

RATIO ENERGIES

LIMITED PARTNERSHIP

INVESTORS PRESENTATION
APRIL 2022





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The Partnership does not undertake to update and/or change any data included in the presentation and/or forecasts and/or estimates to reflect events and/or circumstances occurring after the date of preparation of this presentation.

RATIO ENERGIES AT A GLANCE

An experienced E&P player with strong entrepreneurial qualities, and part of Ratio group

PROSPECT GENERATOR of the largest natural gas field in the Med-Sea

15% WI in **LEVIATHAN FIELD**

Natural Gas

631

BCM_{(GROSS)¹}

NGL (Condensate)

49

MMBBL_{(GROSS)¹}

Production Capacity

1.2

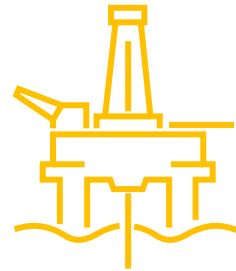
BCF/d

4 wells

Carbon Intensity

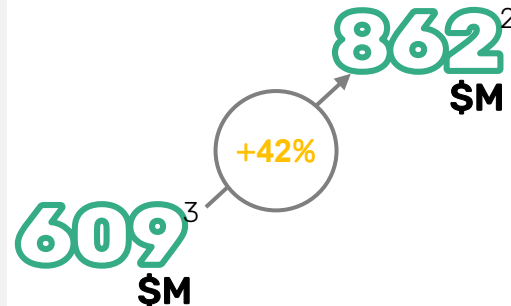
2

Kg/bbl



30 YEARS

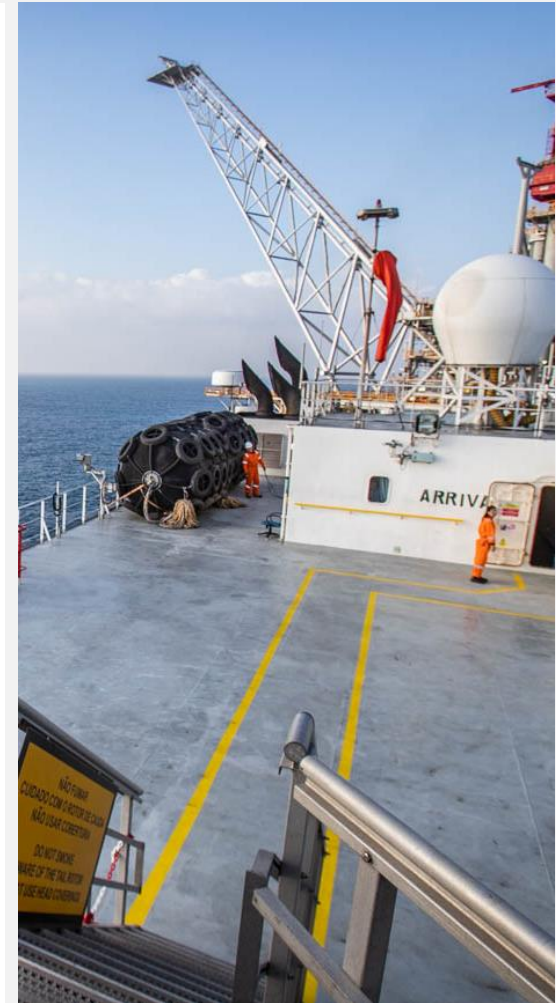
of activity



Main Indexes

TA-90
TA-125
TA-Oil & Gas

	FY 2021	FY 2020	% Change
Revenues	\$293M	\$195M	+50%
EBITDA	\$199M	\$131M	+52%

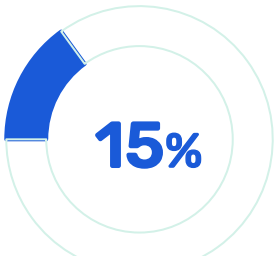


1. As per the Partnership's immediate report dated February 20, 2022, based on NSAI's 2P+2C as of 31.12.2021; Not including Prospective Reserves in deep Leviathan prospects.
 2. As of December 31, 2021
 3. As of April 20, 2022

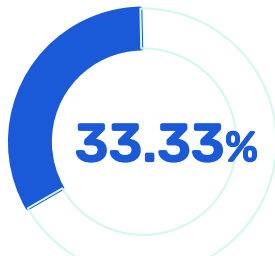
OUR ASSETS



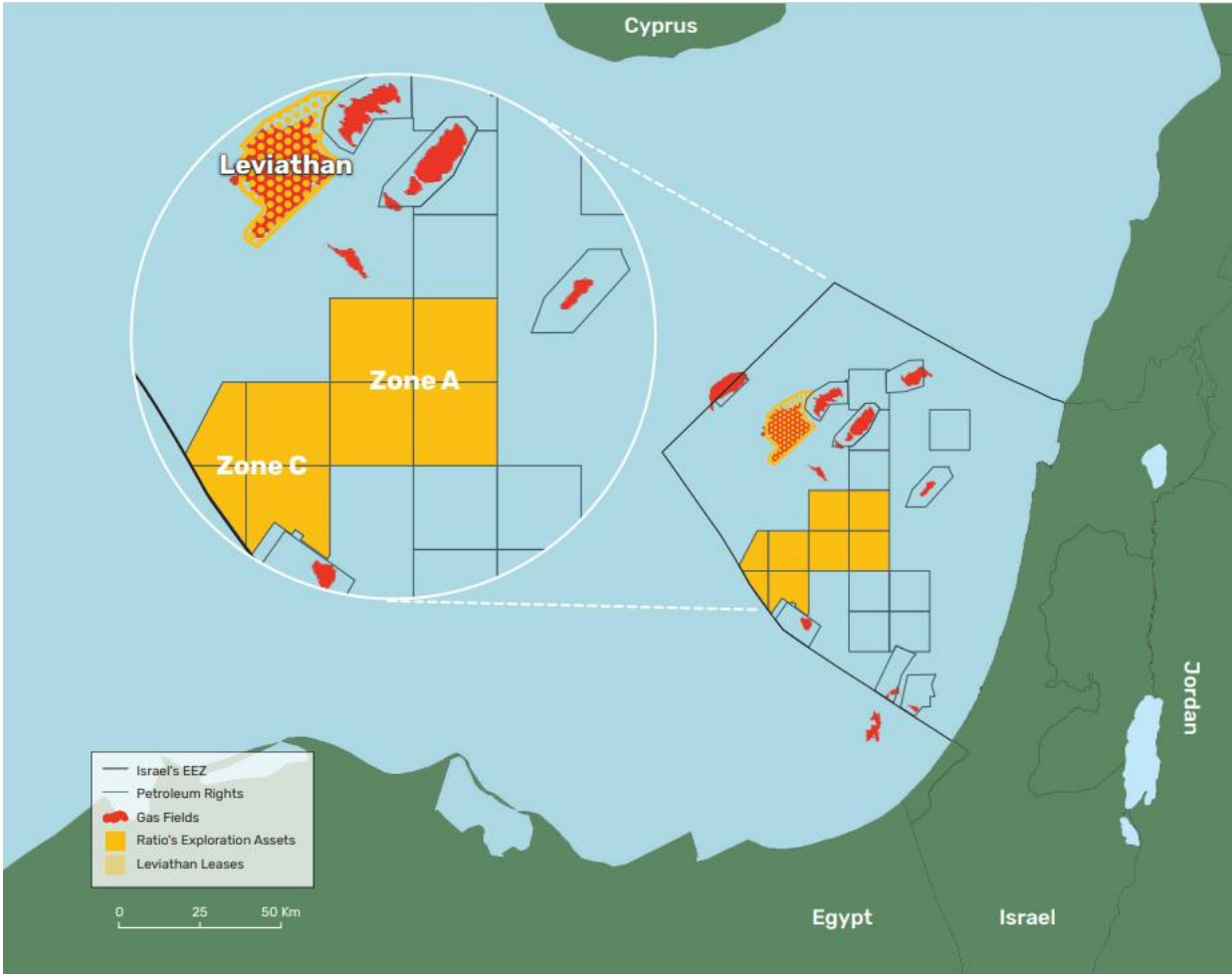
Our Assets



Leviathan Leases



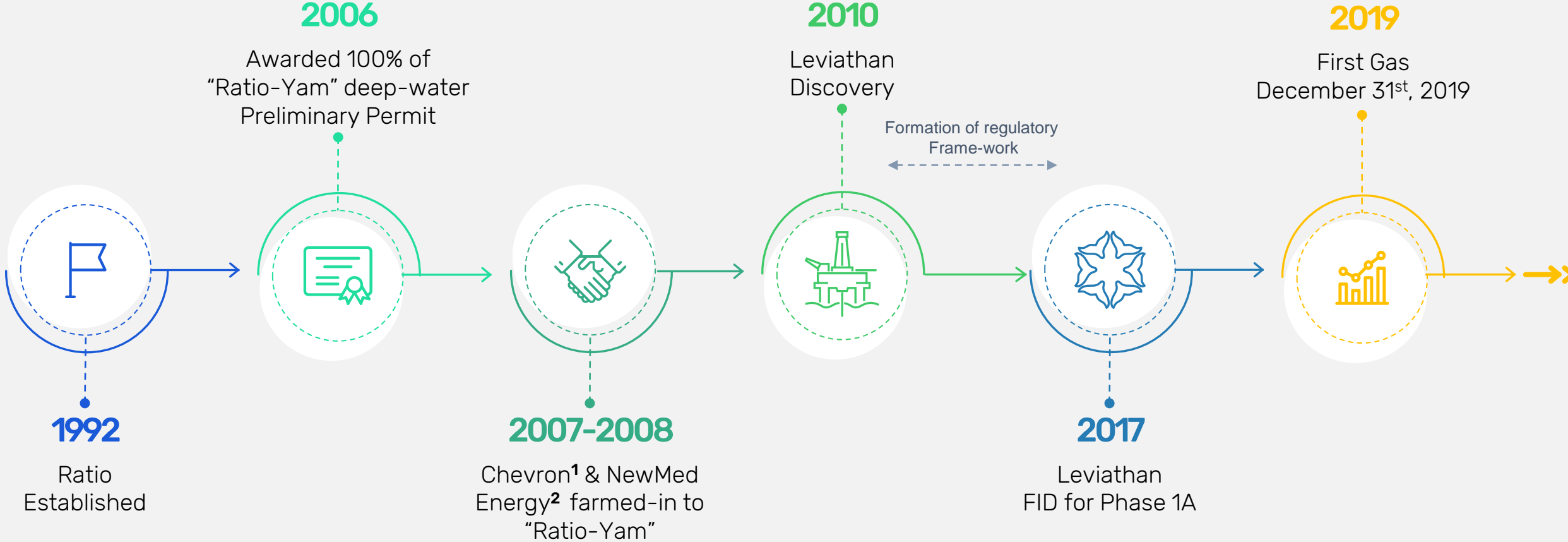
Zones A&C



Our Partners



KEY MILESTONES



1. Noble Mediterranean Ltd., Leviathan's operator, changed its name to Chevron Mediterranean post merger between Chevron Corporation and Noble Energy Ltd. In October 2020
2. On February 22, 2022, Delek Drilling LP changed its name to NewMed Energy

Optimizing Leviathan's Phase 1A sales and continuing to promote future expansion to boost gas volume production



Positioning Ratio as a leading regional energy player with a strong focus on Natural gas and Renewable Energy



Strategy & Business Objectives



Robust and steady cash flow enabling debt service and additional investments along with profit distribution



Strong commitment to Environment, Social & Governance along with our business development activities



NATURAL GAS WILL CONTINUE TO BE A GLOBAL PRIMARY ENERGY SOURCE IN THE COMING DECADES



Energy Transition

Natural gas will play a key role supporting global efforts to reduce GHG emissions



Economic recovery from COVID-19

Led to a sharp growth in energy demand



Global Energy Crisis

Energy supply did not meet rising demand



Green Energy

The EU proposed to classify Natural gas as green energy



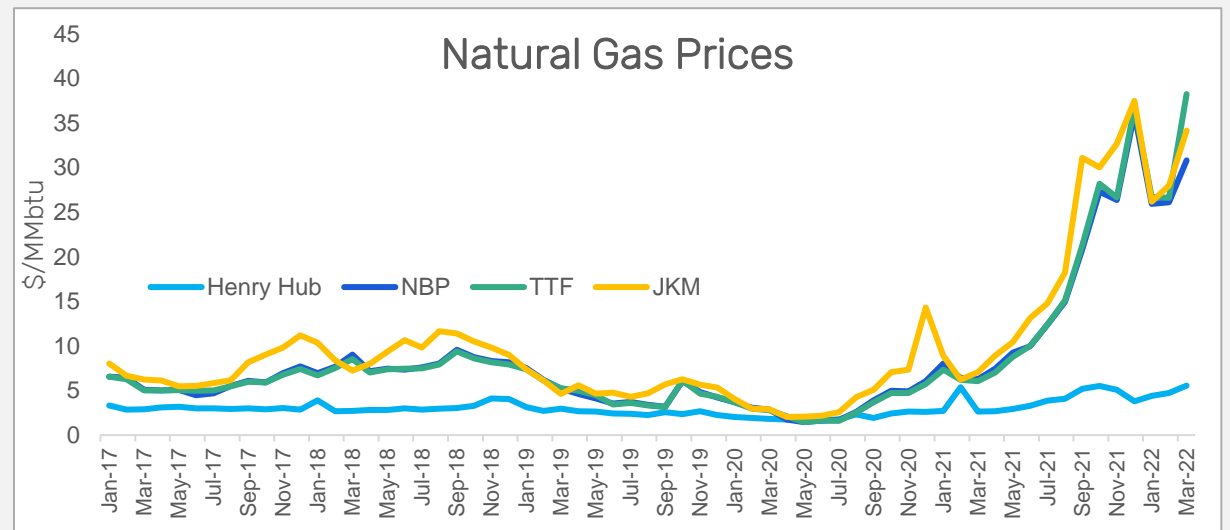
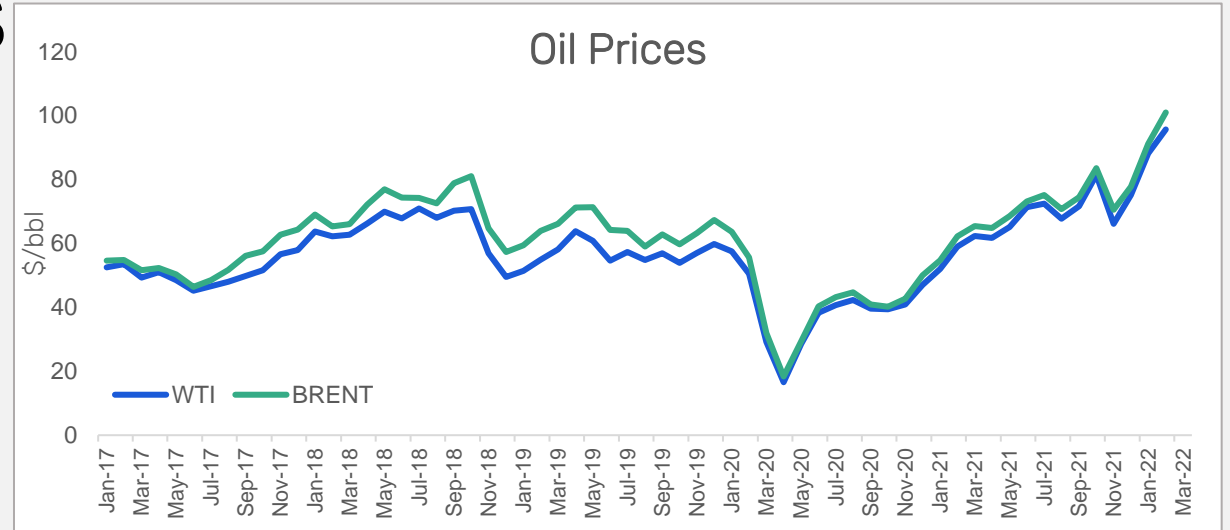
Russia-Ukraine Crisis

Deepened the energy crisis; Expectation for a structural change in EU energy demand



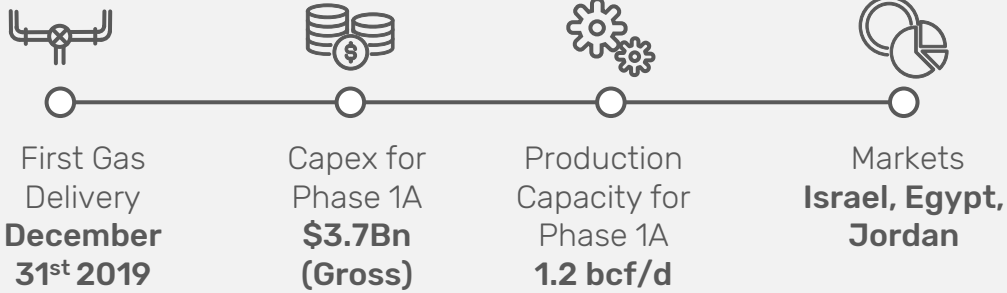
Energy Security for Israel

Reliable supply and stable prices amid a global energy crisis

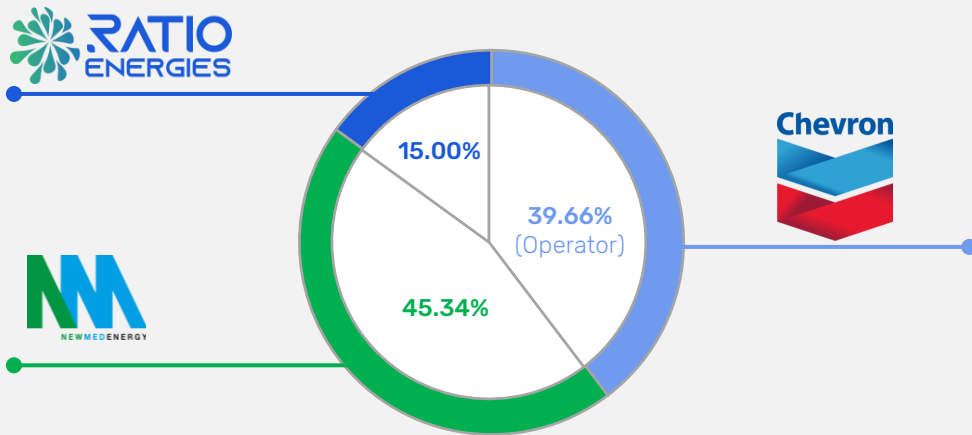


LEVIATHAN PROJECT

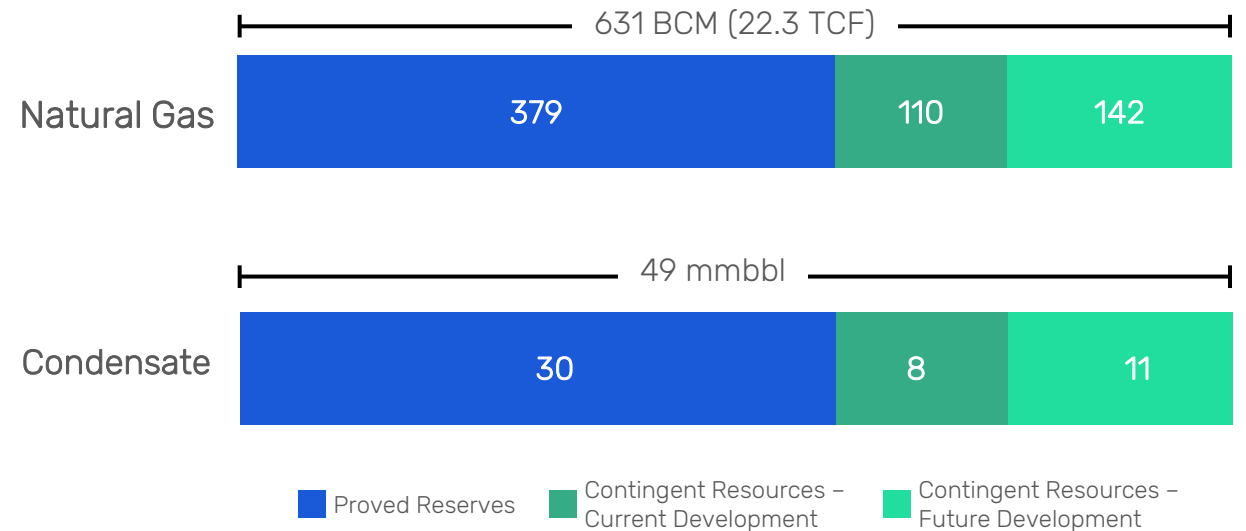
A regional energy anchor with extensive strategic significance



Ownership Structure

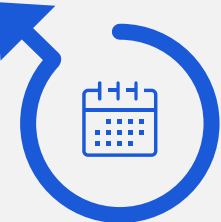


Gross Reserves & Resources¹

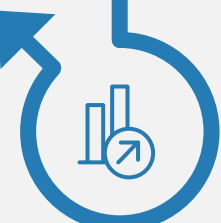


¹ As per the Partnership's immediate report dated February 20, 2022, based on NSAI's 2P+2C as of 31.12.2021; Not including Prospective Reserves in deep Leviathan prospects.

LEVIATHAN EXPANTION ALTERNATIVES



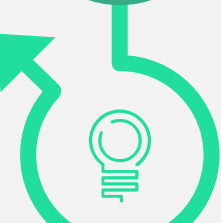
Several development alternatives being considered; concept selection expected during 2022



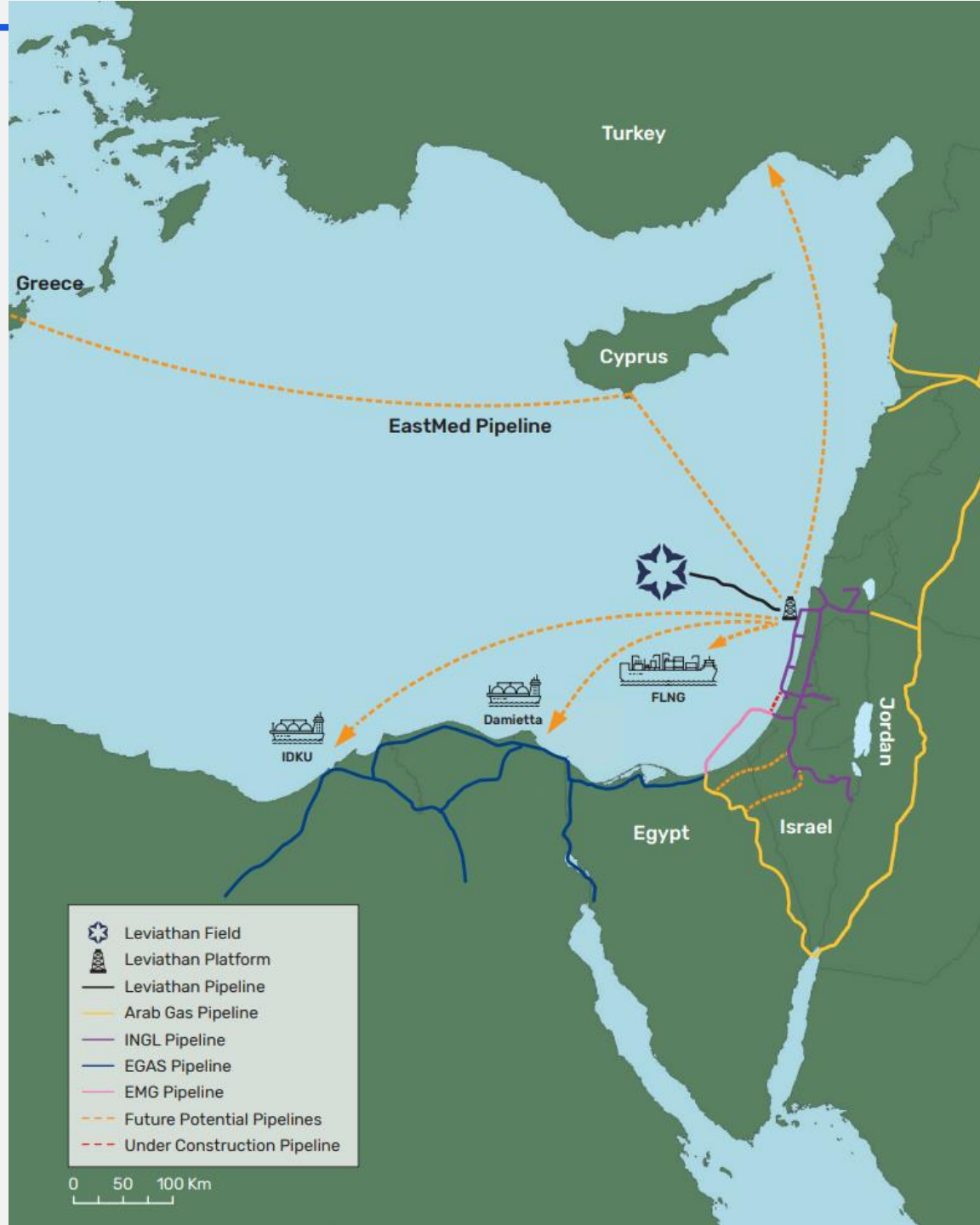
Approved development plan to increase annual production capacity to ~ 21 BCM/A



Phase 1B will increase Leviathan's exposure to the global LNG market



Additional long-term potential expansion phases



- Leviathan Field
- Leviathan Platform
- Leviathan Pipeline
- Arab Gas Pipeline
- INGL Pipeline
- EGAS Pipeline
- EMG Pipeline
- Future Potential Pipelines
- Under Construction Pipeline

0 50 100 Km

Diverse Export Infrastructure Alternatives



Offshore pipeline to LNG facility in Egypt



FLNG



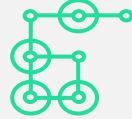
EastMed Pipeline

LEVIATHAN'S MARKETING STRATEGY

Proven long-term regional and global strategy



Strategically located in the East Med, well positioned to take advantage of increasing regional & global natural gas demand



Utilizing current infrastructure, while evaluating new infrastructure developments for export aiming to maximize regional and global sales opportunities



Signed GSPAs with a balance of Firm (long-term), Spot and Interruptible contracts



Material GSPAs include Take or Pay commitments and floor price protection



Ongoing negotiations with additional potential consumers, focusing on export markets

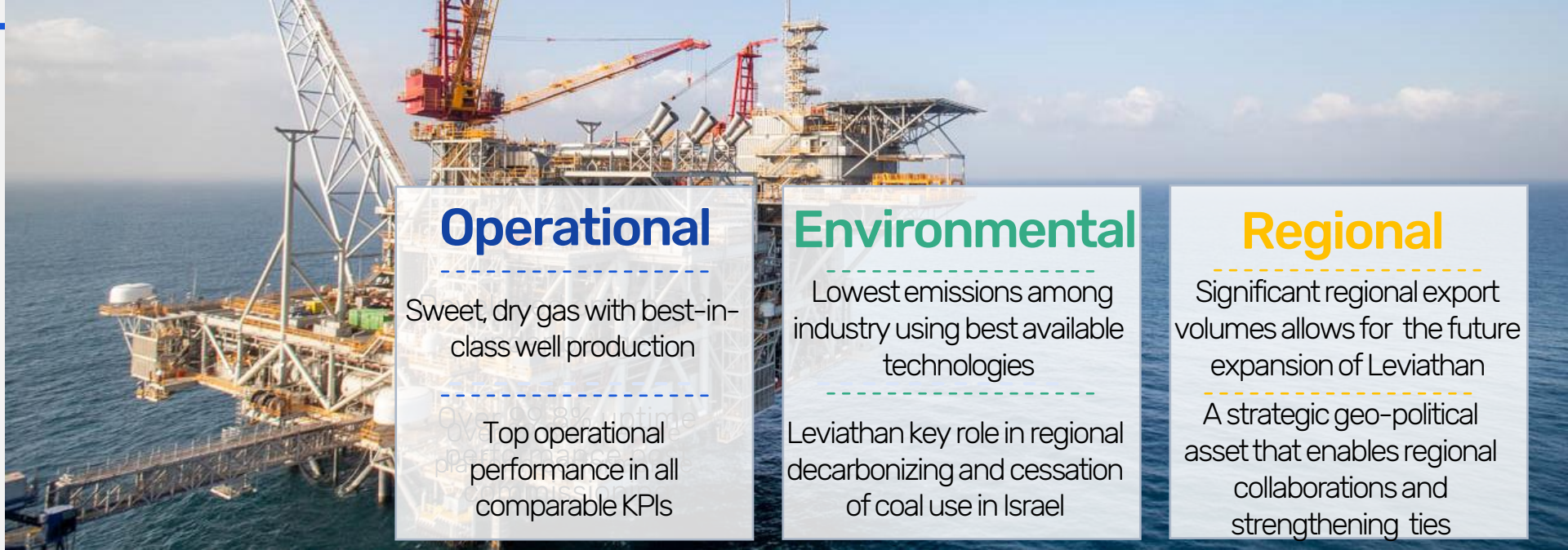
DIVERSIFIED CUSTOMER PORTFOLIO



Firm GSPAs to date amount to total quantity of c. 150 BCM

LEVIATHAN HIGHLIGHTS

World class asset, top quality reservoir



Operational

Sweet, dry gas with best-in-class well production

Top operational performance in all comparable KPIs

Environmental

Lowest emissions among industry using best available technologies

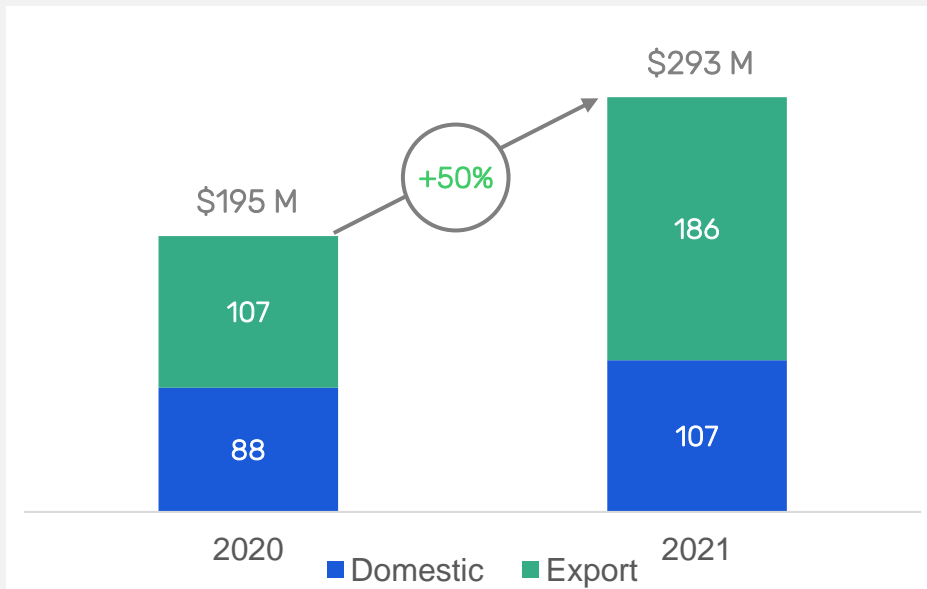
Leviathan key role in regional decarbonizing and cessation of coal use in Israel

Regional

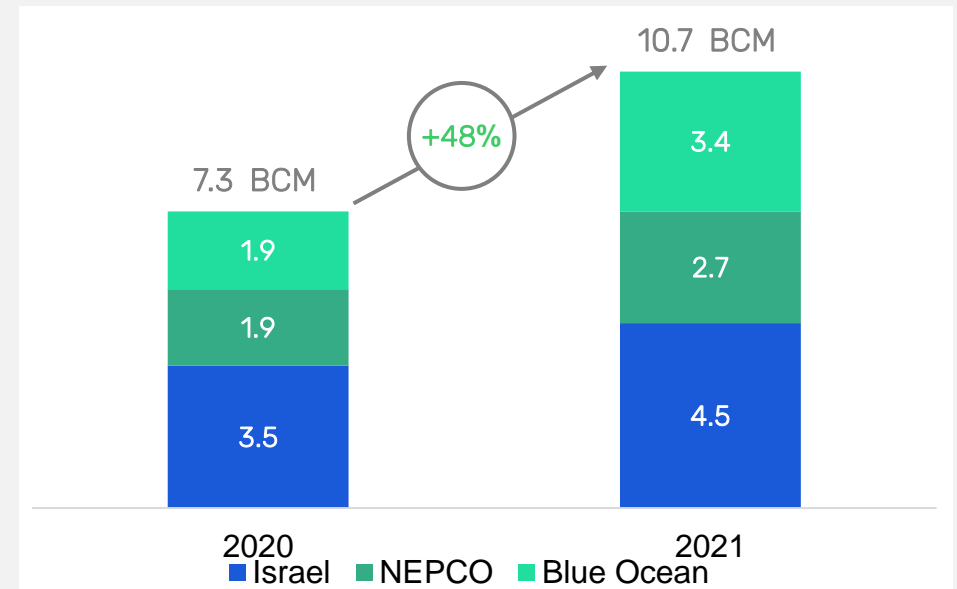
Significant regional export volumes allows for the future expansion of Leviathan

A strategic geo-political asset that enables regional collaborations and strengthening ties

50% increase in revenue YoY



Robust demand for NG in all markets



EXPORT MARKETS - EGYPT

Forecasting significant shortage of NG for both domestic and export markets



Blue Ocean¹ GSPA

TCQ of **60 BCM** over 15 years²

Linkage to the **Brent Price**

Take or Pay and **Floor price**



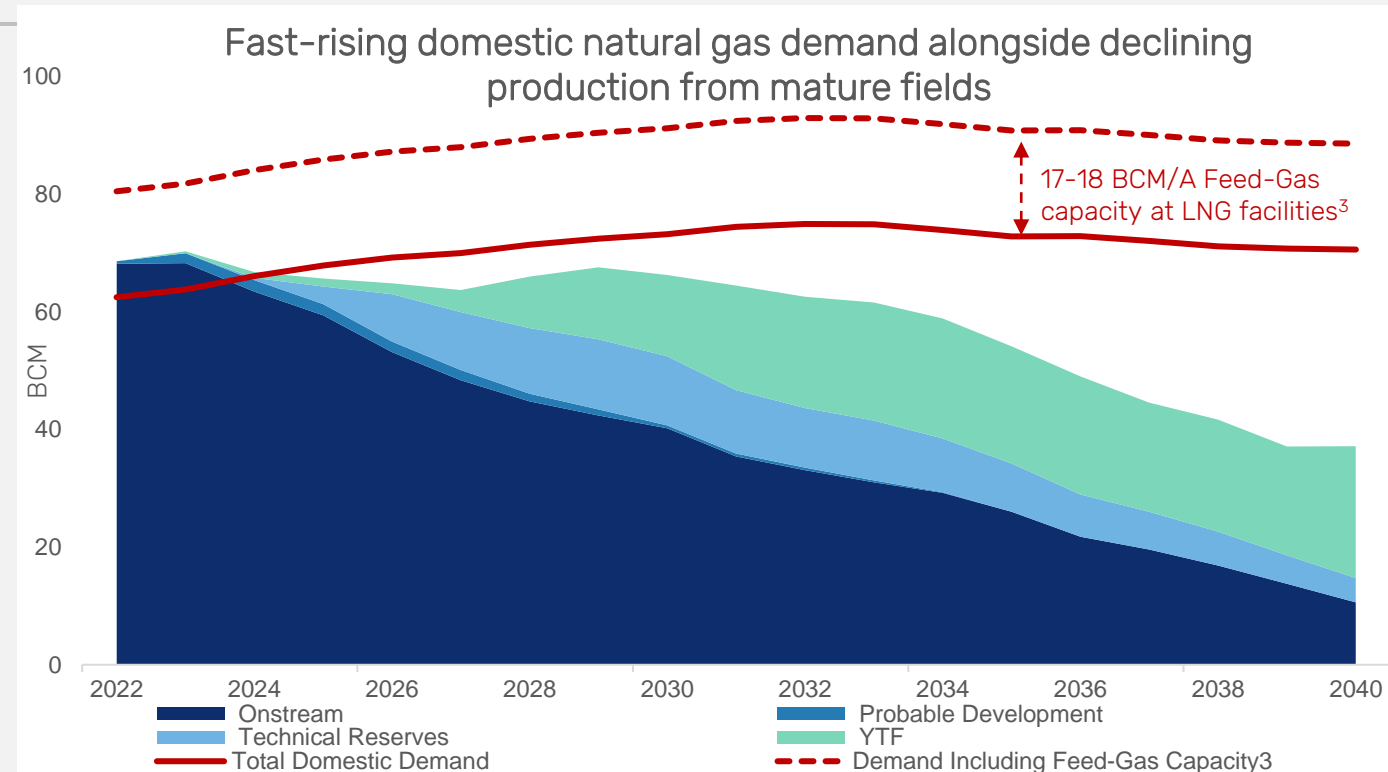
Egypt is a mature natural gas market expected to become a regional hub



Significant additional natural gas supply is required to meet increasing domestic (Egypt) demand and maintain utilization of two LNG facilities²



Natural gas is the primary fuel, and accounts for ~83% of total electricity generation



Source :Wood-Mackenzie, Middle East and East-Med 2021 gas outlook to 2050

The foregoing graph was obtained from the Global Gas Service™, a product of Wood Mackenzie.

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1. In June 2020, the Dolphinus Export Agreement was novated to Blue Ocean Energy (a Cayman Islands company and an affiliate of Dolphinus)
2. Gas supply to Egypt commenced in January 2020, agreement period is 2020 through 2034
3. Total liquification capacity of c.12 MMTP/A at ELNG (Idku) & SEGAS LNG (Damietta) LNG Facilities; Source: www.shell.com & www.eni.com

EXPORT MARKETS - JORDAN

Firm demand for Leviathan gas



NEPCO GSPA

TCQ of **45 BCM** over 15 years¹

Linkage to the **Brent Price**

Take or Pay and **Floor price**



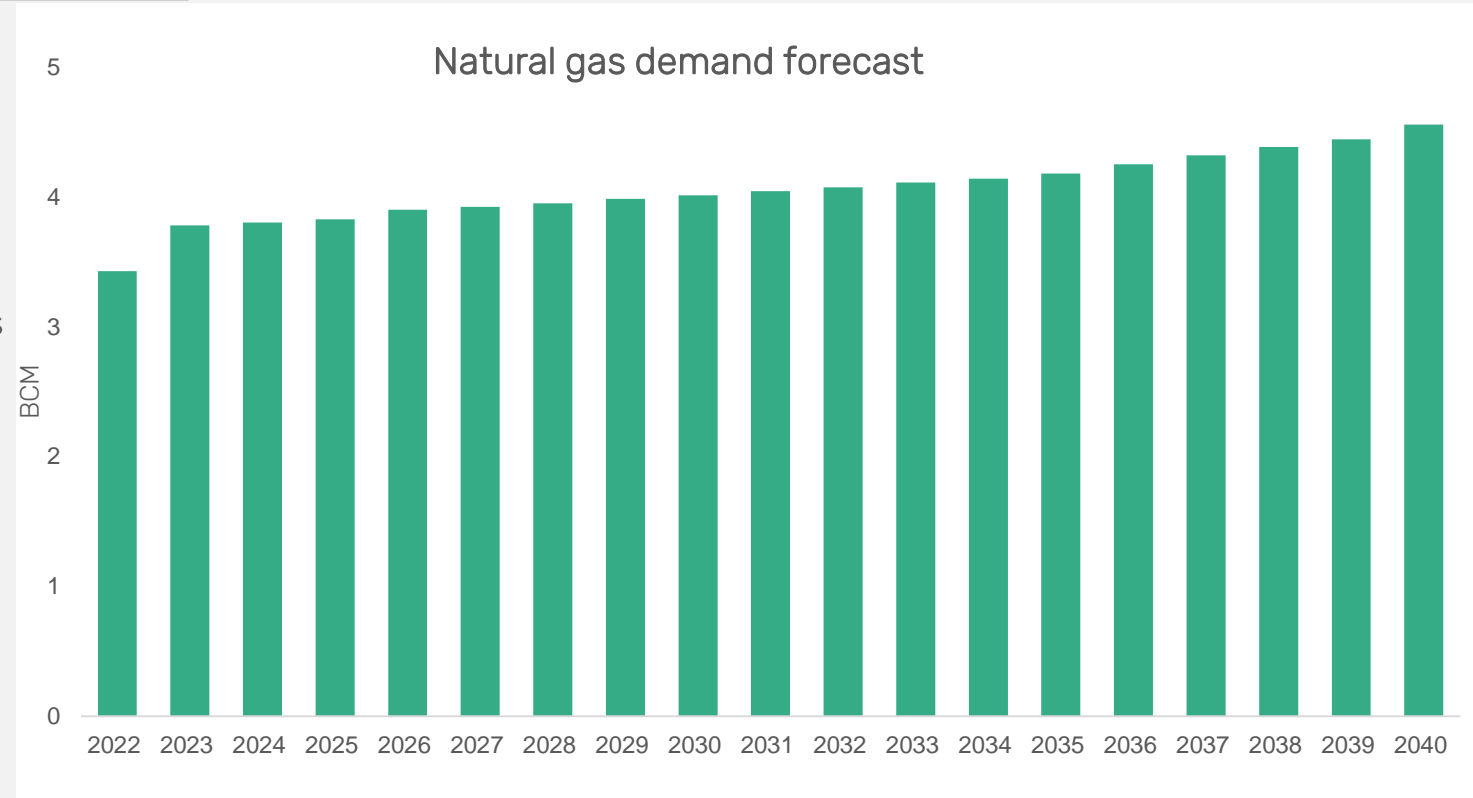
Jordan has limited local energy sources and relies on imports for ~ 97% of its natural gas requirements



Natural gas accounts for ~80% of the fuel used for power generation in Jordan



Availability of natural gas supply is expected to encourage transition from other fuels (coal/oil) in the industrial sector, and enables construction and hookup of regional electricity infrastructure



Source: Wood-Mackenzie, Middle East and East-Med 2021 gas outlook to 2050

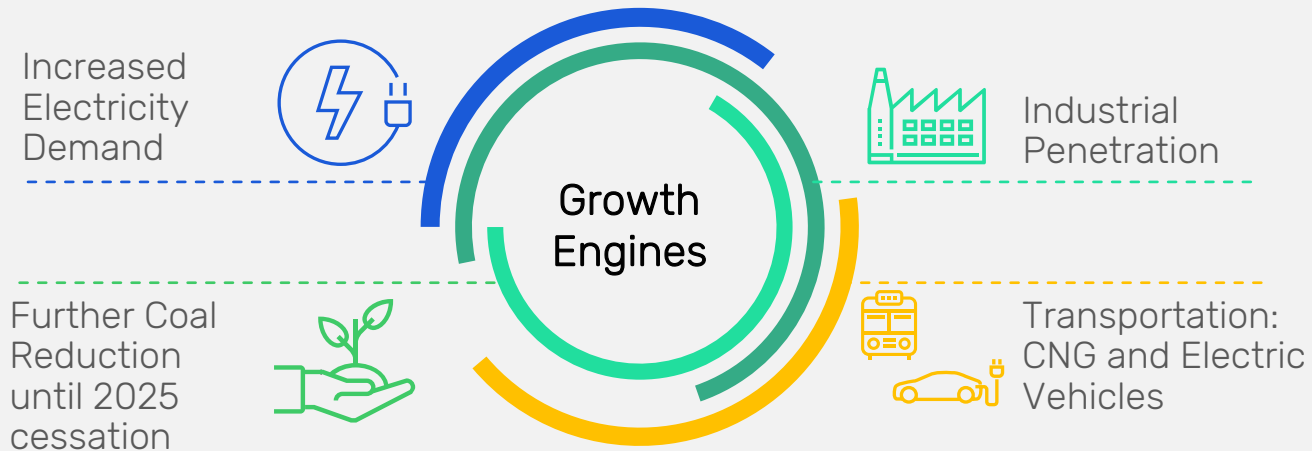
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ISRAEL'S NATURAL GAS REVOLUTION

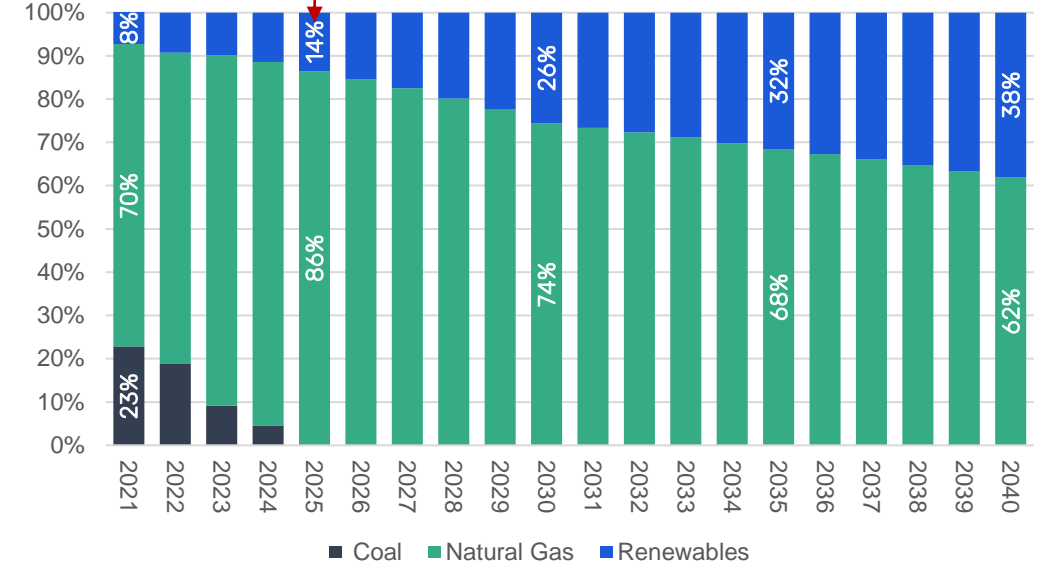
Security, stability and redundancy of natural gas supply to the Israeli market as a driver for growth

Forecasts for natural gas demand growth driven by structural reform of the electricity sector along with regulatory and environmental directives

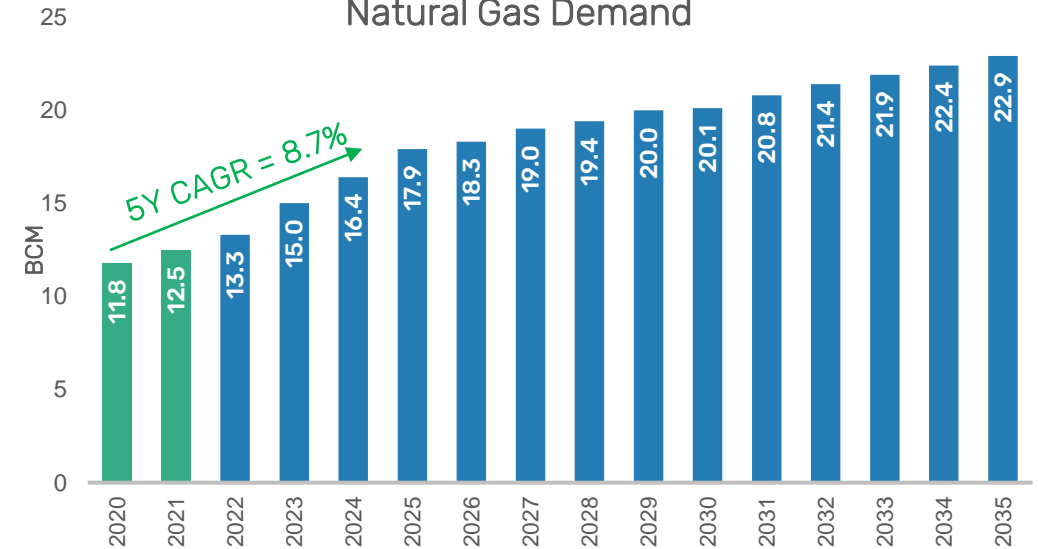


Generation by Fuel Mix

Forecasted End of Coal Usage



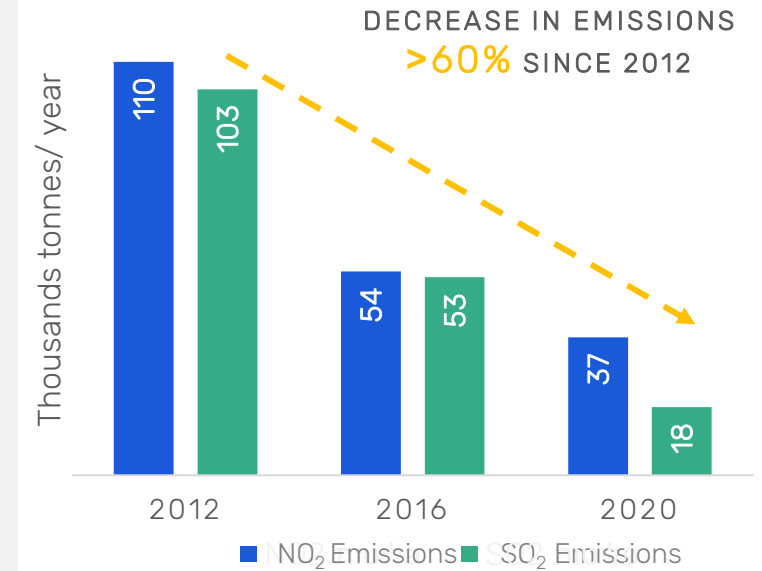
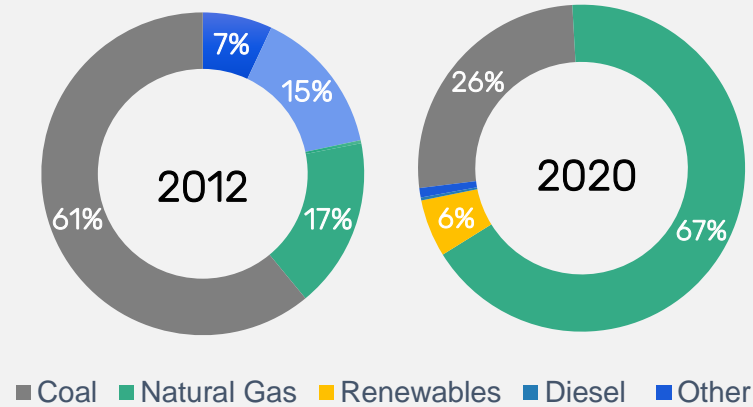
Natural Gas Demand



Source: BDO forecast as of February 2022, including PA

NATURAL GAS USE AFFECT ON REDUCING AIR POLLUTANTS

Significant reduction in pollutant emissions in the electricity sector thanks to the entry of natural gas and the reduction of coal use, **despite a 15% increase in electricity production since 2012**



Natural gas plays a key role in the **ENERGY TRANSITION** in Israel and around the world to achieving 2050 **NET ZERO EMISSION** targets

LEVIATHAN accelerated the **cessation of coal** in Israel and will help to meet the target to end coal usage by 2025

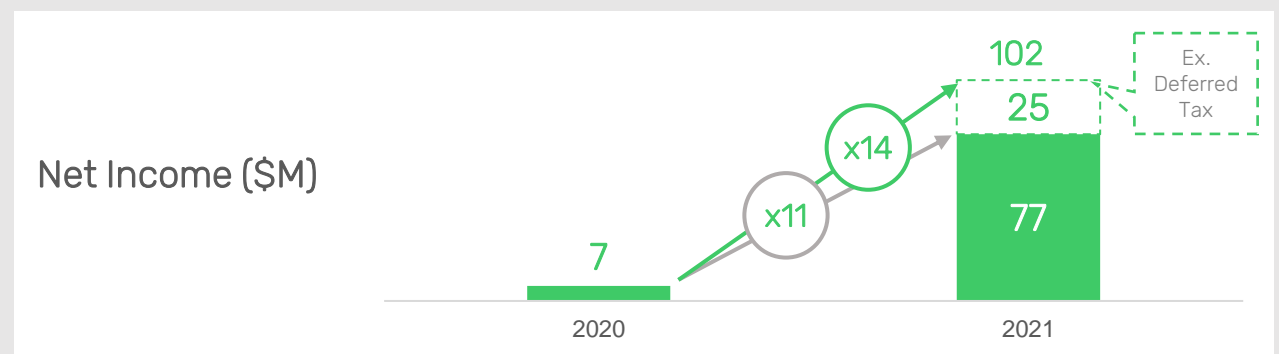
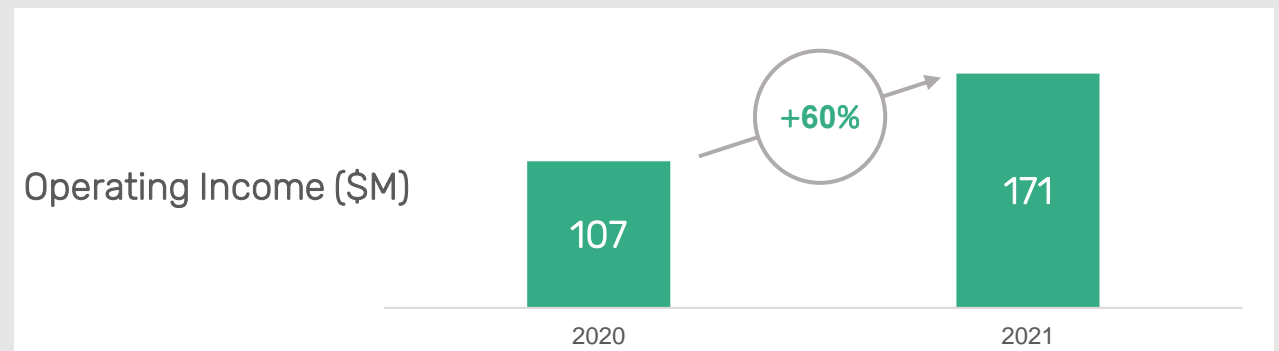
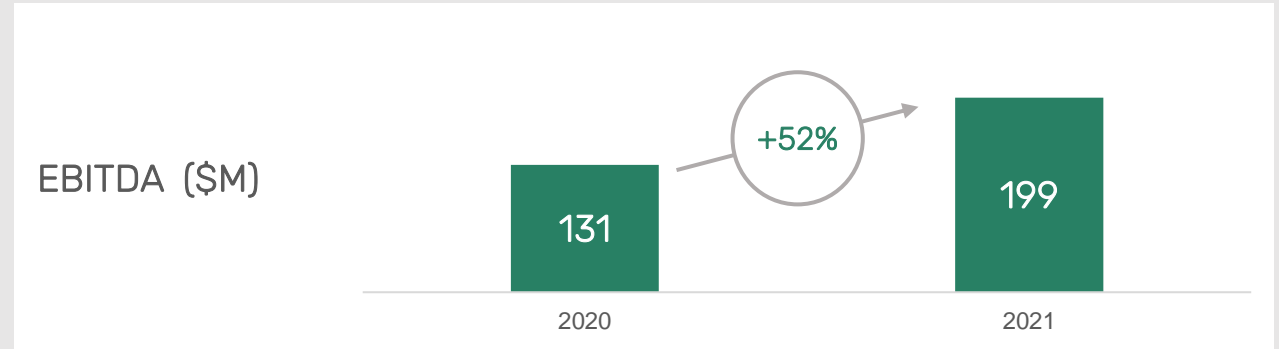
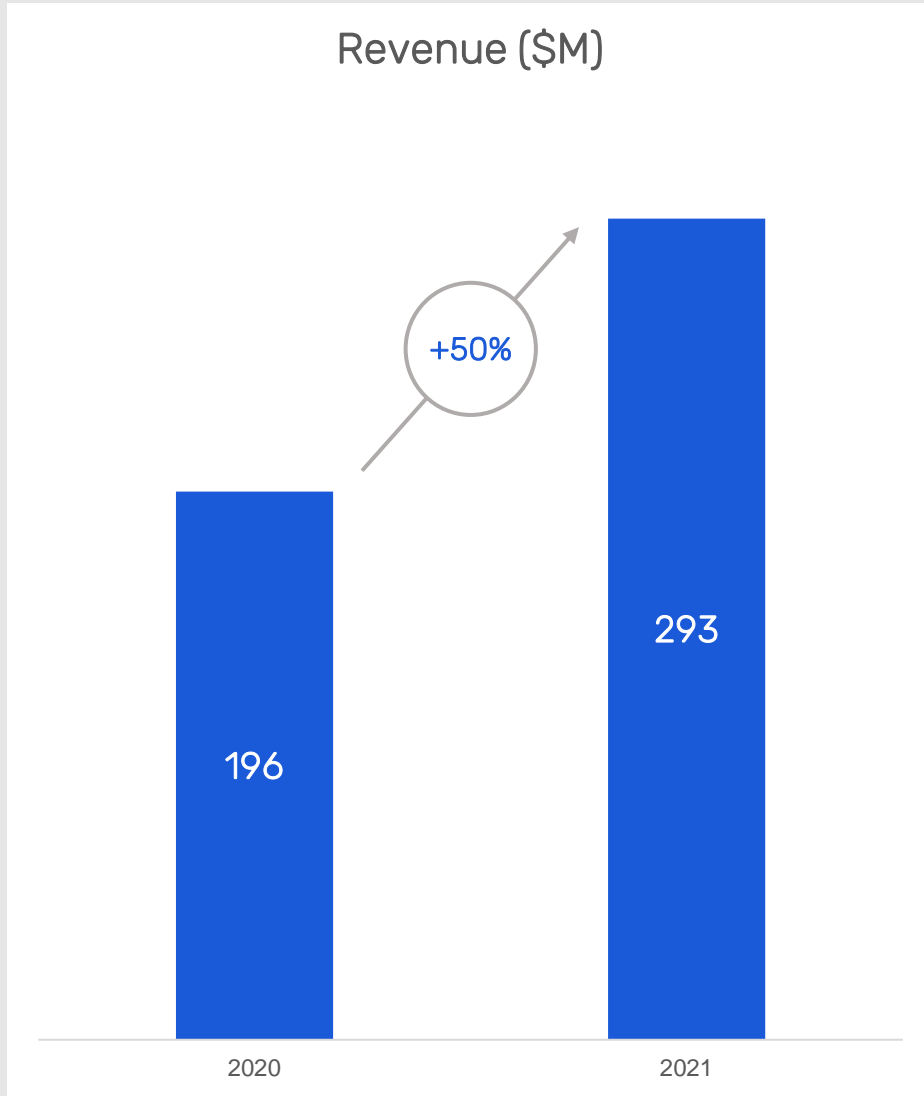
LEVIATHAN PROJECT operates with the highest standards in the industry of **environmental monitoring & control**





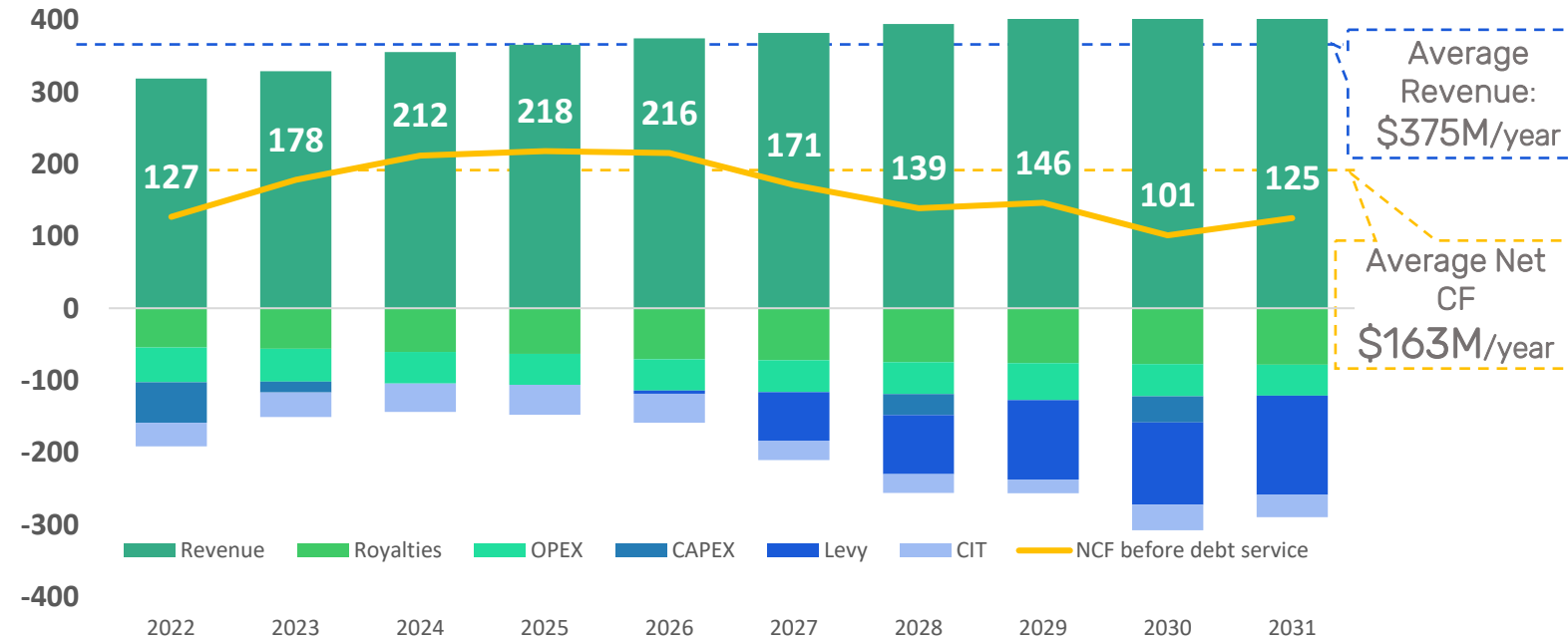
**Financial
Overview**

2021 OVERVIEW: A LEAP IN ALL FINANCIAL METRICS



PHASE 1A LONG-TERM & STABLE ROBUST CASH FLOW

10 years Net Cash Flow Forecast (2P+2C)¹



Phase 1A value
for Ratio²
as of 31.12.2021

NPV 10%
\$1.50 Bn

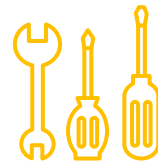
NPV 7.5%
\$1.85 Bn



Material GSPAs include Take or Pay and floor price protection



Potential upside due to Brent Linkage

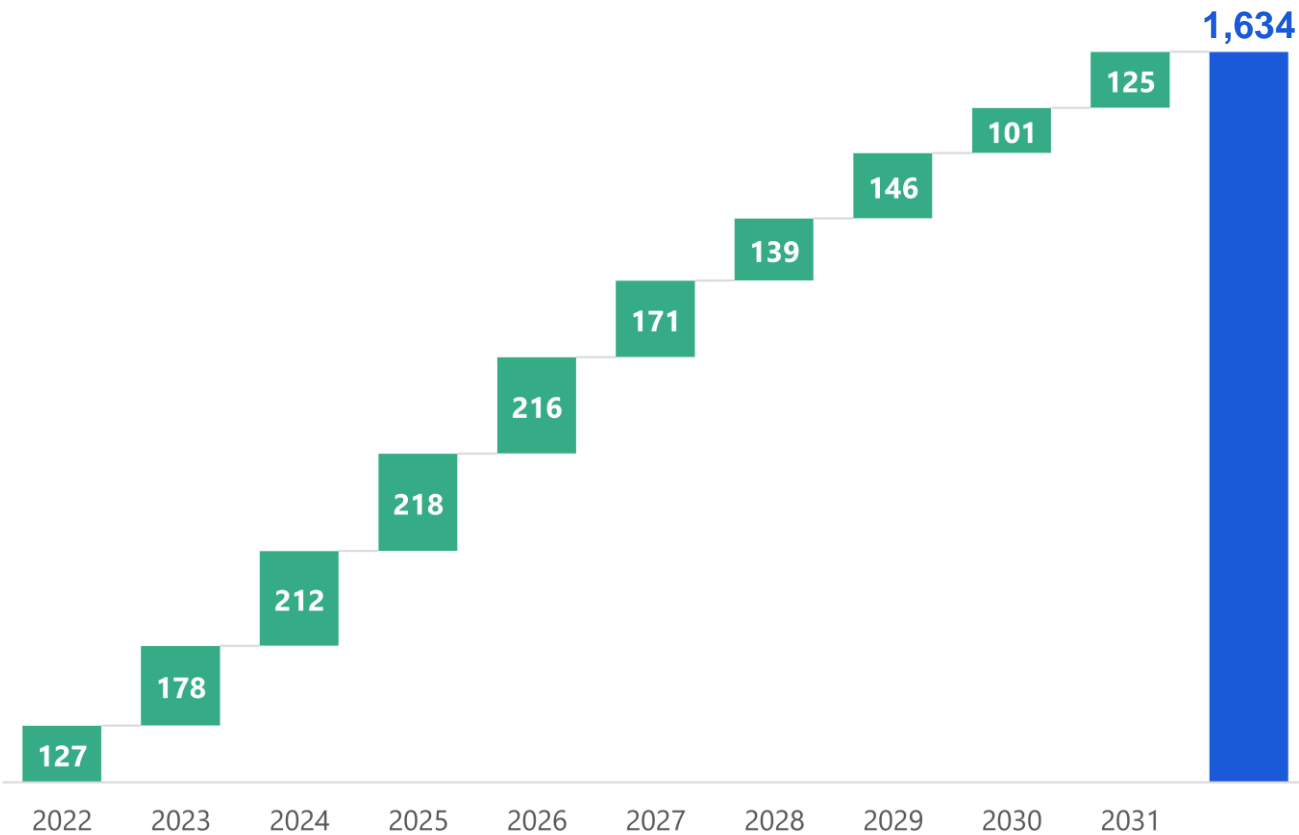


Low maintenance capex thanks to the high-quality project

1. As per the Partnership's immediate report dated February 20, 2022, "Leviathan discounted cash flow projections" and based on NSAI's 2P+2C estimate as of 31.12.2021. Net Cash Flow represents undiscounted Ratio's revenues less royalties, operating expenses, capex and taxes (Levy & CIT) before debt service (principal & interest) & other expenses
2. Forecast assumptions are until 2064

STRONG DEBT SERVICE CAPACITY

Cumulative UFCF¹ > \$1.6Bn (2P+2C)
 Expected sales of ~117 BCM over the next 10 years



AS OF
31.12.2021



**Strong liquidity
 and conservative
 leverage profile**

\$201m

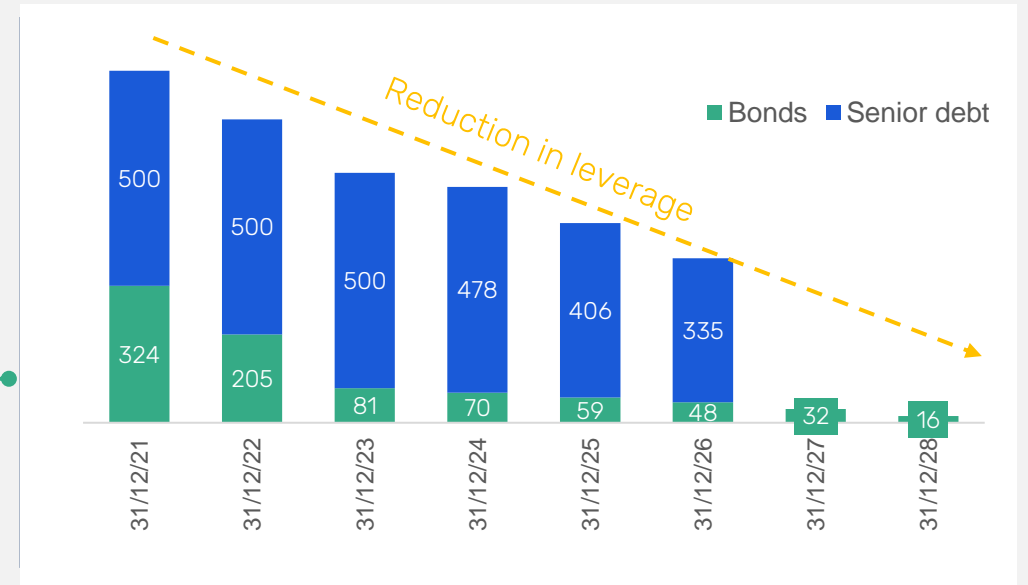
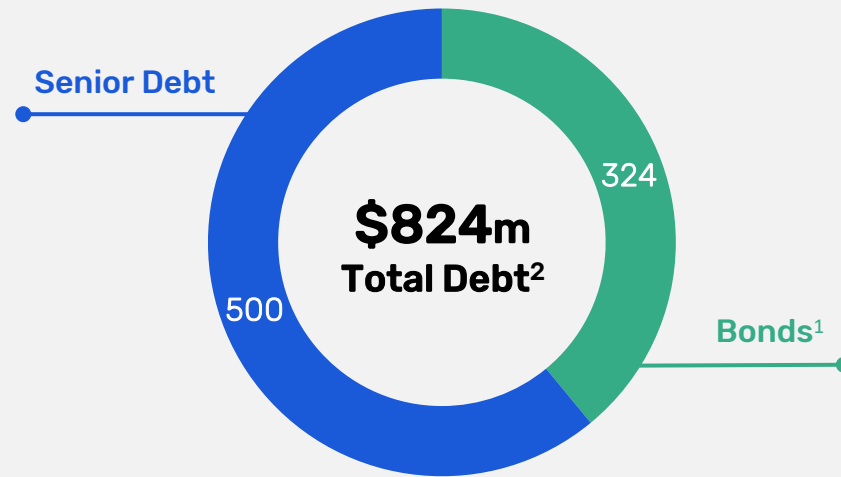
Cash & Cash
 Equivalents²

\$(626)m

Net Debt

1. UFCF = Unlevered Free Cash Flow (undiscounted), based on NSAI's 2P+2C estimate as of 31.12.2021 per the Partnership's immediate report dated February 20, 2022, "Leviathan discounted cash flow projections, excluding debt service payments
 2. Includes cash, deposit and short-term securities.

OPTIMAL DEBT STRUCTURE AND HIGH FINANCIAL FLEXIBILITY



OPTIMIZATION OF CAPITAL STRUCTURE

Financial structure ready for future growth

Long-term debt planning to align with projected cash flow

Expect first profit distribution based on 2022 results



SENIOR DEBT FLEXIBILITY

Attractive interest rate of LIBOR+3.5%

Principle 3-year grace (2024)

\$300-350M end of period (2027) Balloon

Early repayment option without penalty

Available \$450M facility for future expansion



HIGH DEBT REPAYMENT CAPABILITY

Balanced debt mix of bank and capital market financing

Principal payments of bonds series B & C during 2021-2023, in accordance with preliminary planning, upon commencement of production

Issued long-duration series D bond in July 2021 with expansion option

KEY HIGHLIGHTS



1

~50% increase YoY in Leviathan production to ~10.7 BCM with strong demand from all markets

2

Leviathan strategically positioned to take advantage of the increasing Israeli and regional natural gas demand

3

Chevron's Supermajor capabilities facilitate expansion beyond regional markets to become a global natural gas supplier

4

Leviathan Phase 1A provides for a long-term robust & stable cash flow for further developments and future profit distribution

5

Commitment to ESG while continue to development future growth engines, including in renewable energies

Ratio Energies
Limited Partnership

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