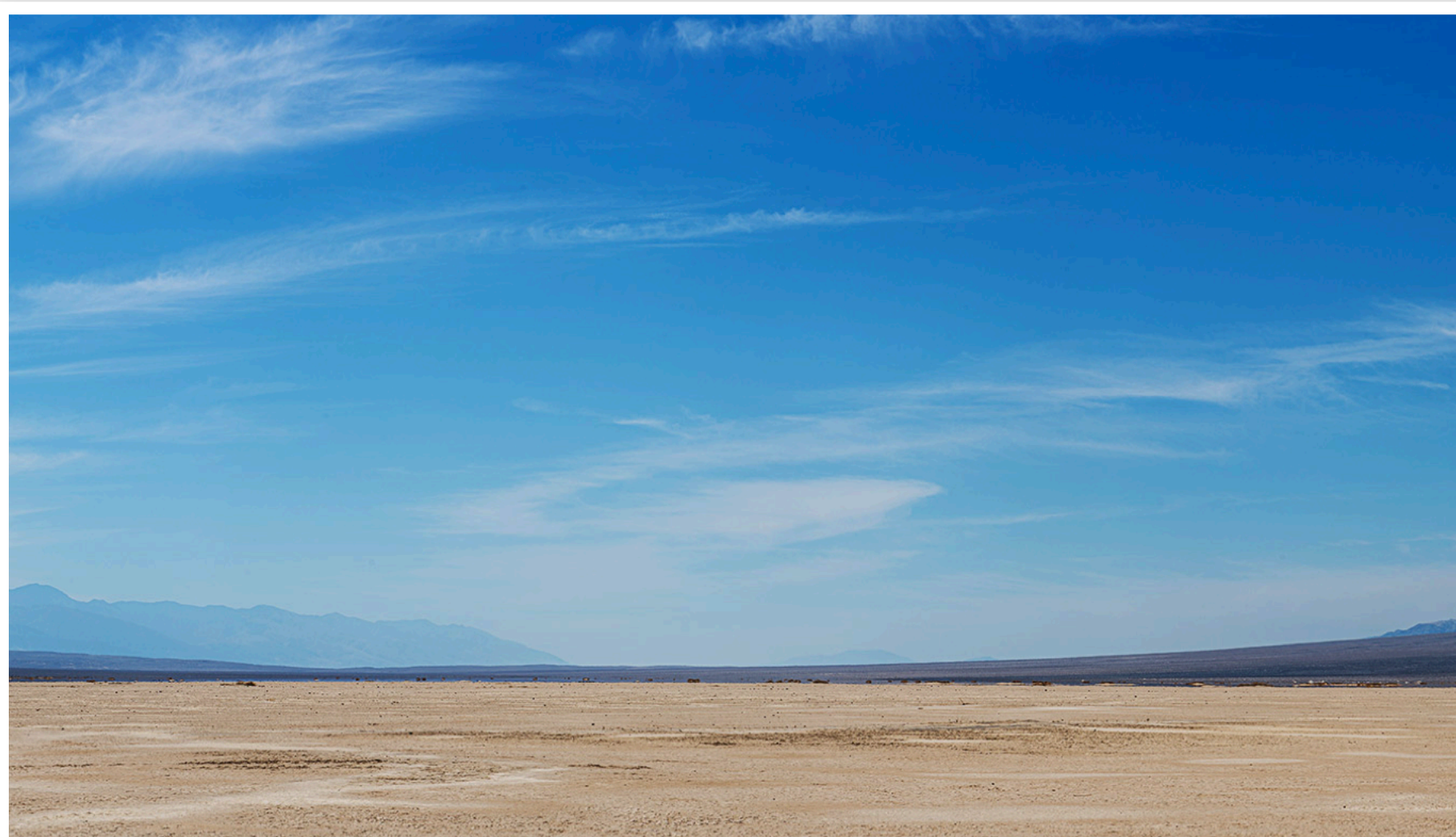
Board and Committees overview

Board composition

- NewMed Energy's Board will be comprised of 9 Directors:
 - Independent Chairman
 - CEO
 - CFO
 - Two representatives of Delek Group
 - Four independent/non-executive Directors

Board committees

- Board committees to be established in accordance with UK and Israeli regulations, including:
 - Audit & Risk committee
 - Remuneration & Nomination committee
 - Financial Reports committee
 - ESG Committee
 - Any additional committee the Board will deem appropriate



Key Benefits & Rational

Differentiated Proposition

Unique portfolio characteristics making NewMed Energy stand out compared to London listed E&P peers

Improved Market Understanding

Listing on the LSE allows access to a broad base E&P market with more relevant peers and deeper understanding by investors of the sector

Increased coverage

Potentially increased research coverage and global visibility

Diversify unit holders base

LSE has a wider international investor pool, giving opportunity to diversify shareholder base and providing greater access to capital required to support future growth

Enhanced liquidity

London is the most liquid exchange in Europe and provides the best platform for enhanced trading for international E&P companies



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