Delek Royalties (2012) Ltd. <u>Condensed Interim Financial Statements as of March 31, 2020</u> <u>In thousands of US Dollars</u> <u>(Unaudited)</u> <u>Extracts</u>

# Delek Royalties (2012) Ltd. <u>Condensed Interim Financial Statements as of March 31, 2020</u> <u>In thousands of US Dollars</u> <u>(Unaudited)</u> <u>Extracts</u>

### **Table of Contents**

Page

Auditor's Review Report	2
Financial statements	
Condensed Interim Statements of Financial Position	3
Condensed Interim Statements of Comprehensive Income	4
Condensed Interim Statements of Changes in Equity	5
Condensed Interim Statements of Cash Flows	6
Notes to the Condensed Interim Financial Statements (not translated)	7 -13





## Auditor's Review Report to the Shareholders of Delek Royalties (2012) Ltd.

#### Introduction

We have reviewed the attached financial information of Delek Royalties (2012) Ltd. (hereinafter: "**The Company**"), including the condensed statement of financial position as of March 31, 2020, as well as the condensed statements of comprehensive income, of changes in equity and of cash flows for three month period then ended. The Board of Directors and management are responsible for the preparation and presentation of the financial information for these interim periods in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", and are responsible for the preparation of the financial information for these interim periods in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion regarding the financial information for these interim periods, based on our review.

#### Scope of the review

We have conducted our review in accordance with Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel, "Review of interim financial information by the entity's auditor". A review of interim financial information consists of inquiries, mainly with the individuals responsible for financial and accounting matters, and of the application of analytical and other review procedures. A review is significantly limited in scope compared to an audit, which is conducted in accordance with generally accepted auditing standards in Israel, and therefore it does not allow us to reach assurance that we have become aware of all material issues, which could have been identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention, which would have caused us to believe that the aforementioned financial information has not been prepared, in all material respects, in accordance with IAS 34.

In addition to what is stated in the previous paragraph, based on our review, nothing has come to our attention which would have caused us to believe that the aforementioned financial information does not comply, in all material respects, with the disclosure provisions set forth in Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Tel-Aviv, June 30, 2020

Kost, Forer, Gabbay & Kasierer Certified Public Accountants Ziv Haft Certified Public Accountants

## **<u>Condensed Interim Statements of Financial Position (in thousands of Dollars)</u>**

	30.3.2020 (Unaudited)	30.3.2019 (Unaudited)	31.12.2019 (Audited)
Assets			
Current assets:			
Cash and cash equivalents	3,815	4,573	5,323
Short-term deposits	1,702	2,000	6,230
Income tax receivable	51	-	-
Trade and other receivables:	1,282	2,445	2,567
	6,850	9,018	14,120
Non-current assets:			
Investments in oil and gas assets (rights to receive ultimate			
royalties)	149,264	158,174	154,001
Deposits, the use of which is restricted	7,882	7,083	6,599
Right of use asset	185	209	200
Fixed assets	10	16	11
Deferred taxes	43	-	366
	157,384	165,482	161,177
	164,234	174,500	175,297
Liabilities and equity: Current liabilities: Dividend payable	_	3,580	_
Current maturities of bonds	12,050	13,927	13,009
Trade and other payables	1,835	2,614	3,769
Income tax payable		401	632
	13,885	20,522	17,410
Non-current liabilities:			
Bonds	73,660	85,709	79,792
Deferred taxes	-	1,062	-
Leasing liability	149	178	169
	73,809	86,949	79,961
Equity			
Share capital	5,595	5,595	5,595
Share premium	55,217	55,217	55,217
Retained earnings	15,728	6,217	17,114
	76,540	67,029	77,926
	164,234	174,500	175,297

June 30, 2020			
Date of the approval of the Financial Statements	Asi Bartfeld Chairman of the Board of Directors	Meir Menachem Chief Executive Officer and Director	Ran Kreitzman Controller

#### **Condensed Interim Statements of Comprehensive Income**

(In thousands of Dollars, except for earnings per share)

	For the perio months o	For the year ended	
	31.3.2020	31.3.2019	31.12.2019
	(Unaud	ited)	(Audited)
Royalties from the sale of natural gas and condensate	5,239	7,135	28,946
Expenses and costs:			
Depletion expenses	1,018	1,335	5,282
Impairment in value of oil and gas assets	3,720	-	-
Administrative and general expenses	364	275	1,048
Total expenses and costs	5,102	1,610	6,330
Operating income	137	5,525	22,616
Financing expenses	(1,299)	(1,487)	(5,704)
Financing income	74	109	352
Financing expenses, net	(1,225)	(1,378)	(5,352)
Income (loss) before taxes on income	(1,088)	4,147	17,264
Taxes on income	(298)	512	(2,732)
Total net and comprehensive income (loss) for the period	(1,386)	3,635	14,532
Earnings (loss) per regular share of par value NIS 1 (basic and diluted), attributed to the shareholders in the Company (in Dollars)	(0.07)	0.18	0.73

#### **<u>Condensed Interim Statements of Changes in Equity (in thousands of Dollars)</u>**

	Regular share capital	Share premium	Retained earnings	Total
		Unaudi	ted	
For the period of three months ended March 31, 2020: Balance as of January 1, 2020 (audited)	5,595	55,217	17,114	77,926
Comprehensive loss for the period	-	-	(1,386)	(1,386)
Balance as of March 31, 2020	5,595	55,217	15,728	76,540

	Regular share capital	Share premium	Retained earnings	Total
		Unaudi	ted	
For the period of three months ended March 31, 2019:				
Balance as of January 1, 2019	5,595	55,217	6,162	66,974
Net and comprehensive income			3,635	3,635
Dividend distributed	-	-	(3,580)	(3,580)
Balance as of March 31, 2019	5,595	55,217	6,217	67,029

	Regular share capital	Share premium	Retained earnings	Total
		Audite	d	
For the year ended December 31, 2019: Balance as of January 1, 2019	5,595	55,217	6,162	66,974
Net and comprehensive income			14,532	14,532
Dividend distributed	-	-	(3,580)	(3,580)
Balance as of December 31, 2019	5,595	55,217	17,114	77,926

#### Condensed Statements of Cash Flows (in thousands of Dollars)

31.3.202031.3.201931.12.2019Cash flows from operating activities:(Unaudited)(Audited)Net income (loss) for the period(1,386)3.63514.532Adjustments for:1.0331,3485.342Impairment in value of oil and gas assets3,720Deferien and depreciation1.0331,3485.342Impairment in value of oil and gas assets3,720Deferend taxes, net2.985122,732Changes in assets and liabilities:Decrease (increase) in other receivables1.09693(72)Cash paid in the period for:Increase (decrease) in other payables109693(72)Cash generated by operating activities $4,942$ 7.09024.678Net cash generated by operating activities $3,245$ 1,456(2,290)Interest received709835233.3151.554(1,938)Cash flows from investment activities $3,315$ 1.554(1,938)(1,323)Cash flows from financing activities(2,569)(2,246)(5,701)(3,580)Cash flows from financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents(1,460)(885)(3,33)Balance of cash and cash equivalents at the end of the period3,8154,5735,323Balance of cash and cash equ		For the period of three months ended		For the year ended	
Cash flows from operating activities: Net income (loss) for the period(1,386) $3.635$ $14.532$ Adjustments for: Depletion and depreciation $1,033$ $1,348$ $5,342$ Impairment in value of oil and gas assets $3,720$ Deferred taxes, net $298$ $512$ $2,732$ Changes in assets and liabilitie: Increase (increase) in other payables1,225 $1,378$ $5,352$ Changes in assets and liabilitie: Increase (idcrease) in other payables109 $693$ $(72)$ Cash paid in the period for: Increase (idcrease) in other payables686Net cash generated by operating activities $4,942$ $7,090$ $24.678$ Cash flows from the Taxes Authority686Net cash generated by operating activities $3,245$ $1,456$ $(2,290)$ Interest received Net cash generated (absorbed) by investment activities $3,315$ $1,554$ $(1,938)$ Cash flows from financing activities $(7,130)$ $(6,571)$ $(13,531)$ Net cash generated (absorbed) by investment activities $(2,569)$ $(2,946)$ $(5,705)$ Repayment of leasing liability $(18)$ $(12)$ $(62)$ Dividend distributed $(3,580)$ Cash flows absorbed by financing activities $(2,569)$ $(2,946)$ $(5,705)$ Repayment of leasing liability $(18)$ $(12)$ $(62)$ Dividend distributed $(3,580)$ Cash flows absorbed by financing activities $(3,315)$		31.3.2020	31.3.2019	31.12.2019	
Net income (loss) for the period $(1,386)$ $3,635$ $14,532$ Adjustments for:0000Depletion and depreciation1,0331,3485,342Impairment in value of oil and gas assets3,720Deferred taxes, net2985122,732Financing expenses, net1,2251,3785,352Changes in assets and liabilities:Decrease (increase) in other precivables1,28537(85)Increase (decrease) in other payables109693(72)Cash paid in the period for:Income tax paid(1,342)(513)(3,809)Refund received from the Taxes Authority6866,3283,45510,146Net cash generated by operating activities3,2451,456(2,290)Interest received7098352Net cash generated (absorbed) by investment activities3,3151,554(1,938)Cash flows from financing activities(7,130)(6,571)(13,531)Interest paid(2,569)(2,946)(5,705)(3,580)Repayment of leasing liability(18)(12)(62)Dividend distributed(3,580)Cash flows absorbed by financing activities(1,460)(885)(138)Balance of cash and cash equivalentsbalances(48)3033Balance of cash and cash equivalentsand cash equivalents balan		(Unau	dited)	(Audited)	
Adjustments for:1Depletion and depreciation1,033Impairment in value of oil and gas assets3,720Deferred taxes, net298Financing expenses, net1,225Changes in assets and liabilities:-Decrease (increase) in other receivables1,285Increase (decrease) in other prevables1,285Increase (decrease) in other prevables109Gash paid in the period for:-Income tax paid(1,342)Refund received from the Taxes Authority-6866,3283,45510,146Net cash generated by operating activities3,245Repayments of deposits (deposits in deposits) net3,245Interest received7098352Net cash generated (absorbed) by investment activitiesRepayment of bonds(7,130)(6,571)(13,531)Interest paid(2,569)(2,946)(5,705)Repayment of leasing liability(18)(1,460)(885)Otividend distributed-(3,580)(3,813)Cash flows absorbed by financing activitiesBalance of cash and cash equivalentsBalance of cash and cash equivalents at the end of the periodSalance of cash and cash equivalents the end of the periodSalance of cash and cash equivalents the end of the periodAppendix A - Financing and investment activities onInvolving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded agai	Cash flows from operating activities:				
Depletion and depreciation1,0331,3485,342Impairment in value of oil and gas assets3,720Deferred taxes, net2985122,732Changes in assets and liabilities:Decrease (increase) in other receivables1,2251,3785,352Changes in assets and liabilities:Decrease (increase) in other payables109693(72)Cash paid in the period for:686Increase (decrease) in other payables(1,342)(513)(3,809)Refund received from the Taxes Authority686Ket cash generated by operating activities $4,942$ $7,090$ 24,678Cash flows from investment activities $3,245$ 1,456(2,290)Interest received7098352Net cash generated (absorbed) by investment activities $3,315$ 1,554(1,938)Cash flows from financing activities(1,130)(6,571)(13,531)Interest paid(2,569)(2,946)(5,705)(13,531)Interest paid(2,569)(2,946)(5,705)(22,878)Cash flows absorbed by financing activities(1,460)(885)(138)Balance of cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the end of the period3,8154,5735,323Salance of cash and cash equivalents at the end of the period3,8154,5735,323Balance of cash and cash equivalent	Net income (loss) for the period	(1,386)	3,635	14,532	
Impairment in value of oil and gas assets $3,720$ $-$ Deferred taxes, net $298$ $512$ $2,732$ Financing expenses, net $1,225$ $1,378$ $5,352$ Changes in assets and liabilities: $ -$ Decrease (increase) in other receivables $1,285$ $37$ (85)Increase (decrease) in other payables $109$ $693$ (72)Cash paid in the period for: $  -$ Income tax paid $(1,342)$ (513) $(3,809)$ Refund received from the Taxes Authority $  686$ 6,328 $3,455$ $10,146$ $6,328$ $3,455$ Net cash generated by operating activities $4,942$ $7,090$ $24,678$ Cash flows from investment activities $70$ $98$ $352$ Net cash generated (absorbed) by investment activities $3,315$ $1,554$ $(1,938)$ Net cash generated (absorbed) by investment activities $70$ $98$ $352$ Net cash generated (absorbed) by investment activities $(7,130)$ $(6,571)$ $(13,531)$ Interest paid $(2,569)$ $(2,946)$ $(5,705)$ Repayment of leasing liability $(18)$ $(12)$ $(62)$ Dividend distributed $  (3,580)$ Cash flows absorbed by financing activities $(1,460)$ $(885)$ $(138)$ Balance of cash and cash equivalents at the beginning of the period $3,815$ $4,573$ $5,323$ Balance of cash and cash equivalents at the end of the period $3,815$ <t< td=""><td>Adjustments for:</td><td></td><td></td><td></td></t<>	Adjustments for:				
Deferred taxes, net2985122,732Financing expenses, net1,2251,3785,352Changes in assets and liabilities:Decrease (increase) in other receivables1,28537(85)Increase (decrease)in other payables109693(72)Cash paid in the period for:686Income tax paid(1,342)(513)(3,809)Refund received from the Taxes Authority $-$ -686Net cash generated by operating activities4,9427,09024,678Cash flows from investment activities3,3151,554(1,938)Cash flows from investment activities3,3151,554(1,938)Repayments of deposits (deposits in deposits) net nerest received7098352Net cash generated (absorbed) by investment activities3,3151,554(1,938)Cash flows from financing activities(7,130)(6,571)(13,531)Interest paid (2,569)(2,946)(5,705)(2,946)(5,705)Repayment of bonds (Cash flows absorbed by financing activities(1,460)(885)(138)Balance of cash and cash equivalents balance of cash and cash equivalents at the beginning of the period5,3235,4285,428Statuse(48)30333333154,5735,323Decrease in lability in connection with an effective royality by well that has been recorded against a right of use asset (rights to receive royalities)(22	Depletion and depreciation	1,033	1,348	5,342	
Financing expenses, net1,2251,3785,352Changes in assets and liabilities:Decrease (increase) in other prevelvables1,28537Increase (decrease) in other payables109693Cash paid in the period for:Income tax paid(1,342)(513)Refund received from the Taxes Authority6866,3283,45510,146Net cash generated by operating activitiesRepayments of deposits (deposits in deposits) net3,2451,456Interest received7098352Net cash generated (absorbed) by investment activities3,3151,554Repayment of bonds(7,130)(6,571)(13,531)Interest received(3,580)Cash flows from financing activities(3,580)Repayment of bonds(7,130)(6,571)(13,531)Interest paid(2,569)(2,946)(5,705)Repayment of bonds(3,580)Cash flows absorbed by financing activities(3,580)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period3,8154,5735,323Statace of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:Decrease in liability in connection with an effe	Impairment in value of oil and gas assets	3,720	-	-	
Changes in assets and liabilities:1.28537(85)Decrease (increase) in other receivables1.28537(85)Increase (decrease) in other payables109693(72)Cash paid in the period for:686Income tax paid(1,342)(513)(3,809)Refund received from the Taxes Authority686Net cash generated by operating activities $6,328$ $3,455$ 10,146Net cash generated by operating activities $3,245$ $1,456$ (2,290)Interest received7098 $352$ 1,554(1,938)Net cash generated (absorbed) by investment activities $3,315$ $1,554$ (1,938)Cash flows from financing activities(2,569)(2,946)(5,705)Repayment of bonds(7,130)(6,571)(13,531)Interest paid(1,460)(885)(138)Cash flows absorbed by financing activities(9,717)(9,529)(2,2,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period $3,815$ $4,573$ $5,323$ Appendix A – Financing and investment activities not involving cash flows:(226)Increase in lability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded	Deferred taxes, net	298	512	2,732	
Decrease (increase) in other receivables1,28537(85)Increase (decrease) in other payables109693(72)Cash paid in the period for:Income tax paid(1,342)(513)(3,809)Refund received from the Taxes Authority $-$ -686Net cash generated by operating activities $4,942$ 7,09024,678Cash flows from investment activities $3,245$ 1,456(2,290)Interest received7098352Net cash generated (absorbed) by investment activities $3,315$ 1,554(1,938)Cash flows from financing activities $3,315$ 1,554(1,938)Cash flows from financing activities $(7,130)$ (6,571)(13,531)Interest received $0$ $ -$ (3,580)Cash flows from financing activities $(7,130)$ (6,571)(13,531)Interest paid(2,569)(2,946)(5,705)Repayment of bonds $ -$ (3,580)Cash flows absorbed by financing activities $(9,717)$ (9,529)(22,878)Decrease in cash and cash equivalents $(1,460)$ (885)(138)Balance of cash and cash equivalents at the beginning of the period $3,815$ $4,573$ $5,323$ Appendix A – Financing and investment activities not involving cash flows: $ -$ (226)Increase in liability in connection with an effective royality by well that has been recorded against petroleum and gas assets (rights to receive royalites) $ -$ <td>Financing expenses, net</td> <td>1,225</td> <td>1,378</td> <td>5,352</td>	Financing expenses, net	1,225	1,378	5,352	
Increase (decrease) in other payables109693(72)Cash paid in the period for:Income tax paid(1,342)(513)(3,809)Refund received from the Taxes Authority $-$ .686Net cash generated by operating activities $4,942$ 7,09024,678Cash flows from investment activities $3,245$ 1,456(2,290)Interest received7098352Net cash generated (absorbed) by investment activities $3,315$ 1,554(1,938)Cash flows from financing activities(7,130)(6,571)(13,531)Interest paid(2,569)(2,946)(5,705)Repayment of leasing liability(18)(12)(62)Dividend distributed(3,580)Cash flows absorbed by financing activities(1,460)(885)(138)Balance of cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:(226)Decrease in liability in connection with an effective royality by well that has been recorded against petroleum and gas assets (rights to receive royalites)(226)Increase in leasing liability recorded against a right of use asset(226)Increase in leasing liability recorded against a right of use asset(226)Increase in leasing liability recorded aga	Changes in assets and liabilities:		-		
Cash paid in the period for:Income tax paid $(1,342)$ $(513)$ $(3,809)$ Refund received from the Taxes Authority $  686$ Net cash generated by operating activities $4,942$ $7,090$ $24,678$ Cash flows from investment activities $4,942$ $7,090$ $24,678$ Cash flows from investment activities $3,245$ $1,456$ $(2,290)$ Interest received $70$ $98$ $352$ Net cash generated (absorbed) by investment activities $3,315$ $1,554$ $(1,938)$ Cash flows from financing activities $(7,130)$ $(6,571)$ $(13,531)$ Interest paid $(2,569)$ $(2,946)$ $(5,705)$ Repayment of bonds $(7,177)$ $(9,529)$ $(22,878)$ Decrease in cash and cash equivalents $(1,460)$ $(885)$ $(138)$ Balance of cash and cash equivalents at the beginning of the period $3,815$ $4,573$ $5,323$ Balance of cash and cash equivalents at the end of the period $3,815$ $4,573$ $5,323$ Appendix A – Financing and investment activities not involving cash flows: $  (226)$ Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties) $  (226)$ Increase in leasing liability recorded against a right of use asset $  (226)$ Increase in leasing liability recorded against a right of use asset $  (226)$	Decrease (increase) in other receivables	1,285	37	(85)	
Income tax paid $(1,342)$ $(513)$ $(3,809)$ Refund received from the Taxes Authority $  686$ Refund received from the Taxes Authority $  686$ Net cash generated by operating activities $4,942$ $7,090$ $24,678$ Cash flows from investment activities $3,245$ $1,456$ $(2,290)$ Interest received $70$ $98$ $352$ Net cash generated (absorbed) by investment activities $3,315$ $1,554$ $(1,938)$ Cash flows from financing activities $(7,130)$ $(6,571)$ $(13,511)$ Interest paid $(2,569)$ $(2,946)$ $(5,705)$ Repayment of bonds $(7,130)$ $(6,571)$ $(13,531)$ Interest paid $(2,569)$ $(2,946)$ $(5,705)$ Repayment of leasing liability $(18)$ $(12)$ $(62)$ Dividend distributed $  (3,580)$ Cash flows absorbed by financing activities $(1,460)$ $(885)$ $(138)$ Balance of cash and cash equivalents $(1,460)$ $(885)$ $(138)$ Balance of cash and cash equivalents at the end of the period $3,815$ $4,573$ $5,323$ Appendix A – Financing and investment activities not involving cash flows: $ (226)$ Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties) $  (226)$ Increase in leasing liability recorded against a right of use asset $  (226)$ <td>Increase (decrease)in other payables</td> <td>109</td> <td>693</td> <td>(72)</td>	Increase (decrease)in other payables	109	693	(72)	
Refund received from the Taxes AuthorityImage: Constraint of the problem of the proble	Cash paid in the period for:		-		
Net cash generated by operating activities $6,328$ $4,942$ $3,455$ $7,090$ $10,146$ $24,678$ Cash flows from investment activities $3,245$ $1,456$ $1,456$ $(2,290)$ $22,290$ $23,215$ Interest received $70$ $98$ $352$ $3315$ $1,554$ $(2,290)$ $10 98$ Net cash generated (absorbed) by investment activities $3,315$ $1,554$ $(1,938)$ Cash flows from financing activities Repayment of bonds Interest paid $(7,130)$ $(2,569)$ $(6,571)$ $(2,946)$ $(13,531)$ $(5,705)$ Repayment of leasing liability Dividend distributed Cash flows absorbed by financing activities $(7,130)$ $(9,717)$ $(6,571)$ $(9,529)$ $(13,580)$ $(22,878)$ Decrease in cash and cash equivalents Balance of cash and cash equivalents at the beginning of the period $(1,460)$ $(885)$ $(138)$ $3,815$ $4,573$ $5,323$ $5,428$ $5,428$ $5,428$ Appendix A – Financing and investment activities not involving cash flows: Decrease in liability in connection with an effective royality by well that has been recorded against petroleum and gas assets (rights to receive royalites) $-$	Income tax paid	(1,342)	(513)	(3,809)	
Net cash generated by operating activities $6,328$ $3,455$ $10,146$ Net cash generated by operating activities $4,942$ $7,090$ $24,678$ Cash flows from investment activities $3,245$ $1,456$ $(2,290)$ Interest received $70$ $98$ $352$ Net cash generated (absorbed) by investment activities $3,315$ $1,554$ $(1,938)$ Cash flows from financing activities $3,315$ $1,554$ $(1,938)$ Repayment of bonds $(7,130)$ $(6,571)$ $(13,531)$ Interest paid $(2,569)$ $(2,946)$ $(5,705)$ Repayment of leasing liability $(18)$ $(12)$ $(62)$ Dividend distributed $  (3,580)$ Cash flows absorbed by financing activities $(9,717)$ $(9,529)$ $(22,878)$ Decrease in cash and cash equivalents $(1,460)$ $(885)$ $(138)$ Balance of cash and cash equivalents at the beginning of the period $5,323$ $5,428$ $5,428$ Exchange differences on cash and cash equivalents balances $(48)$ $30$ $33$ Balance of cash and cash equivalents at the end of the period $3,815$ $4,573$ $5,323$ Appendix A – Financing and investment activities not involving cash flows: $  (226)$ Decrease in liability in connection with an effective royality by well that has been recorded against petroleum and gas assets (rights to receive royalites) $  (226)$ Increase in leasing liability recorded against a right of use asset $  -$	Refund received from the Taxes Authority	-	-	686	
Cash flows from investment activitiesRepayments of deposits (deposits in deposits) net3,2451,456(2,290)Interest received7098352Net cash generated (absorbed) by investment activities3,3151,554(1,938)Cash flows from financing activities3,3151,554(1,938)Cash flows from financing activities(2,569)(2,946)(5,705)Repayment of bonds(1,8)(12)(62)Dividend distributed(3,580)Cash flows absorbed by financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:(226)Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset-3333	·	6,328	3,455	10,146	
Cash flows from investment activitiesRepayments of deposits (deposits in deposits) net3,2451,456(2,290)Interest received7098352Net cash generated (absorbed) by investment activities3,3151,554(1,938)Cash flows from financing activities3,3151,554(1,938)Cash flows from financing activities(2,569)(2,946)(5,705)Repayment of bonds(7,130)(6,571)(13,531)Interest paid(2,569)(2,946)(5,705)Repayment of leasing liability(18)(12)(62)Dividend distributed(3,580)Cash flows absorbed by financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period5,3235,4285,428Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:(226)Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset-333333	Net cash generated by operating activities	4,942	7,090	24,678	
Repayments of deposits (deposits in deposits) net $3,245$ $1,456$ $(2,290)$ Interest received7098 $352$ Net cash generated (absorbed) by investment activities $3,315$ $1,554$ $(1,938)$ Cash flows from financing activities $3,315$ $1,554$ $(1,938)$ Repayment of bonds $(7,130)$ $(6,571)$ $(13,531)$ Interest paid $(2,569)$ $(2,946)$ $(5,705)$ Repayment of leasing liability $(18)$ $(12)$ $(62)$ Dividend distributed $(3,580)$ Cash flows absorbed by financing activities $(9,717)$ $(9,529)$ $(22,878)$ Decrease in cash and cash equivalents $(1,460)$ $(885)$ $(138)$ Balance of cash and cash equivalents at the beginning of the period $5,323$ $5,428$ $5,428$ Exchange differences on cash and cash equivalents balances $(48)$ $30$ $33$ Balance of cash and cash equivalents at the end of the period $3,815$ $4,573$ $5,323$ Appendix A – Financing and investment activities not involving cash flows: $(226)$ Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties) $(226)$ Increase in leasing liability recorded against a right of use asset- $333$ $33$	The cash generated by operating activities				
Repayments of deposits (deposits in deposits) net $3,245$ $1,456$ $(2,290)$ Interest received7098 $352$ Net cash generated (absorbed) by investment activities $3,315$ $1,554$ $(1,938)$ Cash flows from financing activities $3,315$ $1,554$ $(1,938)$ Repayment of bonds $(7,130)$ $(6,571)$ $(13,531)$ Interest paid $(2,569)$ $(2,946)$ $(5,705)$ Repayment of leasing liability $(18)$ $(12)$ $(62)$ Dividend distributed $(3,580)$ Cash flows absorbed by financing activities $(9,717)$ $(9,529)$ $(22,878)$ Decrease in cash and cash equivalents $(1,460)$ $(885)$ $(138)$ Balance of cash and cash equivalents at the beginning of the period $5,323$ $5,428$ $5,428$ Exchange differences on cash and cash equivalents balances $(48)$ $30$ $33$ Balance of cash and cash equivalents at the end of the period $3,815$ $4,573$ $5,323$ Appendix A – Financing and investment activities not involving cash flows: $(226)$ Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties) $(226)$ Increase in leasing liability recorded against a right of use asset- $333$ $33$	Cash flows from investment activities				
Interest received7098352Net cash generated (absorbed) by investment activities $3,315$ $1,554$ $(1,938)$ Cash flows from financing activitiesRepayment of bonds $(7,130)$ $(6,571)$ $(13,531)$ Interest paid $(2,569)$ $(2,946)$ $(5,705)$ Repayment of leasing liability $(18)$ $(12)$ $(62)$ Dividend distributed $(3,580)$ Cash flows absorbed by financing activities $(9,717)$ $(9,529)$ $(22,878)$ Decrease in cash and cash equivalents $(1,460)$ $(885)$ $(138)$ Balance of cash and cash equivalents at the beginning of the period $5,323$ $5,428$ $5,428$ Exchange differences on cash and cash equivalents balances $(48)$ $30$ $33$ Balance of cash and cash equivalents at the end of the period $3,815$ $4,573$ $5,323$ Appendix A – Financing and investment activities not involving cash flows: $(226)$ Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties) $(226)$ Increase in leasing liability recorded against a right of use asset- $33$ $33$ 33		3,245	1,456	(2,290)	
Net cash generated (absorbed) by investment activities3,3151,554(1,938)Cash flows from financing activitiesRepayment of bonds(7,130)(6,571)(13,531)Interest paid(2,569)(2,946)(5,705)Repayment of leasing liability(18)(12)(62)Dividend distributed(3,580)Cash flows absorbed by financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period5,3235,4285,428Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:(226)Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset2.576233			,		
Repayment of bonds(7,130)(6,571)(13,531)Interest paid(2,569)(2,946)(5,705)Repayment of leasing liability(18)(12)(62)Dividend distributed(3,580)Cash flows absorbed by financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period(1,460)(885)(138)Balance of cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:(226)Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset(226)333333333333		3,315	1,554	(1,938)	
Repayment of bonds(7,130)(6,571)(13,531)Interest paid(2,569)(2,946)(5,705)Repayment of leasing liability(18)(12)(62)Dividend distributed(3,580)Cash flows absorbed by financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period(1,460)(885)(138)Balance of cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:(226)Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset(226)333333333333					
Interest paid(2,569)(2,946)(5,705)Repayment of leasing liability(18)(12)(62)Dividend distributed(3,580)Cash flows absorbed by financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period5,3235,4285,428Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset(226)3333	_				
Repayment of leasing liability(18)(12)(62)Dividend distributed(3,580)Cash flows absorbed by financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period(48)3033Balance of cash and cash equivalents at the end of the period5,3235,4285,428Appendix A – Financing and investment activities not involving cash flows:(12)(22,878)Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)-(226)Increase in leasing liability recorded against a right of use asset(226)3333333333					
Dividend distributed(3,580)Cash flows absorbed by financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period(1,460)(885)(138)Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period5,3235,4285,428Appendix A – Financing and investment activities not involving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset333333	*				
Cash flows absorbed by financing activities(9,717)(9,529)(22,878)Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period(1,460)(885)(138)Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset-3333		(18)	(12)		
Decrease in cash and cash equivalents(1,460)(885)(138)Balance of cash and cash equivalents at the beginning of the period5,3235,4285,428Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset-333333	Dividend distributed	-	-		
Balance of cash and cash equivalents at the beginning of the period5,3235,428Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset-3333	Cash flows absorbed by financing activities	(9,717)	(9,529)	(22,878)	
Balance of cash and cash equivalents at the beginning of the period5,3235,428Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset-3333		(1.460)	(995)	(128)	
period5,3235,4285,428Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset-3333	-	(1,400)	(885)	(138)	
Exchange differences on cash and cash equivalents balances(48)3033Balance of cash and cash equivalents at the end of the period3,8154,5735,323Appendix A – Financing and investment activities not involving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)(226)Increase in leasing liability recorded against a right of use asset-3333	- 0 0	5 2 2 2	5 128	5 128	
Balance of cash and cash equivalents at the end of the period 3,815 4,573 5,323   Appendix A – Financing and investment activities not involving cash flows: Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties) - - (226)   Increase in leasing liability recorded against a right of use asset - 33 33	-				
Appendix A – Financing and investment activities not involving cash flows:   Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)   Increase in leasing liability recorded against a right of use asset					
involving cash flows:Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties)Increase in leasing liability recorded against a right of use asset-3333	Balance of cash and cash equivalents at the end of the period	5,015	4,375	5,525	
Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets (rights to receive royalties) - - (226)   Increase in leasing liability recorded against a right of use asset - 33 33					
Increase in leasing liability recorded against a right of use asset 33 33	Decrease in liability in connection with an effective royalty by well that has been recorded against petroleum and gas assets			(226)	
	•		-	. ,	
<u></u>					
	Dividend declared	-	3,580	-	