



Image alt: RATIO ENERGIES - LIMITED PARTNERSHIP

RATIO ENERGIES - LIMITED PARTNERSHIP

("the Partnership")

20.8.2025

To:

Israel Securities Authority
22 Kanfei Nesharim St.
Jerusalem

Tel Aviv Stock Exchange Ltd.
2 Ahuzat Bayit St.
Tel Aviv

Subject: Profit Distribution

The Partnership is honored to announce that on August 19, 2025, the board of directors of Ratio Energies General Partner Ltd., the general partner in the Partnership (hereinafter: "the Board"), decided on an (interim) profit distribution in a total amount of 40 million US dollars.

The aforementioned distribution amount is in addition to the sum of 50 million US dollars that was approved for distribution by the Board on June 30, 2025, as an (interim) profit distribution.

The record date for the distribution is August 28, 2025, and the distribution date will be September 15, 2025.

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Below are details regarding the examination conducted by the Board in connection with the decision to distribute profits as stated:

The Board examined the Partnership's compliance with the profit test and the solvency test as set forth in Section 302(a) of the Companies Law, 1999, and following this examination, the Board approved the Partnership's compliance with these tests in relation to the said profit distribution.

1. Regarding compliance with the profit test, according to the Partnership's financial statements as of June 30, 2025, the Board approved the said profit distribution based on the Partnership's retained earnings as of June 30, 2025, which exceeds the amount of the distribution as stated. It should be noted that the said profit distribution does not constitute all of the Partnership's distributable profits according to law, in accordance with Section 12 of the Partnership Agreement. The Board will conduct a further examination of the possibility of profit distribution based on the Partnership's annual financial statements for 2025.

2. Regarding compliance with the solvency test, the Board approved the said profit distribution after examining and considering the following matters:

- Data regarding the Partnership's financial position, including data on the Partnership's liquid balances
- The Partnership's existing obligations, including their maturity dates
- The Partnership's expected future cash flows
- Assumptions regarding the Partnership's expected future sources and uses, including available financing sources and possible financing sources, including a credit facility available to the Partnership and the possibility of additional debt raising if required
- Tax payments and oil profit levies
- Execution of future investments that have been approved

Sensitivity analyses were presented to the Board, taking into account various scenarios. After reviewing the above, the Board approved that the Partnership meets the solvency test in relation to the said profit distribution, i.e., there is no reasonable concern that the distribution will prevent



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the Partnership from meeting its existing and expected liabilities as they become due. The Board also confirmed that the distribution does not contradict financial covenants and restrictions applicable to the Partnership and that the Partnership's condition, including its

liquidity position combined with its existing and expected resources, sufficiently ensures its financial needs and its ability to meet its work plans.

3. In the Board's assessment, the said profit distribution is not expected to materially adversely affect the Partnership's financial condition, including its capital structure, leverage level, liquidity status, or its ability to continue operating in its current and expected business format.

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Warning regarding forward-looking information - The assessments mentioned in paragraphs 2 and 3 above constitute forward-looking information, as defined in the Securities Law, 1968, based on the analysis of the data detailed in paragraph 2 above conducted by the Board. These assessments are based on information known to the Board at the time of the decision and may not materialize, in whole or in part, or may materialize in a manner materially different from what was anticipated, among other things, due to changes in the geopolitical situation, market conditions, inflation rate, changes in the timetable for development and production activities, exchange rates, the Partnership's sales pace, political and security changes, and regulatory changes that may affect the Partnership's activities.

Since the 2022 tax year, there has been a change in the tax regime applicable to the Partnership, so that it is taxed as a company, and accordingly, any profit distribution from the Partnership is subject to withholding tax as if the distribution were a dividend on shares.

The reporting form to which this report is attached is adapted for a company's dividend distribution and not for a partnership's profit distribution.

Accordingly, wherever the term "dividend" appears in the reporting form, it refers to "profit distribution," and wherever the term "company" appears, it refers to "partnership." Also, the security of the entity to which the profit distribution is made is a participating unit and not a share.

Sincerely,

Ratio Energies General Partner Ltd.

The General Partner in RATIO ENERGIES - LIMITED PARTNERSHIP

By Ligad Rotlevy, Chairman