

Navitas Petroleum Limited Partnership

Consolidated Interim Financial Statements as of September 30, 2025

In USD thousand

Unaudited

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Independent Auditors' Review Report to the Partners of Navitas Petroleum - Limited Partnership

Introduction

We have reviewed the accompanying financial information of Navitas Petroleum - Limited Partnership (hereinafter - the "**Partnership**") and consolidated companies, which includes the condensed consolidated statement of financial position as of September 30, 2025, and the condensed statements of comprehensive income, changes in equity of the Partnership, and cash flows for the nine-month and three-month periods then ended. The Board of Directors and management of the General Partner are responsible for preparing and presenting financial information for these interim periods in accordance with IAS 34, Interim Financial Reporting, and are also responsible for preparing financial information for these interim periods under 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 performed our review pursuant to Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of inquiries, mostly of persons responsible for financial and accounting issues, and of applying analytical and other review procedures. A review is substantially smaller in scope than an audit performed pursuant to generally accepted auditing standards in Israel and, as a result, does not enable us to obtain assurance that we would become aware of all significant matters that may be identified in an audit. Consequently, we are not expressing an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the abovementioned financial information is not prepared, in all material respects, in accordance with IAS 34.

Additionally, based on our review, nothing has come to our attention that causes us to believe that this financial information is not prepared, in all material respects, in accordance with the disclosure provisions of Chapter D to the Securities Regulations (Periodic and Immediate Reports), 1970.

Tel Aviv,
November 16, 2025

Kost Forer Gabbay & Kasierer
Certified Public Accountants

Consolidated Statements of Financial Position

	As of September 30		As of
	2025	2024	December 31
	Unaudited		Audited
	USD thousand		
<u>Current assets</u>			
Cash and cash equivalents	540,663	119,422	118,829
Short-term investments	42,190	22,893	28,297
Trade receivables	63,651	5,486	9,940
Receivables and debit balances	6,096	4,614	16,139
Financial derivatives	18,424	1,716	1,126
	<u>671,024</u>	<u>154,131</u>	<u>174,331</u>
<u>Non-current assets</u>			
Investments in oil and gas assets, net	1,826,729	1,227,936	1,369,917
Restricted amounts	8,216	31,666	22,124
Deferred costs	9,496	10,822	6,475
Financial derivatives	870	740	507
Other receivables	172	1,457	44
Right-of-use assets	2,240	2,975	2,737
Property, plant, and equipment, net	375	302	314
	<u>1,848,098</u>	<u>1,275,898</u>	<u>1,402,118</u>
	<u>2,519,122</u>	<u>1,430,029</u>	<u>1,576,449</u>

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Consolidated Statements of Financial Position (cont.)

	As of September 30		As of
	2025	2024	December 31
	Unaudited		Audited
	USD thousand		
<u>Current liabilities</u>			
Trade payables and other payables	120,145	16,745	33,823
Interest payable for debentures and long-term loans	22,476	17,004	10,176
Financial derivatives	-	-	106
Current maturity of long-term loans from banking corporations and financial institutions	173,378	9,703	70,746
Current maturity of debentures, net	33,155	-	-
Current maturity of lease liabilities	1,166	1,199	1,277
	<u>350,320</u>	<u>44,651</u>	<u>116,128</u>
<u>Non-current liabilities</u>			
Debentures, net	816,660	503,126	511,206
Long-term loans from banking corporations and financial institutions, net	447,971	361,644	401,685
Provision for an obligation to decommission oil and gas assets	31,147	29,647	22,858
Deferred taxes	22,459	19,669	16,524
Lease liabilities	1,507	2,276	1,945
Other liabilities	17,469	1,532	38,247
	<u>1,337,213</u>	<u>917,894</u>	<u>992,465</u>
<u>Partnership's equity capital</u>			
Capital of participation units	766,448	377,831	379,158
Conversion component of debentures	2,397	3,205	3,156
Reserve for share-based payment	12,466	9,680	11,721
Reserve for transactions with a controlling shareholder	8,004	8,004	8,004
Reserve for hedging transactions	(1,049)	(1,360)	(1,576)
Options	16,805	3,135	3,135
Retained loss	(61,741)	(10,274)	(15,735)
	<u>743,330</u>	<u>390,221</u>	<u>387,863</u>
<u>Non-controlling interests</u>	<u>88,259</u>	<u>77,263</u>	<u>79,993</u>
<u>Total equity</u>	<u>831,589</u>	<u>467,484</u>	<u>467,856</u>
	<u>2,519,122</u>	<u>1,430,029</u>	<u>1,576,449</u>

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

November 16, 2025			
Approval date of the financial statements	Gideon Tadmor Chairman of the Board FLR Oil and Gas Management Ltd. The General Partner	Amit Kornhauser CEO and Director FLR Oil and Gas Management Ltd. The General Partner	Tamar Rosenberg CFO FLR Oil and Gas Management Ltd. The General Partner

Consolidated Statements of Comprehensive Income

	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31
	2025	2024	2025	2024	2024
	Unaudited				Audited
	USD thousand (excluding net profit (loss) per participation unit)				
Revenue from oil and gas sales, net of royalties	133,483	58,965	97,690	16,234	78,039
Cost of oil and gas production	(40,981)	(22,092)	(25,399)	(6,504)	(28,611)
Depreciation and depletion expenses	(28,901)	(9,251)	(22,730)	(2,672)	(12,598)
Gross profit	63,601	27,622	49,561	7,058	36,830
Expenses for oil and gas exploration and project development	(1,709)	(1,841)	(591)	(518)	(1,889)
General and administrative expenses	(13,934)	(12,324)	(5,224)	(3,364)	(15,869)
Other expenses	(2,881)	(1,462)	(2,482)	(88)	(2,497)
Operating profit	45,077	11,995	41,264	3,088	16,575
Finance income	10,005	6,287	3,985	2,104	7,857
Finance expenses	(22,851)	(10,978)	(21,237)	(1,178)	(11,876)
Revenue (expenses) from exchange rate differences, net	(61,754)	9,831	(15,051)	(4,143)	3,369
Income (loss) before taxes on income	(29,523)	17,135	8,961	(129)	15,925
Taxes on income	(8,217)	(2,125)	(6,789)	(463)	(3,646)
Net profit (loss)	(37,740)	15,010	2,172	(592)	12,279
Other comprehensive income (loss) (post-tax):					
<u>Amounts classified or reclassified to profit or loss under specific conditions:</u>					
Gain (loss) from cash flow hedges, net	(1,265)	(1,503)	(1,274)	490	(2,392)
Transfer to profit or loss for cash flow hedges	1,792	2,253	493	786	2,926
Total other comprehensive income (loss)	527	750	(781)	1,276	534
Total comprehensive income (loss)	(37,213)	15,760	1,391	684	12,813
Net profit (loss) attributable to:					
Owners of the Partnership's participation units	(46,006)	6,879	(724)	(3,322)	1,418
Non-controlling interests	8,266	8,131	2,896	2,730	10,861
	(37,740)	15,010	2,172	(592)	12,279
Total comprehensive income (loss) attributable to:					
Owners of the Partnership's participation units	(45,479)	7,629	(1,505)	(2,046)	1,952
Non-controlling interests	8,266	8,131	2,896	2,730	10,861
	(37,213)	15,760	1,391	684	12,813
<u>Net profit (loss) per participation unit (in USD):</u>					
Basic earnings (loss)	(0.444)	0.068	(0.007)	(0.033)	0.014
Diluted earnings (loss)	(0.444)	0.066	(0.007)	(0.033)	0.014

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Consolidated Statements of Changes in the Partnership's Equity

	Attributable to owners of the Partnership's participation units									
				Reserve for transactions with a controlling share-holder	Reserve for share-based payment	Reserve for hedging transactions	Retained loss	Total	Non-con-trolling interests	Total equity
Partnership's equity capital	Options	Conversion component of debentures								
Unaudited										
USD thousand										
Balance as of January 1, 2025 (audited)	379,158	3,135	3,156	8,004	11,721	(1,576)	(15,735)	387,863	79,993	467,856
Net profit (loss)	-	-	-	-	-	-	(46,006)	(46,006)	8,266	(37,740)
Other comprehensive income	-	-	-	-	-	527	-	527	-	527
Total comprehensive income (loss)	-	-	-	-	-	527	(46,006)	(45,479)	8,266	(37,213)
Issuance of participation units and options, net	346,529	16,805	-	-	-	-	-	363,334	-	363,334
Share-based payment	-	-	-	-	2,870	-	-	2,870	-	2,870
Deferred taxes for share-based payment	-	-	-	-	348	-	-	348	-	348
Issuance of participation units from exercise of marketable options	25,757	(3,135)	-	-	-	-	-	22,622	-	22,622
Issue of participation units from vesting of RSUs	2,140	-	-	-	(2,140)	-	-	-	-	-
Exercise of non-marketable options awarded to employees	1,505	-	-	-	(333)	-	-	1,172	-	1,172
Conversion of debentures into participation units	11,359	-	(759)	-	-	-	-	10,600	-	10,600
Balance as of September 30, 2025	766,448	16,805	2,397	8,004	12,466	(1,049)	(61,741)	743,330	88,259	831,589

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Consolidated Statements of Changes in the Partnership's Equity (cont.)

	Attributable to owners of the Partnership's participation units									
				Reserve for transactions with a controlling share- holder	Reserve for share- based payment	Reserve for hedging transactions	Retained loss	Total	Non-con- trolling interests	Total equity
Partnership's equity capital	Options	Conversion component of debentures								
Unaudited										
USD thousand										
Balance as of January 1, 2024 (audited)	311,830	-	3,318	8,004	7,807	(2,110)	(17,153)	311,696	69,132	380,828
Net profit	-	-	-	-	-	-	6,879	6,879	8,131	15,010
Other comprehensive income	-	-	-	-	-	750	-	750	-	750
Total comprehensive income	-	-	-	-	-	750	6,879	7,629	8,131	15,760
Share-based payment	-	-	-	-	3,310	-	-	3,310	-	3,310
Issuance of participation units and options, net	62,709	3,135	-	-	-	-	-	65,844	-	65,844
Issue of participation units from vesting of RSUs	1,421	-	-	-	(1,421)	-	-	-	-	-
Exercise of non-marketable options awarded to employees	51	-	-	-	(16)	-	-	35	-	35
Conversion of convertible debentures into participation units	1,820	-	(113)	-	-	-	-	1,707	-	1,707
Balance as of September 30, 2024	377,831	3,135	3,205	8,004	9,680	(1,360)	(10,274)	390,221	77,263	467,484

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Consolidated Statements of Changes in the Partnership's Equity (cont.)

	Attributable to owners of the Partnership's participation units									
				Reserve for	Reserve for				Non-con-	Total
Partnership's	Options	Conversion	of	transactions	share-	Reserve for	Retained	Total	trolling	equity
equity capital		component		with a	based	hedging	loss		interests	
		of		controlling	payment	transactions				
		debentures		share-holder						
							</			

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Consolidated Statements of Changes in the Partnership's Equity (cont.)

	Attributable to owners of the Partnership's participation units									
Partnership's equity capital	Options	Conversion component of debentures	Reserve for transactions with a controlling share-holder	Reserve for share-based payment	Reserve for hedging transactions	Retained loss	Total	Non-con-trolling interests	Total equity	
Unaudited										
USD thousand										
Balance as of July 1, 2024	375,101	3,135	3,318	8,004	9,679	(2,636)	(6,952)	389,649	74,533	464,182
Net profit (loss)	-	-	-	-	-	-	(3,322)	(3,322)	2,730	(592)
Other comprehensive income	-	-	-	-	-	1,276	-	1,276	-	1,276
Total comprehensive income (loss)	-	-	-	-	-	1,276	(3,322)	(2,046)	2,730	684
Share-based payment	-	-	-	-	911	-	-	911	-	911
Issue of participation units from vesting of RSUs	910	-	-	-	(910)	-	-	-	-	-
Conversion of convertible debentures into participation units	1,820	-	(113)	-	-	-	-	1,707	-	1,707
Balance as of September 30, 2024	377,831	3,135	3,205	8,004	9,680	(1,360)	(10,274)	390,221	77,263	467,484

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Consolidated Statements of Changes in the Partnership's Equity (cont.)

	Attributable to owners of the Partnership's participation units									
				Reserve for	Reserve for				Non-con-	Total
Partnership's	Options	Conversion	component	transactions	share-	Reserve for	Retained	Total	trolling	
equity capital		of	of	with a	based	hedging	loss		interests	equity
		debentures	debentures	controlling	payment	transactions				
				share-holder	Audited					

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Consolidated Statements of Cash Flows

	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31
	2025	2024	2025	2024	2024
	Unaudited				Audited
	USD thousand				
<u>Cash flow provided by operating activities</u>					
Net profit (loss)	(37,740)	15,010	2,172	(592)	12,279
Adjustments to reconcile cash flows from operating activities:					
Adjustments to profit and loss line items:					
Depletion, depreciation and amortization	29,408	9,730	22,908	2,836	13,233
Derecognition of oil and gas assets	399	745	-	197	745
Share-based payment	2,870	3,317	1,105	1,074	4,078
Deferred taxes, net	6,302	2,102	5,843	437	701
Finance expenses (income), net	82,789	(14,554)	30,792	3,612	(9,224)
Exchange rate differences for cash balances, net	(9,946)	5,746	(605)	(409)	5,773
	111,822	7,086	60,043	7,747	15,306
Changes in assets and liabilities items:					
Decrease (increase) in trade receivables	(53,711)	2,953	(55,563)	1,326	(1,501)
Decrease (increase) in receivables and debit balances	(1,087)	(544)	(1,032)	(574)	552
Cash flow hedges	(928)	2,330	565	478	2,989
Increase in trade payables and other payables	23,377	3,131	21,089	2,619	3,415
	(32,349)	7,870	(34,941)	3,849	5,455
Interest received	7,989	5,951	3,391	1,823	7,250
Interest paid	(3,410)	(4,570)	(3,369)	(22)	(4,585)
Taxes paid	(3,331)	(180)	(844)	-	(180)
Net cash provided by operating activities	42,981	31,167	26,452	12,805	35,525
<u>Cash flow provided by investing activities</u>					
Investment in oil and gas assets	(370,977)	(264,496)	(163,476)	(105,018)	(339,225)
Interest paid and capitalized to oil and gas assets, net	(64,453)	(36,638)	(10,776)	(11,194)	(62,702)
Movements in restricted amounts	17,036	31,103	1,868	14,201	33,498
Movements in deposits, net	(3,117)	(4,879)	(1,616)	(252)	(2,737)
Investments in marketable securities	-	(2,688)	-	(16)	(2,749)
Purchase of fixed assets	(149)	(110)	(75)	(31)	(146)
Net cash used for investing activities	(421,660)	(277,708)	(174,075)	(102,310)	(374,061)

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Consolidated Statements of Cash Flows (cont.)

	For the 9 months ended September 30		For the 3 months ended September 30		For the year ended December 31
	2025	2024	2025	2024	2024
	Unaudited				Audited
	USD thousand				
<u>Cash flow provided by financing activities</u>					
Receipt of loans from banks and financial institutions	147,038	142,921	-	54,147	243,421
Repayment of loans from banks and financial institutions	(4,852)	(4,852)	-	-	(9,703)
Repayment of lease liabilities	(1,050)	(990)	(392)	(442)	(1,335)
Issue of debentures	274,247	279,565	58,146	-	279,565
Costs of raising loans and debentures	(11,944)	(6,932)	(1,506)	(2,389)	(10,807)
Repayment of debentures	-	(190,168)	-	-	(190,168)
Exercise of non-marketable options awarded to employees into participation units	1,172	35	-	-	35
Exercise of marketable options into participation units	22,956	-	-	-	-
Issuance of participation units and options	368,366	68,272	368,366	-	68,272
Costs of raising capital and exercise of options	(5,366)	(2,428)	(5,024)	-	(2,428)
Net cash provided by financing activities	790,567	285,423	419,590	51,316	376,852
<u>Effect of changes in exchange rates on cash balances held in foreign currency</u>	9,946	(5,746)	605	409	(5,773)
<u>Increase (decrease) in cash and cash equivalents</u>	421,834	33,136	272,572	(37,780)	32,543
<u>Balance of cash and cash equivalents at the beginning of the period</u>	118,829	86,286	268,091	157,202	86,286
<u>Balance of cash and cash equivalents at the end of the period</u>	540,663	119,422	540,663	119,422	118,829
<u>Significant non-cash activities</u>					
Investment in oil and gas assets against trade payables and other payables (including capitalized interest expenses)	91,138	20,653	91,138	20,653	65,365
Conversion of debentures into participation units	10,600	1,707	2,135	1,707	2,591
Increase in long-term loan from banking corporations and financial institutions against other receivables.	-	-	-	-	11,183

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Notes to the Consolidated Interim Financial Statements

NOTE 1 - GENERAL

- A. These financial statements have been prepared in condensed format as of September 30, 2025 and for the nine- and three-month periods then ended (hereinafter - the **"Consolidated Interim Financial Statements"**). The financial statements should be read in the context of the Partnership's annual financial statements as of December 31, 2024 for the year then ended, and their accompanying notes (hereinafter - the **"Consolidated Annual Financial Statements"**).
- B. Navitas Petroleum - Limited Partnership (hereinafter - the **"Partnership"**) was established under a limited partnership agreement signed on August 30, 2015, amended from time to time. The Partnership was registered on September 8, 2015 under the Partnership Ordinance, 1975. The purpose of the Partnership is oil and gas exploration, development, and production.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Preparation format of the Interim Financial Statements

The Interim Financial Statements have been prepared in accordance with IAS 34, "Interim Financial Reporting", as well as in accordance with the disclosure provisions outlined in Chapter D to the Securities Regulations (Periodic and Immediate Reports), 1970.

The accounting policies applied in the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the Consolidated Annual Financial Statements.

Notes to the Consolidated Interim Financial Statements

NOTE 3 - INVESTMENTS IN OIL AND GAS ASSETS, NET

A. Composition

	September 30		December 31
	2025	2024	2024
	Unaudited		Audited
	USD thousand		
<u>Oil and gas assets</u>			
Shenandoah project	1,416,554	960,216	1,090,005
Buckskin project	82,470	78,757	79,176
Monument Project	74,971	25,490	31,424
Denbury project	91,674	94,807	94,001
Neches project	20,960	16,643	17,763
Shenandoah South Project (formerly Yucatan)	3,931	1,098	1,098
	<u>1,690,560</u>	<u>1,177,011</u>	<u>1,313,467</u>
<u>Exploration and evaluation assets</u>			
Sea Lion project	86,597	34,201	33,421
Sea Lion Project (loans to RKH)	44,114	11,729	17,914
Others	5,458	4,995	5,115
	<u>136,169</u>	<u>50,925</u>	<u>56,450</u>
	1,826,729	1,227,936	1,369,917

B. Shenandoah project

Further to Note 7D(1) to the Annual Financial Statements, all Phase A development works of the Shenandoah Project were successfully completed during July 2025. In addition, the retrofitting of the project's floating production system (hereinafter - "FPS") was completed and the FPS's capacity was increased to 120,000 barrels of oil per day.

On July 25, 2025, commercial oil and gas production in the project has commenced.

Production in the project was ramped-up gradually and in a controlled manner, which included controlled opening of the producing wells, cleaning of the wells and infrastructures, and system calibration. Subsequent to the statement of financial position date, at the beginning of October 2025, the ramp-up process of the four producing wells drilled as part of the development of Phase A of the project, was successfully completed upon reaching a production rate of 100,000 barrels of oil per day.

In accordance with the update provided by the project operator, BOE Exploration & Production LLC, the actual performance of the producing wells, the FPS and other production, treatment and transmission systems match its expectations.

The operator and project partners are working to implement Phase B of the development, which includes the advancement of future execution stages, with the aim of maximizing the project's value while optimizing the FPS.

Notes to the Consolidated Interim Financial Statements

NOTE 3 - INVESTMENTS IN OIL AND GAS ASSETS, NET (cont.)

C. Sea Lion project

Further to Note 7D(2) to the Annual Financial Statements, the Partnership is acting to obtain the final approval from the Falkland Islands government for the project's detailed field development plan, which is expected close to and before the final investment decision (hereinafter - the "**FID**"), following the approval in principle, which has already been obtained and the final approval received for the future environmental impact statement (EIS).

The Partnership in final stages of reaching agreements regarding overall regulation with the Falkland Islands government, including on tax issues, fiscal stability, transfer prices and more. It should also be noted that as of the report publication date, all the main agreements required for the development of the project were signed (the entry into force of some of the agreements and their implementation are subject to the fulfillment of conditions precedent).

The Partnership and Rockhopper Exploration Plc (which directly holds, and through affiliates, holds 35% of the rights to the project) (hereinafter - "**RKH**") continue to work together to close the project funding for the development of Phase A of the project. A foreign bank is leading the financing, which will be carried out by way of providing two identical, parallel private non-recourse loans to the project partners. Project financing (the senior debt) is expected to amount to approx. USD 1 billion (100%).

According to the Partnership's assessment, and based on the bank model, the construction costs of Stage A in the development of the project will amount to approx. USD 1.8 billion (these costs also include a deposit with respect to safety cushions for interest payments and budget overruns, if any), of which approx. USD 1.4 billion (CapEx - 100%) will be invested until first oil. Further to the Loans Agreement signed with RKH, as stated in Note 12B to the Annual Financial Statements, the Partnership is required to provide a USD loan at zero interest in the amount of 2/3 of RKH's share in the capital needed to develop Phase A, which will be repaid using 85% of RKH's free cash flow from Phase A of the Project. The total equity provided by the Partnership for its share in the Project's development is expected to amount to approx. USD 743 million (including the component of the loan to RKH), in accordance with the revised bank model and subsequent to the signing of the commercial agreements. In addition, RKH is required to provide equity in the amount of approx. USD 100 million, which RKH announced has been fully raised in July 2025, subject to a FID. The Partnership's equity capital is expected to be invested over a period of up to 18 months from the FID date and, in any case, prior to the first withdrawal from the project's financing facility.

In September 2025, the General Meeting of the participation unit holders approved raising the capital required for the project by way of non-uniform bids for institutional offerees (with the possibility of making uniform bids available to the public) - in addition to further sources of existing and planned capital and financing, which will be at its disposal for the purpose of investing in the project.

Notes to the Consolidated Interim Financial Statements

NOTE 3 - INVESTMENTS IN OIL AND GAS ASSETS, NET (cont.)

C. Sea Lion project (cont.)

Further to the approval by the said meeting, the Partnership completed - on September 9, 2025 - an issuance of 12,600,000 participation units and 4,284,000 Options (Series 6) for immediate (gross) proceeds of approx. NIS 1,228.5 million (approx. USD 368.4 million) (for further details regarding the said issuance, see Note 5C below).

D. Buckskin project

Further to Note 7D(3) to the Consolidated Annual Financial Statements, in March 2025, the operator of the Buckskin project, LLOG Exploration Offshore, LLC, informed the project partners that the fifth development drilling in the northern part of the Buckskin reservoir had been successfully completed. Completion works for production from the drilling are scheduled to begin during the fourth quarter of 2025.

According to the resources report prepared by an independent reserves evaluator as of June 30, 2025, the proven reserves (P1) of the Buckskin Project (100%) are estimated at approx. 180.9 MMBBL of oil and approx. 40.2 BCF of natural gas. The proved and projected reserves (P2) of the Buckskin project (100%) are estimated at approx. 285.7 MMBBL of oil and approx. 63.4 BCF of natural gas. An addition, the best estimate of contingent resources (C2) in Buckskin (100%) is estimated at approx. 68.5 MMBBL of oil and 24.4 BCF of natural gas.

E. Monument Project

Further to Note 7D(4) to the Consolidated Annual Financial Statements, during the reporting period, the project operator, BOE Exploration & Production LLC, continued its development in accordance with the approved development plan.

F. Shenandoah South Project

Further to that which is stated in Note 7D(7) to the Consolidated Annual Financial Statements, on July 25, 2025, a final investment decision (hereinafter – the “**FID**”) was made for the development of the Shenandoah South Project.

As part of the FID, the Project’s preliminary development budget was approved, at the total amount of approx. USD 184 million (Partnership’s share is approx. USD 77 million) (hereinafter - the “**Preliminary Budget**”). Furthermore, a production and handling services agreement was signed, whereunder such services will be rendered over the project’s life through Shenandoah Project’s FPS. Following the FID the conditions pertaining to reclassification to reserves of contingent resources in the project were met. The estimated total project development budget is approx. USD 713 million (the Partnership's share amounts to approx. USD 299 million). The project’s development will include the drilling of two development and producing wells, which will be connected to the FPS. The project’s operator - BOE Exploration & Production, LLC - believes that production from the first project well is expected to commence during the second quarter of 2028.

Notes to the Consolidated Interim Financial Statements

NOTE 3 - INVESTMENTS IN OIL AND GAS ASSETS, NET (cont.)

F. Shenandoah South Project (cont.)

According to the resources report prepared by an independent reserves evaluator as of June 30, 2025, the proven reserves (1P) of the Shenandoah South Project (100%) are estimated at approx. 19.7 MMBBL of oil and approx. 13.4 BCF of natural gas. The proved and projected reserves (2P) of the Shenandoah South Project (100%) are estimated at approx. 41.6 MMBBL of oil and approx. 28.3 BCF of natural gas.

G. Denbury project

According to the resources report prepared by an independent reserves evaluator as of June 30, 2025, the proven reserves (1P) of the Denbury Project (100%) are estimated at approx. 14.4 MMBBL of oil and approx. 10.0 BCF of natural gas. The proved and projected reserves (2P) of the Denbury Project (100%) are estimated at approx. 18.7 MMBBL of oil and approx. 11.7 BCF of natural gas.

H. Neches project

According to the resources report prepared by an independent reserves evaluator as of June 30, 2025, the proven reserves (1P) of the Neches Project (100%) are estimated at approx. 2.5 MMBBL of oil and approx. 2.4 BCF of natural gas. The proved and projected reserves (2P) of the Neches Project (100%) are estimated at approx. 3.9 MMBBL of oil and approx. 3.3 BCF of natural gas.

NOTE 4 - DEBENTURES, NET

Debentures (Series G)

On January 13, 2025, the Partnership completed a public offering of NIS 400,000,000 p.v. in Debentures (Series G) of the Partnership. Debentures (Series G) were offered by way of a tender on the annual interest rate on Debentures (Series G), with the annual interest rate set at 6%. The immediate gross proceeds received by the Partnership as part of the public offering amounted to NIS 400 million (approx. USD 109 million). The debentures are not linked to the CPI or any currency. Issuance expenses amounted to approx. USD 1 million. The effective interest rate in the said issuance is approx. 6.3%. Debentures (Series G) are repayable in two unequal annual installments, to be paid on June 30 of each of the years 2029 and 2030.

The interest on the outstanding balance of the debentures' principal shall be paid in semi-annual installments on December 31, 2025 and on June 30 and December 31 of each of the years 2026 through 2029, except for payment in respect of the first interest period paid on June 30, 2025 in respect of the period beginning on January 14, 2025 and ended on June 29, 2025 and for payment of the last interest payment on June 30, 2030.

On April 22, 2025, the Partnership issued NIS 403,000,000 p.v. in Debentures (Series G) by way of series expansion, as part of a private placement for investors specified in the First Addendum to the Securities Law, at a price of NIS 0.994 agorot per each NIS 1 p.v. of Debentures (Series G); the overall issuance proceeds amounted to approx. NIS 400.6 million (approx. USD 107.7 million). Issuance expenses amounted to approx. USD 0.4 million. The effective interest rate in the said issuance is approx. 6.7%.

Notes to the Consolidated Interim Financial Statements

NOTE 4 - DEBENTURES, NET (cont.)

Debentures (Series G) (cont.)

On July 31, 2025, the Partnership issued NIS 197,000,000 p.v. in Debentures (Series G) by way of series expansion, as part of a private placement for investors specified in the First Addendum to the Securities Law, at a price of NIS 1 agorot per each NIS 1 p.v. of Debentures (Series G); the overall issuance proceeds amounted to NIS 197 million (approx. USD 58.1 million). Issuance expenses amounted to approx. USD 0.2 million. The effective interest rate in the said issuance is approx. 6.3%.

The Debentures are not secured by any collateral or pledge.

Under the deed of trust deed, the Partnership assumed the following main obligations:

Collateral and other liabilities

- The Partnership's economic capital, as defined in the deed of trust, will not fall below USD 1,400 million for two consecutive quarters.
- The net financial debt to net cap ratio, as defined in the deed of trust, will not exceed a rate of 70% for two consecutive quarters.
- The Partnership's equity capital as per the financial statements (excluding non-controlling interests) will not fall below USD 160 million for two consecutive quarters.

As of September 30, 2025, the Partnership was in compliance with these financial covenants.

- The Partnership undertook not to pledge all of its existing or future assets and property (held directly) in a general floating charge, without the prior consent of the general meeting of holders of Debentures (Series G) by special resolution.
- The Partnership has undertaken, as far as it is under its control, to ensure that Debentures (Series G) are rated by at least one rating agency approved by the Commissioner of the Capital Market, until the date of the full, final and accurate repayment of the debt.
- The Partnership will not make any distribution that is one of the following: 1) a distribution that is contrary to the provisions of the Partnership Ordinance; 2) a distribution that will result in the Partnership's economic capital falling below USD 1,600 million; 3) a distribution that will result in the net financial debt to net cap ratio increasing beyond a rate of 63%; 4) a distribution that will result in the Partnership's equity capital (excluding non-controlling interests) falling below USD 200 million; 5) on the date on which the Board of Directors passes the distribution decision there are warnings signs as defined in Section 10(b)(14)(a) to the Securities Regulations (Periodic and Immediate Reports), 1970.

The terms of Debentures (Series G) provide for a "cross-default" event, whereby if a loan (which is not a non-recourse loan), whose amount exceeds USD 25 million, is called for immediate repayment or if a series of debentures is called for immediate repayment, the Debenture Holders (Series G) will have grounds for immediate repayment in respect of the Debentures (Series G).

Debentures (Series G) are rated ilBBB+ by Standard & Poor's Maalot.

Notes to the Consolidated Interim Financial Statements

NOTE 5 - THE PARTNERSHIP'S EQUITY

- A. Further to Note 13C to the Consolidated Annual Financial Statements, in the first quarter of 2025, 1,833,050 Options (Series 5) were exercised into 1,833,050 participation units of the Partnership for a total of approx. NIS 84.4 million (approx. USD 23 million). 265 Options (Series 5) expired on March 31, 2025.
- B. Further to Note 11C to the Consolidated Annual Financial Statements, during the reporting period, NIS 33,041,514 p.v. of Debentures (Series D) were converted into 1,223,760 participation units of the Partnership. As of September 30, 2025, the outstanding principal of Debentures (Series D) convertible into the Partnership's participation units, amounts to NIS 113,661,486 p.v. Subsequent to the statement of financial position date, On November 2025, NIS 521,100 p.v. of Debentures (Series D) were converted into 19,300 participation units of the Partnership.
- C. On September 9, 2025, the Partnership completed the issuance of 126,000 bundles at a uniform price of NIS 9,750 per unit, with each unit being composed of 100 participation units and 34 Options (Series 6), which are exercisable into participation units. As part of the issuance, 12,600,000 participation units and 4,284,000 Options (Series 6) were issued. The immediate gross proceeds (without the option exercise assumption) received by the Partnership as part of the public offering amounted to approx. NIS 1,228.5 million (approx. USD 368.4 million). The total issuance costs amounted to approx. USD 5 million. Each Option (Series 6) is exercisable into one participation unit for an exercise price of NIS 120 per participation unit, linked to the USD exchange rate as of September 5, 2025 (NIS 3.343 per USD 1), on each trading day as from the date of their listing on the TASE, until August 31, 2026.
- The Partnership allocated the proceeds of the issuance between the participation units and the option at their fair value on the first trading day on the TASE.
- D. For details regarding the maturity of RSUs and non-marketable options for the Partnership's participation units, see Note 8B below.
- E. The balance of the Partnership's participation units as of September 30, 2025 is approx. 116,837,616 units.

NOTE 6 - LOANS FROM BANKING CORPORATIONS AND FINANCIAL INSTITUTIONS

A. Loans for funding the Shenandoah Project

Further to Note 8B to the Consolidated Annual Financial Statements regarding loans to finance the Shenandoah Project, out of the project financing amount, which ShenHai was entitled to withdraw - totaling approx. USD 617.4 million - through May 2025 the entire financing amount totaling approx. USD 617.4 million was withdrawn (of which approx. USD 99.5 million were advanced by subsidiary ShenHai Financing).

Notes to the Consolidated Interim Financial Statements

NOTE 6 - LOANS FROM BANKING CORPORATIONS AND FINANCIAL INSTITUTIONS (cont.)

B. Credit from a financial institution

Further to Note 8C to the Consolidated Annual Financial Statements, which provides details regarding the Partnership and Navitas Financing LLC - a wholly-owned subsidiary of the Partnership, which was incorporated in Delaware, United States (hereinafter - the "**Borrower**") - having entered into an agreement with Trafigura Trading LLC for a credit facility of up to USD 100 million. In April 2025, the entire USD 100 million credit facility was withdrawn. The effective interest rate for the loan is approx. 10.3%. As of September 30, 2025, the Borrower is in compliance with the set covenants.

C. Loans for funding the Monument Project

On February 20, 2025, wholly-owned subsidiaries of the Partnership, in which the Partnership has an indirect stake, and which hold the rights in the Monument Project (hereinafter - the "**Borrower**" and the "**Project**") entered into a Project Financing Agreement for the provision of a credit facility, totaling USD 150 million for the purpose of financing the Partnership's share in the Project development. The financing will be provided by a consortium of banks and local and foreign financial institutions (hereinafter - the "**Agreement**", the "**Lenders**" and the "**Credit Facility**", respectively). The loans by virtue of the Credit Facility are non-recourse loans as far as the Partnership is concerned. The Agreement came into force when it was signed, after all the conditions required for its coming into force had been completed.

The first withdrawal from the Credit Facility will be possible only after the investment of the basic equity in the project (totaling approx. USD 100 million, of which, as of September 30, 2025, a total of approx. USD 54 million has been invested (as of the approval date of the Financial Statements - a total of approx. USD 61 million)) and the provision of a reserve for budget overruns (contingent equity reserve account (CERA)) totaling approx. USD 20 million. Furthermore, the withdrawal will be subject to additional conditions, which include, among other things, confirmation that as of the withdrawal date no deficit is expected in financial sources for the purpose of paying the Partnership's share of the Project's expected construction expenses, completion of the installation of the field production platform (FPS) in the Shenandoah project, compliance with a debt-capital ratio, which will not exceed 65:35 (this ratio should be complied with in any withdrawal prior to the development completion date), the absence of material breaches or adverse events and the validity of certain representations.

As from their provision date, the loans will bear variable annual interest based on the term SOFR interest rate plus a spread of: (1) 6% through the project development completion date; and (2) 4.75% as from the development completion date. The Agreement also stipulates interest on arrears due to failure to make timely payment under generally accepted terms.

Notes to the Consolidated Interim Financial Statements

NOTE 6 - LOANS FROM BANKING CORPORATIONS AND FINANCIAL INSTITUTIONS (cont.)

C. Loans for funding the Monument Project (cont.)

On the provision date of any loan, the Borrower may set an interest period in respect thereof. The Borrower may opt for a period of one month, three months or six months (or another period at the Lenders' consent), at the end of which the interest will be paid with respect of that loan, provided that the interest period does not end after the final repayment date of the Credit Facility, as described below. If the interest period exceeds six months, the interest shall be paid every six months. On the payment date of a loan's principal and interest, the Borrower may refinance the loan principal by taking a new loan under the facility.

The Borrower will be able to withdraw loans from the Credit Facility up to one month before the final repayment date. The loan's final repayment date is the earlier of the date on which the volume of remaining reserves in the project falls below 25% of the initial volume of the reserves as stipulated in the Agreement or December 31, 2031.

Subsequent to first oil from the Project, the Borrower has the right to execute early repayment of the loans, in whole or in part, on interest payment dates, without paying an early repayment fee or other payment.

Under the Project Financing Agreement, the Lender undertook various obligations, the main ones being as follows:

Non-utilization fee - a 3% fee until the end of the availability period, paid every six months.

Financial covenants: Compliance with a financial debt to EBITDA ratio that will not exceed 1 to 3.5 (this ratio will be reviewed every six months, on June 30 and December 31, on the earlier of the two dates which occurs at least six months after the completion date) and compliance with a projected debt service coverage ratio (DSCR) that will not fall below 1.1 (this ratio will be reviewed every six months after each loan principal reduction date).

Executing hedging transactions for oil prices at the amounts specified in the Project Financing Agreement.

The Borrower undertook not to place a pledge on its directly-held assets, in addition to any pledges already in place on the Financial Closing Date, except for exclusions set forth in the Agreement.

Notes to the Consolidated Interim Financial Statements

NOTE 6 - LOANS FROM BANKING CORPORATIONS AND FINANCIAL INSTITUTIONS (cont.)

C. Loans for funding the Monument Project (cont.)Main collateral

To secure repayment of the loan, the borrower took out, inter alia, a first-rank fixed pledge on its share in the project and project-related assets (including its rights in the project facilities, project agreements, insurance policies, and project account, all as defined in the Agreement). In addition, the loan will also be secured by a pledge on the Borrower's shares held indirectly by the Partnership and intercompany loans extended to the Borrower.

Execution of distributions by the Borrower will be possible only after the project development completion date and subject to compliance with the following conditions, among other things: (a) there is no breach event or a potential breach event of the Agreement; (b) the expected debt service coverage ratio is at least 1.3 for the current and subsequent calculation period; (c) full debt service reserve accounts as required; (d) the distribution was included in the up-to-date financing forecast and there is no shortage of sources of financing; and (e) maximum withdrawal amount is not exceeded.

Notes to the Consolidated Interim Financial Statements

NOTE 7 - TRANSACTIONS AND BALANCES WITH INTERESTED PARTIES, RELATED PARTIES, AND CONTROLLING SHAREHOLDERS

Approval of terms of office and employment of the Officers on Behalf of the General Partner of the Partnership

Further to Note 18C to the Consolidated Annual Financial Statements regarding management fees to which the Officers on Behalf of the General Partner are entitled, subsequent to the statement of financial position date, on October 30, 2025, the Partnership's General Meeting (hereinafter – the “**Meeting's Approval**”) (following approval by the Board of Directors) approved a revised compensation package, as detailed below:

The Officers on Behalf of the General Partner will continue to provide the Partnership with management services, consultation services, business development services, and other services, as required to manage the Partnership's business, and will serve as Chairman of the Board (Gideon Tadmor) and Deputy Chairman of the Board and senior business development manager (Koby Katz), full time (100%).

The engagement period with each Officer on Behalf of the General Partner will commence on October 30, 2025, and will end when three years will have elapsed from the approval by the general meeting, as outlined above.

In exchange for the Officers on Behalf of the General Partner providing management services, the Partnership will pay the Deputy Chairman of the Board a salary or management fees totaling NIS 138 thousand per month, in terms of cost (plus VAT), linked to increases in the consumer price index. In the first year, no salary or management fees will be paid to the Chairman of the Board of Directors whatsoever, and in each of the following two years, salaries or management fees will be paid for a total of NIS 184 thousand per month in terms of cost (plus VAT), such that the average for the three years will be approx. NIS 123 thousand (plus VAT). The Partnership will recognize expenses in the statements of comprehensive income in accordance with the average cost in each period.

In addition to the management fees, each of the Officers on Behalf of the General Partner is entitled to additional customary benefits, including: coverage of communication expenses (cell phone, internet, newspapers, etc.), fuel costs and all reasonable business expenses incurred in the context of the position thereof (such as: flights, accommodation, etc.).

Additionally, on November 2, 2025, each of the Officers on Behalf of the General Partner was allocated non-marketable options, without consideration (each exercisable into one participation unit), equal to 1,114,020 units to the Chairman of the Board (with the value of the annual economic benefit being approx. NIS 8,132 thousand) (approx. USD 2,497 thousand), and at a quantity equal to 222,804 units for the Deputy Chairman of the Board (with the value of the annual economic benefit being approx. NIS 1,626 thousand) (approx. USD 499 thousand).

The options will vest in 3 annual tranches over 4 years, from the grant date (September 2, 2025), such that 50% will vest two years after the award date, 35% will vest after 3 years, and 15% will vest after 4 years.

Notes to the Consolidated Interim Financial Statements

NOTE 7 - TRANSACTIONS AND BALANCES WITH INTERESTED PARTIES, RELATED PARTIES, AND CONTROLLING SHAREHOLDERS (CONT.)

Approval of terms of office and employment of the Officers on Behalf of the General Partner of the Partnership (cont.)

The exercise price of the options is as follows: first tranche - NIS 132.39 per option; second and third tranche - NIS 137.68.

The fair value of the option at the approval date by the meeting is estimated according to the Black and Scholes valuation model based on: (a) The abovementioned exercise prices; (b) the first tranche will expire at the end of 4.25 years from the award date and the second and third tranches will expire at the end of 5 years from the award date; (c) full adjustment to dividend was assumed;

(d) Standard deviation of the first tranche is 35.01%, of the second and third tranche - 36.18%

(e) Risk-free interest rate based on yield to maturity of unlinked fixed-interest bonds.

NOTE 8 - SHARE-BASED PAYMENT TRANSACTIONS

A. Further to that said in Note 14 to the Consolidated Annual Financial Statements:

1. In April 2025, the Partnership allotted 127,018 RSUs under a private placement to officers and employees of the Partnership and wholly-owned subsidiaries thereof. The fair value of the allotted equity instruments was estimated at approx. USD 2.7 million at the allotment date.
2. In August 2025, the Partnership allocated 7,593 RSUs by way of a private placement to non-executive employees of wholly-owned subsidiaries thereof. The fair value of the allotted equity instruments was estimated at approx. USD 200 thousand at the allotment date.
3. For details regarding the allocation of non-marketable options to each of the Officers on Behalf of the General Partner, see Note 7 above. During the reporting period, the Partnership recognized expenses in respect of the said options to Officers on Behalf of the General Partner for a total of approx. USD 363 thousand.
4. Subsequent to the statement of financial position date, 39,801 RSUs had expired.

B. Further to that said in Note 13 to the Consolidated Annual Financial Statements:

1. During the reporting period, 453,280 RSUs vested into 453,280 participation units of the Partnership after the offerees had met the vesting conditions set out in the Plan.
2. Subsequent to the date of the statement of financial position, 65,000 RSUs vested into 65,000 participation units of the Partnership after the offerees had met the vesting conditions set out in the Plan.
3. In January 2025, 175,029 non-marketable options were exercised into 175,029 participation units of the Partnership for approx. USD 1,148 thousand.
4. In April 2025, 5,910 non-marketable options, which were awarded to employees, were exercised into 5,910 participation units of the Partnership in consideration for approx. USD 17 thousand.

Notes to the Consolidated Interim Financial Statements

NOTE 9 - FINANCIAL INSTRUMENTS

A. Fair value

Following are carrying amounts and fair values of financial instruments measured at amortized cost (excluding those whose amortized cost is not materially different from their fair value):

	<u>September 30, 2025</u>		<u>September 30, 2024</u>		<u>December 31, 2024</u>	
	<u>Carrying</u>	<u>Fair</u>	<u>Carrying</u>	<u>Fair</u>	<u>Carrying</u>	<u>Fair</u>
	<u>amount</u>	<u>value *)</u>	<u>amount</u>	<u>value *)</u>	<u>amount</u>	<u>value *)</u>
	<u>Unaudited</u>				<u>Audited</u>	
	<u>USD thousand</u>					
<u>Financial liabilities</u>						
Debentures (Series C)	100,452	101,216	89,273	87,704	92,079	92,087
Debentures (Series D)	(** 38,110	147,767	(** 49,356	86,352	(** 48,054	118,424
Debentures (Series E)	146,215	158,560	127,997	136,415	128,593	140,828
Debentures (Series F)	273,654	288,717	243,483	247,392	251,958	265,040
Debentures (Series G)	<u>302,369</u>	<u>313,128</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	860,800	1,009,388	510,109	557,863	520,684	616,379

*) According to quoted market price (Level 1) in the fair value hierarchy.

**) Represents the outstanding par value (including the conversion component).

- B. Further to Note 19E1 to the Consolidated Annual Financial Statements, as of September 30, 2025, NIS-denominated liabilities exceeded NIS-denominated assets by approx. USD 774 million. In the nine- and three-month periods ended September 30, 2025, the USD devalued by approx. 9.4% and approx. 2.0%, respectively, against the NIS, and therefore expenses from exchange rate differences were recorded in the nine- and three-month periods ended September 30, 2025 totaling approx. USD 61.5 million and approx. USD 14.8 million, respectively.

C. Hedging and derivatives

1. The Group is exposed to changes in the oil prices in respect of its future sales. In order to hedge the said exposure, the Group enters into hedge transactions for oil prices, pertaining to some of its future production. Information regarding open transactions as of September 30, 2025:
 - a) As of September 30, 2025, Navitas Buckskin has open-ended put options to hedge WTI oil prices in the period spanning from October 2025 to August 2026, for a total volume of approx. 380 thousand barrels of oil at a minimum average price of approx. USD 60 per barrel. The abovementioned transactions are accounted for as an accounting hedge.
The fair value of the asset for the said hedging transactions as of September 30, 2025 is approx. USD 1,516 thousand.

Notes to the Consolidated Interim Financial Statements

NOTE 9 - FINANCIAL INSTRUMENTS (cont.)

C. Hedging and derivatives (cont.)

1. (cont.)

- b) Further to Note 8A to the Consolidated Annual Financial Statements regarding NPO's undertaking to hedge oil prices under the financing agreement, as of September 30, 2025 NPO has open-ended put option hedge transactions to hedge WTI oil prices, which are accounted for as accounting hedges, totaling approx. 348 thousand barrels of oil for the period spanning from October 2025 to September 2027, at a minimum average price of approx. USD 55 per barrel.

The fair value of the asset for the said hedging transactions as of September 30, 2025 is approx. USD 1,290 thousand.

- c) Further to Note 8B to the Consolidated Annual Financial Statements regarding ShenHai LLC's undertaking to hedge the oil prices under the financing agreement, as of September 30, 2025, ShenHai LLC has open-ended hedge transactions, as detailed below:

- Put options to hedge WTI oil for approx. 2,413 thousand barrels of oil in November and December of 2025 and January to March of 2026, at a minimum average price per barrel of approx. USD 65.
- WTI oil price hedges totaling 165 thousand barrels of oil, which combine swaps and call options in the period from November 2025 to December 2025 at an average minimum price of approx. USD 66 per barrel and an average maximum price of approx. USD 71 per barrel.

The fair value of the asset for the said hedging transaction as of September 30, 2025 is approx. USD 16,070 thousand.

Subsequent to the statement of financial position date, in October and November 2025, ShenHai LLC entered into additional hedges as detailed below:

- Put options to hedge WTI oil for approx. 2,565 thousand barrels of oil in the period in April to August 2026, at a minimum average price per barrel of approx. USD 65.

Notes to the Consolidated Interim Financial Statements

NOTE 9 - FINANCIAL INSTRUMENTS (cont.)

C. Hedging and derivatives (cont.)

2. Further to Note 19C(2) to the Consolidated Annual Financial Statements, in April 2025, the Partnership entered into NIS/USD hedges, as follows:

- Purchase of a put option for December 2025 totaling USD 4 million at a price of NIS 3.70 per dollar and sale of a call option for December 2025 totaling USD 4 million at a price of NIS 3.79 per dollar.

The fair value of the asset for the said hedging transactions as of September 30, 2025 is approx. USD 476 thousand. The abovementioned transactions are not accounted for as an accounting hedge.
