Navitas Petroleum, Limited Partnership

Consolidated Interim Financial Statements as of September 30, 2026

In USD thousand

Unaudited

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This report is a translation of Navitas Petroleum, Limited Partnership's Hebrew-language Consolidated Interim Financial Statements as of September 30, 2026. It is prepared solely for convenience purposes. Please note that the Hebrew version is the binding version, and in any event of discrepancy, the Hebrew version shall prevail.

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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, 2026, and the condensed consolidated 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.

Review scope

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 conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters which may have been identifiable in an audit. Accordingly, we do not express 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 18, 2026

Kost Forer Gabbay & Kasierer
Certified Public Accountants

Consolidated Statements of Financial Position

	As of September 30		As of December 31
	2026	2025	2025
	Unaudited		Audited
	USD thousand		
Current assets			
Cash and cash equivalents	281,814	540,663	591,906
Short-term investments	36,426	42,190	53,377
Trade receivables	75,358	63,651	84,917
Receivables and debit balances	23,572	6,096	24,253
Financial derivatives	65,980	18,424	68,097
	483,150	671,024	822,550
Non-current assets			
Investments in oil and gas assets, net	2,694,959	1,826,729	1,946,098
Restricted amounts	59,956	8,216	1,680
Long-term investments	82,966	-	-
Receivables for sublease	85,821	-	-
Deferred debt raising costs	54,150	9,668	45,663
Financial derivatives	43,747	870	727
Deferred taxes	183,858	-	183,000
Right-of-use assets	7,028	2,240	3,498
Property, plant, and equipment, net	5,175	375	384
	3,217,660	1,848,098	2,181,050
	3,700,810	2,519,122	3,003,600

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 December 31
	2026	2025	2025
	Unaudited		Audited
	USD thousand		
Current liabilities			
Current maturity of long-term loans from banking corporations and financial institutions, net	3,362	173,378	189,869
Current maturity of debentures, net	58,395	33,155	105,078
Trade payables	66,537	20,147	33,188
Payables and credit balances	62,961	99,983	176,639
Taxes payable	1,267	15	7,451
Interest payable for debentures and long-term loans	15,519	22,476	9,164
Financial derivatives	71,762	-	-
Current maturity of lease liabilities	1,953	1,166	997
	281,756	350,320	522,386
Non-current liabilities			
Long-term loans from banking corporations and financial institutions, net	1,185,871	447,971	345,590
Debentures, net	744,535	816,660	979,033
Financial derivatives	90,467	-	-
Provision for an obligation to decommission oil and gas assets	61,998	31,147	45,376
Deferred taxes	74,686	22,459	41,619
Lease liabilities	251,058	1,507	2,983
Other liabilities	3,065	17,469	9,268
	2,411,680	1,337,213	1,423,869
Partnership's equity capital			
Capital of participation units	951,201	766,448	767,868
Conversion component of debentures	1,081	2,397	2,321
Capital reserve for share-based payment	18,336	12,466	14,500
Capital reserve for transactions with a controlling shareholder	8,004	8,004	8,004
Capital reserve for hedging transactions	(86,878)	(1,049)	4,985
Capital reserve for investments in debentures	(2,489)	-	-
Capital reserve for transactions with non-controlling interests	(19,200)	-	-
Options	-	16,805	16,805
Retained earnings (loss)	137,319	(61,741)	152,071
	1,007,374	743,330	966,554
Non-controlling interests	-	88,259	90,791
Total equity	1,007,374	831,589	1,057,345
	3,700,810	2,519,122	3,003,600

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

November 18, 2026			
Approval date of the financial statements	Gideon Tadmor Chairman of the Board FLR Oil and Gas Management Ltd. General Partner	Amit Kornhauser CEO and Director FLR Oil and Gas Management Ltd. General Partner	Tamar Rosenberg CFO FLR Oil and Gas Management Ltd. 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
	2026	2025	2026	2025	2025
	Unaudited				Audited
	USD thousand (excluding net profit (loss) per participation unit)				
Revenues from oil and gas sales, net of royalties	695,450	133,483	178,281	97,690	365,203
Cost of oil and gas production	(109,113)	(40,981)	(29,051)	(25,399)	(84,456)
Depreciation and depletion expenses	(133,653)	(28,901)	(33,921)	(22,730)	(90,685)
Gross income	452,684	63,601	115,309	49,561	190,062
Expenses for oil and gas exploration and project development	(2,954)	(1,980)	(923)	(862)	(3,731)
General and administrative expenses	(24,796)	(13,312)	(7,106)	(4,791)	(19,965)
Other revenues (expenses), net	(4,168)	(3,232)	137	(2,644)	(2,886)
Operating profit	420,766	45,077	107,417	41,264	163,480
Finance income	19,462	10,005	4,760	3,985	16,480
Finance expenses	(201,471)	(22,851)	(52,815)	(21,237)	(66,327)
Revenues (expenses) from exchange rate differences, net	(26,989)	(61,754)	11,991	(15,051)	(89,508)
Income (loss) before taxes on income	211,768	(29,523)	71,353	8,961	24,125
Tax benefit (taxes on income)	(75,896)	(8,217)	(16,473)	(6,789)	154,479
Net profit (loss)	135,872	(37,740)	54,880	2,172	178,604
Other comprehensive income (loss) (net of tax effect):					
Amounts that will be reclassified or are being reclassified to profit or loss under specific conditions:					
Gain (loss) from cash flow hedges, net	(126,452)	(1,265)	(51,479)	(1,274)	4,187
Transfer to profit or loss for cash flow hedges	34,589	1,792	16,821	493	2,374
Loss for investments in debentures	(2,489)	-	(1,473)	-	-
Total other comprehensive income (loss)	(94,352)	527	(36,131)	(781)	6,561
Total comprehensive income (loss)	41,520	(37,213)	18,749	1,391	185,165
Net profit (loss) attributable to:					
Owners of the Partnership's participation units	135,232	(46,006)	54,880	(724)	167,806
Non-controlling interests	640	8,266	-	2,896	10,798
	135,872	(37,740)	54,880	2,172	178,604
Total comprehensive income (loss) attributable to:					
Owners of the Partnership's participation units	40,880	(45,479)	18,749	(1,505)	174,367
Non-controlling interests	640	8,266	-	2,896	10,798
	41,520	(37,213)	18,749	1,391	185,165
Net profit (loss) per participation unit (in USD):					
Basic earnings (loss)	1.135	(0.444)	0.455	(0.007)	1.569
Diluted earnings (loss)	1.104	(0.444)	0.441	(0.007)	1.455

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

Consolidated Statements of Changes in Equity of the Partnership

	Attributable to owners of the Partnership's participation units											
	Partnership's equity capital	Options	Conversion component of debentures	Capital reserve for transactions with non-controlling interests	Capital reserve for transactions with a controlling shareholder	Capital reserve for share-based payment	Capital reserve for investments in debentures	Capital reserve for hedging transactions	Retained earnings	Total	Non-controlling interests	Total equity
	Unaudited											
	USD thousand											
Balance as of January 1, 2026 (audited)	767,868	16,805	2,321	-	8,004	14,500	-	4,985	152,071	966,554	90,791	1,057,345
Net profit	-	-	-	-	-	-	-	-	135,232	135,232	640	135,872
Other comprehensive loss	-	-	-	-	-	-	(2,489)	(91,863)	-	(94,352)	-	(94,352)
Total comprehensive income (loss)	-	-	-	-	-	-	(2,489)	(91,863)	135,232	40,880	640	41,520
Cost of share-based payment	-	-	-	-	-	6,536	-	-	-	6,536	-	6,536
Deferred taxes for share-based payment	-	-	-	-	-	(191)	-	-	-	(191)	-	(191)
Redemption of preferred shares	-	-	-	(19,200)	-	-	-	-	-	(19,200)	(91,431)	(110,631)
Profit distribution	-	-	-	-	-	-	-	-	(150,000)	(150,000)	-	(150,000)
Issuance of participation units from exercise of marketable options, net	164,783	(16,789)	-	-	-	-	-	-	-	147,994	-	147,994
Expiration of marketable options	-	(16)	-	-	-	-	-	-	16	-	-	-
Issue of participation units from vesting of RSUs	2,499	-	-	-	-	(2,499)	-	-	-	-	-	-
Exercise of non-marketable options awarded to employees	49	-	-	-	-	(10)	-	-	-	39	-	39
Conversion of debentures into participation units	16,002	-	(1,240)	-	-	-	-	-	-	14,762	-	14,762
Balance as of September 30, 2026	951,201	-	1,081	(19,200)	8,004	18,336	(2,489)	(86,878)	137,319	1,007,374	-	1,007,374

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

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

	Attributable to owners of the Partnership's participation units									
	Partnership's equity capital	Options	Conversion component of debentures	Capital reserve for transactions with a controlling shareholder	Capital reserve for share-based payment	Capital reserve for hedging transactions	Retained loss	Total	Non-controlling interests	Total equity
	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
Cost of 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 Equity of the Partnership (cont.)

	Attributable to owners of the Partnership's participation units									
	Partnership's equity capital	Options	Conversion component of debentures	Capital reserve for transactions with non-controlling interests	Capital reserve for transactions with a controlling shareholder	Capital reserve for share-based payment	Capital reserve for investments in debentures	Capital reserve for hedging transactions	Retained earnings	Total equity
	Unaudited									
	USD thousand									
Balance as of July 1, 2026	784,082	16,697	1,328	(19,200)	8,004	16,462	(1,016)	(52,220)	82,423	836,560
Net profit	-	-	-	-	-	-	-	-	54,880	54,880
Other comprehensive income (loss)	-	-	-	-	-	-	(1,473)	(34,658)	-	(36,131)
Total comprehensive income (loss)	-	-	-	-	-	-	(1,473)	(34,658)	54,880	18,749
Cost of share-based payment	-	-	-	-	-	2,221	-	-	-	2,221
Deferred taxes for share-based payment	-	-	-	-	-	(156)	-	-	-	(156)
Issuance of participation units from exercise of marketable options	163,717	(16,681)	-	-	-	-	-	-	-	147,036
Expiration of marketable options	-	(16)	-	-	-	-	-	-	16	-
Issue of participation units from vesting of RSUs	191	-	-	-	-	(191)	-	-	-	-
Conversion of debentures into participation units	3,211	-	(247)	-	-	-	-	-	-	2,964
Balance as of September 30, 2026	951,201	-	1,081	(19,200)	8,004	18,336	(2,489)	(86,878)	137,319	1,007,374

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

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

	Attributable to owners of the Partnership's participation units									
	Partnership's equity capital	Options	Conversion component of debentures	Capital reserve for transactions with a controlling shareholder	Capital reserve for share-based payment	Capital reserve for hedging transactions	Retained loss	Total	Non-controlling interests	Total equity
	Unaudited									
	USD thousand									
Balance as of July 1, 2025	416,796	-	2,576	8,004	12,185	(268)	(61,017)	378,276	85,363	463,639
Net profit (loss)	-	-	-	-	-	-	(724)	(724)	2,896	2,172
Other comprehensive loss	-	-	-	-	-	(781)	-	(781)	-	(781)
Total comprehensive income (loss)	-	-	-	-	-	(781)	(724)	(1,505)	2,896	1,391
Issuance of participation units and options, net	346,529	16,805	-	-	-	-	-	363,334	-	363,334
Cost of share-based payment	-	-	-	-	1,105	-	-	1,105	-	1,105
Deferred taxes for share-based payment	-	-	-	-	(15)	-	-	(15)	-	(15)
Issue of participation units from vesting of RSUs	809	-	-	-	(809)	-	-	-	-	-
Conversion of debentures into participation units	2,314	-	(179)	-	-	-	-	2,135	-	2,135
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 Equity of the Partnership (cont.)

	Attributable to owners of the Partnership's participation units								Non-controlling interests	Total equity
	Partnership's equity capital	Options	Conversion component of debentures	Capital reserve for transactions with a controlling shareholder	Capital reserve for share-based payment	Capital reserve for hedging transactions	Retained earnings (loss)	Total		
	Audited									
	USD thousand									
Balance as of January 1, 2025	379,158	3,135	3,156	8,004	11,721	(1,576)	(15,735)	387,863	79,993	467,856
Net profit	-	-	-	-	-	-	167,806	167,806	10,798	178,604
Other comprehensive income	-	-	-	-	-	6,561	-	6,561	-	6,561
Total comprehensive income	-	-	-	-	-	6,561	167,806	174,367	10,798	185,165
Issuance of participation units and options, net	346,529	16,805	-	-	-	-	-	363,334	-	363,334
Cost of share-based payment	-	-	-	-	5,026	-	-	5,026	-	5,026
Deferred taxes for share-based payment	-	-	-	-	591	-	-	591	-	591
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	2,505	-	-	-	(2,505)	-	-	-	-	-
Exercise of non-marketable options awarded to employees	1,505	-	-	-	(333)	-	-	1,172	-	1,172
Conversion of debentures into participation units	12,414	-	(835)	-	-	-	-	11,579	-	11,579
Balance as of December 31, 2025	767,868	16,805	2,321	8,004	14,500	4,985	152,071	966,554	90,791	1,057,345

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
	2026	2025	2026	2025	2025
	Unaudited				Audited
	USD thousand				
Cash flows from operating activities					
Net profit (loss)	135,872	(37,740)	54,880	2,172	178,604
Adjustments to reconcile cash flows from operating activities:					
Adjustments to profit and loss line items:					
Depletion, depreciation and amortization	134,035	29,408	34,055	22,908	91,380
Impairment of oil and gas assets	4,567	399	269	-	6,522
Share-based payment	6,536	2,870	2,221	1,105	5,026
Deferred taxes, net	56,927	6,302	16,156	5,843	(158,891)
Finance expenses (income), net	206,065	82,789	32,437	30,792	140,442
Exchange rate differences for cash balances, net	(2,062)	(9,946)	1,469	(605)	(11,146)
	406,068	111,822	86,607	60,043	73,333
Changes in assets and liabilities line items:					
Decrease (increase) in trade receivables	9,333	(53,711)	11,514	(55,563)	(74,977)
Decrease (increase) in receivables and debit balances	(2,029)	(1,087)	5,896	(1,032)	(17,920)
Cash flow hedges	(89,825)	(928)	(3,717)	565	(6,446)
Increase (decrease) in trade payables and other payables	15,469	23,377	(6,199)	21,089	44,189
	(67,052)	(32,349)	7,494	(34,941)	(55,154)
Interest received	18,172	7,989	4,470	3,391	14,868
Interest paid	(97,521)	(3,410)	(15,355)	(3,369)	(45,476)
Taxes paid	(19,529)	(3,331)	(3,237)	(844)	(7,234)
Net cash provided by operating activities	376,010	42,981	134,859	26,452	158,941
Cash flows from investing activities					
Investment in oil and gas assets	(715,190)	(370,977)	(387,502)	(163,476)	(505,499)
Interest paid and capitalized to oil and gas assets, net	(33,632)	(64,453)	(14,349)	(10,776)	(68,394)
Movements in restricted amounts	(25,599)	17,036	(6,457)	1,868	3,570
Movements in deposits, net	9,250	(3,117)	193	(1,616)	5,427
Investments in marketable securities	(109,950)	-	(6,809)	-	-
Purchase of fixed assets	(4,723)	(149)	(2,426)	(75)	(196)
Net cash used for investing activities	(879,844)	(421,660)	(417,350)	(174,075)	(565,092)

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
	2026	2025	2026	2025	2025
	Unaudited				Audited
	USD thousand				
Cash flows provided by financing activities					
Dividend paid	(150,000)	-	-	-	-
Receipt of loans from banks and financial institutions	1,592,496	147,038	174,499	-	147,038
Repayment of loans from banks and financial institutions	(910,718)	(4,852)	(100,000)	-	(96,025)
Repayment of lease liabilities	(1,153)	(1,050)	(444)	(392)	(1,425)
Issue of debentures	105,663	274,247	-	58,146	479,390
Costs of raising loans and debentures	(74,783)	(11,944)	(16,080)	(1,506)	(48,024)
Repayment of debentures	(407,227)	-	-	-	-
Exercise of non-marketable options awarded to employees into participation units	39	1,172	-	-	1,172
Exercise of marketable options into participation units, net	147,994	22,956	147,036	-	22,956
Issuance of participation units and options	-	368,366	-	368,366	368,366
Costs of raising capital and exercise of options	-	(5,366)	-	(5,024)	(5,366)
Repayment of preferred shares to non-controlling interests	(110,631)	-	-	-	-
Net cash provided by financing activities	191,680	790,567	205,011	419,590	868,082
Effect of changes in exchange rates on cash balances held in foreign currency	2,062	9,946	(1,469)	605	11,146
Increase (decrease) in cash and cash equivalents	(310,092)	421,834	(78,949)	272,572	473,077
Balance of cash and cash equivalents as of the beginning of the period	591,906	118,829	360,763	268,091	118,829
Balance of cash and cash equivalents as of the end of the period	281,814	540,663	281,814	540,663	591,906
Significant non-cash activities					
Investment in oil and gas assets against trade payables and other payables (including capitalized interest expenses)	82,402	91,138	82,402	91,138	118,803
Conversion of debentures into participation units	14,762	10,600	2,964	2,135	11,579
Recognition of a lease liability against oil and gas assets and receivables for sublease (see Note 3B(2))	240,335	-	-	-	-

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

NOTE 1 - GENERAL

A. These financial statements have been prepared in condensed format as of September 30, 2026 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, 2025 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.

C. Further to that which is stated in Note 1D to the Consolidated Annual Financial Statements, on February 28, 2026, a combined offensive - named Operation Lion's Roar - was launched by the State of Israel and the US against Iranian regime targets. On April 8, 2026, a ceasefire was reached between the US and Iran. These events have led, among other things, to an increase in the volatility of oil and gas prices in international markets. The Partnership's activity is carried out mostly outside Israel and therefore there is no significant direct impact on the Partnership's operational activities. The increase in oil prices in the said period contributed to an improvement in the oil price environment and has positively affected the Partnership's revenues, cash flows and financial results, on the back of market trends. On the other hand, there has been a weakening of the USD-NIS exchange rate. The Partnership has currency exposure arising mainly from NIS-denominated debts. Therefore, the weakening of the USD exchange rate, as stated, adversely affects the Partnership's finance expenses and financial results. See also Note 3B below.

As of the approval date of the Financial Statements, the Partnership is unable to assess the scope of the possible ramifications of these events on its operations and financial results.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

1. 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.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

2. IFRS 18, Presentation and Disclosure in Financial Statements

Further to that which is stated in Note 3A to the annual Consolidated Financial Statements regarding IFRS 18, Presentation and Disclosure in Financial Statements (hereinafter - the "**New Standard**"), as of the financial statements' approval date, the Partnership is assessing all effects of the New Standard, including the effects of the amendments to other standards applied therein, on its financial statements and the disclosures included therein. Based on the results of the assessment performed to date, the Partnership believes that the New Standard's expected material effects on the Consolidated Financial Statements are as follows:

A. Specified main business activity

The Partnership reviewed the provisions of the New Standard regarding the specified main business activity and concluded that it does not have a specified main business activity of investing in assets and providing financing to customers.

B. Material effects on the classification in the statement of income and subtotals included therein

1. Losses on put premiums - The Partnership enters into oil price hedges which qualify as hedge accounting and - prior to applying the New Standard - classifies losses on put premiums to the finance expenses line item. Subsequent to the application of the New Standard, such losses will be classified into the operating category.

2. Short-term investments, restricted amounts and long-term investments - Currently, gains (losses) on short-term investments, restricted deposits and long-term investments are presented in the Partnership's financial statements under finance income, finance expenses and expenses for exchange rate difference. Subsequent to the application of the New Standard, such income (expenses) will be classified into the investing category.

3. Non-utilization fee in respect of general credit - Currently, expenses in respect of the provision of credit facilities are presented in the Partnership's financial statements under finance expenses. Following the application of the New Standard, finance expenses will be classified in the operating category.

4. Subtotals - Currently, the Partnership presents in the statement of comprehensive income a subtotal of gross profit, operating profit, profit (loss) before taxes on income and net profit (loss). Subsequent to the application of the New Standard, the Partnership will continue to present the abovementioned subtotals plus profit (loss) before financing and taxes on income.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. Effects on classification in the statement of cash flows

1. Currently, the Partnership classifies cash flows from interest received and interest paid under operating activities in the statement of cash flows. Subsequent to the application of the New Standard, cash flows from interest received will be classified under investing activities, and cash flows from interest paid will be classified under financing activities.

2. Currently, interest paid and capitalized is presented under investing activities; subsequent to the application of the New Standard, such interest will be classified under financing activities.

D. Management-defined performance measures

The Partnership is assessing all measures it publishes outside the financial statements in order to determine whether they meet the definition of management-defined performance measures under the provisions of the New Standard. The Partnership believes that EBITDA and net profit, net of exchange rate differences and loss on early redemption, are expected to constitute management-defined performance measures under the provisions of the New Standard.

E. Potential effects on other matters pertaining to the Partnership's business

1. Financial covenants

The Partnership assessed the effect of applying the New Standard on the financial covenants it is required to comply with. Currently, there are no financial ratios affected by the application of the New Standard.

2. Compensation for officers and employees

Compensation mechanisms for the Partnership's officers are not based on accounting profitability, and therefore they are not expected to be affected by the application of the New Standard.

NOTE 3 - INVESTMENTS IN OIL AND GAS ASSETS, NET

A. Composition

	September 30		December 31
	2026	2025	2025
	Unaudited		Audited
	USD thousand		
Oil and gas assets			
Shenandoah project	1,396,876	1,416,554	1,427,214
Sea Lion project	397,255	-	132,967
Sea Lion project (loans to RKH)	156,256	-	77,440
Sea Lion project (right-of-use asset) (see Note 3B(2))	133,092	-	-
Buckskin project	96,267	82,470	91,510
Monument project	230,759	74,971	94,757
Denbury project	82,511	91,674	88,271
Neches project	21,683	20,960	21,974
Shenandoah South project	7,467	3,931	4,064
Tiberius project	26,423	-	-
	2,548,589	1,690,560	1,938,197
Exploration and evaluation assets			
Sea Lion project	-	86,597	-
Sea Lion project (loans to RKH)	-	44,114	-
Other	17,292	5,458	7,901
	17,292	136,169	7,901
Sea Lion project FPSO2 (see Note 3B(3))	129,078	-	-
	2,694,959	1,826,729	1,946,098

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

B. Sea Lion project

1. Due to the February 2026 war with Iran and its effects, the Partnership decided to move the upgrading and modification of the FPSO, which it intends to use in Phase A of the project, from the Middle East to a shipyard in Southeast Asia. Following the change, a total of approx. USD 45 million (100%) was added to the project budget. In view of the above, the total equity to be provided by the Partnership to the project is approx. USD 773 million (including the component of the loan to Rockhopper Exploration (Hydrocarbons) Ltd., the project partner), and will be financed out of its existing sources until the first drawdown date on account of the project financing (see Note 10B to the Annual Consolidated Financial Statements), which is expected at the end of the first quarter of 2027.

   Development work is progressing as planned, and first oil from the project is expected during the first half of 2028.

   As part of the development of the project, the project company entered into binding Agreements with major suppliers and contractors, including, among other things, agreements with two global marketing companies for the marketing of the oil barrels from the project.

2. FPSO lease

   Further to Note 13C to the Consolidated Annual Financial Statements, NPDP entered into a set of binding agreements for the leasing, upgrading, operation, and maintenance of a

   floating production storage and offloading facility (hereinafter - "**FPSO**") intended for the development and production of oil and gas in the Sea Lion project. The Agreement grants NPDP the right to use the FPSO for a period of up to 20 years.

   In accordance with the provisions of IFRS 16, the lease liability is measured according to the present value of the future lease payments (fixed payments only), which are expected to be paid - assuming the extension options under the agreement are exercised - over approx. 20 years of the lease, discounted at an annual interest rate of approx. 8.4%.

   In accordance with the above, since NPDP - which signed the FPSO lease agreement as the operator of the Sea Lion project - received the FPSO in June 2026, during the reporting period, NPDP recognized 100% of the lease liability for entering into the FPSO lease agreement, totaling approx. USD 240 million. In addition, NPDP recognized a finance sublease of the FPSO to its project partner, Rockhopper Exploration (Hydrocarbons) Ltd. (hereinafter - "**RKH**"), such that as of the statement of financial position date, the Financial Statements include a right-of-use asset under the investments in oil and gas assets line item, reflecting the Partnership's 65% share in the project, and a receivable asset for a sublease reflecting the 35% share of project partner - RKH - in the project.

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

B. Sea Lion project (cont.)

3. On August 17, 2026, the Partnership exercised an option through a subsidiary to acquire the vessel OSX1, which will serve in future phases of the project, after upgrading and modification, as the second FPSO (hereinafter - the "**FPSO2**") for the Sea Lion project. In September 2026, the acquisition transaction was completed in consideration for approx. USD 125 million (100%), with the Partnership's share of the acquisition cost totaling approx. USD 81 million and financed out of the Partnership's existing own resources. In October 2026, subsequent to the statement of financial position date, RKH, the project partner, completed the financing of its share in the vessel's purchase. The Partnership holds, through a subsidiary, 65% of the subsidiary that holds FPSO2, and the remaining 35% is held by RKH. In addition to the acquisition cost, the subsidiary and RKH approved a budget for maintenance of FPSO2 and central development area (CDA) through the second quarter of 2028, totaling approx. USD 134 million (100%). This purchase is expected to enable the acceleration and increase in the project's total production volume to approx. 180 thousand barrels per day at the end of 2030.

4. According to the resources report prepared by an independent reserves evaluator as of July 31, 2026, the proved reserves (1P) in the Sea Lion Project (100%) are estimated at approx. 232 MMBBL of oil and approx. 73 BCF of natural gas. The proved and probable reserves (2P) in the reservoir (100%) are estimated at approx. 314 MMBBL of oil and approx. 108 BCF of natural gas.
   In addition, the best estimate of contingent resources (2C) in the Sea Lion project (100%) is estimated at approx. 626 MMBBL of oil and 2,312 BCF of natural gas.

5. Escalation of Argentina's measures against the Sea Lion project and the Partnership

   Since the beginning of September 2026, there has been a substantive escalation in the measures taken by the government of Argentina against business activities in the Falkland Islands, such as oil development and production, and specifically against the Sea Lion project and those involved in it, among them the Partnership. These measures stem from Argentina's position, which asserts sovereignty over the islands and views these activities as unlawful, a position rejected by the governments of the UK and the Falkland Islands. In this context, Argentina has taken various measures domestically – in the criminal, administrative and legislative spheres – as well as internationally. The Partnership operates in the Falkland Islands pursuant to valid licenses lawfully granted to it by the Falkland Islands Government, with the support of the governments of the Falkland Islands and the UK. As of the financial statements' approval date, in the Partnership's assessment, the developments described below will not have a material adverse effect on the project and its schedule.

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

B. Sea Lion project (cont.)

5. Escalation of Argentina's measures against the Sea Lion project and the Partnership (cont.)

Domestically in Argentina, to the best of the Partnership's knowledge and according to media reports, government officials have filed criminal complaints against the Partnership and RKH and their subsidiaries and officers, with respect to activities in the Falkland Islands and additional offenses alleged in connection with those activities. To the best of the Partnership's knowledge, no indictments have been filed against any of them. As of the financial statements' approval date, the criminal complaints have not been served on the Partnership or its subsidiaries, and accordingly, as of that date, the Partnership has not been required to take legal measures in connection therewith.

In addition, the Argentinian government submitted a national sovereignty protection bill to the Chamber of Deputies, which, inter alia, expands the scope of the existing framework in Argentina and imposes more severe sanctions. As of the financial statements' approval date, the bill has not yet been approved. If approved, the Partnership and its legal counsel expect the exposure to be concentrated in assets and activities located in Argentina. The Partnership has no assets or activities in Argentina and believes that the bill is not expected to have a material adverse effect on the project or the Partnership.

In this context, the Partnership is in the advanced stages of replacing two contractors who are in breach, which have announced their intention not to perform work on the project, and continues to modify the project as necessary. As of the financial statements' approval date, the Partnership does not expect these replacements and modifications to have a material adverse effect on the project or its timeline.

Internationally, Argentina has initiated an arbitration proceeding against the UK - under the United Nations Convention on the Law of the Sea (UNCLOS) - alleging that the UK is breaching its obligations under the Convention by permitting and supporting hydrocarbon exploration and production activities in the area. The UK firmly rejects Argentina's allegations. Subsequently, Argentina filed a motion with the International Tribunal for the Law of the Sea (ITLOS) for provisional measures pending the constitution of the arbitral tribunal, including measures to prevent activities involving the utilization of oil and gas resources in the area, including in the Sea Lion project. The hearing on the motion was held on November 10-11, 2026, during which the UK clarified that it unreservedly supports the project and that its position is that the conditions for granting provisional measures are not met in the circumstances. The tribunal's decision is expected to be issued on November 28, 2026. The proceeding is between Argentina and the UK, and the Partnership and RKH are not parties to it. As of the financial statements' approval date, the Partnership is unable to estimate when the arbitral tribunal will be constituted.

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

B. Sea Lion project (cont.)

5. Escalation of Argentina's measures against the Sea Lion project and the Partnership (cont.)

The Partnership believes, based on the position of its legal counsel, that the likelihood of the motion being granted is low, inter alia in light of the well-founded allegations regarding the apparent lack of jurisdiction to adjudicate a dispute involving a sovereignty dispute and non-compliance with the other requirements for granting interim relief. As of the financial statements' approval date, the Partnership does not expect a material adverse effect on the project or the Partnership.

C. Buckskin project

Further to Note 7D(3) to the Consolidated Annual Financial Statements, the completion operation of the fifth development well in the northern reservoir was successfully completed in January 2026, and production from this well began in June 2026.
On September 24, 2026, the Board of the Partnership's General Partner approved the drilling of a sixth development and production well in the northern reservoir of the Buckskin project, which is expected to be executed in the first quarter of 2027.

D. Monument project

Further to Note 7D(4) to the Consolidated Annual Financial Statements, in June 2026, the project operator, BOE Exploration and Production, LLC , informed the partners that it has successfully completed the drilling of the first development and production well in the project reaching its final depth. Production from this well is expected to commence during the first quarter of 2027.

During September 2026, the operator commenced drilling the second development and production well in the project. Production from the second well is expected to commence during the second quarter of 2027. For details regarding the Project Finance Agreement, see Note 5E below.

E. License PL001 near the Sea Lion discovery in the Falkland Islands

Further to Note 7D(9) to the Consolidated Annual Financial Statements, on February 27, 2026, the Partnership (through an indirectly held subsidiary) signed, with JHI Falkland Inc. (hereinafter - "**JHI**") and JHI Associates Inc. (hereinafter - "**JHI Associates**") (both privately held companies incorporated in Canada), an agreement to acquire 65% of the rights to the PL001 license, which is adjacent to the Sea Lion project, and its appointment as the license's operator (hereinafter - the "**License**"). The transaction was completed in November 2026.

Similar to the additional adjacent licenses for the Sea Lion project held by the Partnership, this license, insofar as a discovery is found in it, may be developed, among other things, by way of a tie-back to the floating production and storage facilities (FPSO), which will be built during the various stages of the Sea Lion project - a plan which may reduce the projects' overall development and operating costs, creating a regional hub.

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

E. License PL001 near the Sea Lion discovery in the Falkland Islands (cont.)

The Partnership will provide JHI with a loan for its share of costs with respect to possible works within the License area (including, insofar as there shall be any, exploration drilling and in the case of discovery - appraisal drilling), as well as ancillary costs, up to a cumulative ceiling of USD 14 million. These amounts shall bear interest and shall be repaid to the Partnership from 85% of JHI's free cash flow from the production under the License, insofar as there shall be any. In addition, the Partnership will bear the reimbursement of past costs incurred by JHI.

The license's expiration date is December 31, 2026. The Acquisition Agreement stipulates that if the License is extended for a period of at least five years and the extension terms and conditions require execution of exploration drilling, and if the Partnership as an operator does not begin drilling operations or does not enter into a material agreement with a contractor for the purpose of drilling up to 18 months prior to the later of the expiration of the extended License or the drilling deadline, under the terms and conditions of the License, JHI shall be entitled to receive back the acquired rights, free of charge. The licenses were extended for five years through December 31, 2031, with an option for an additional two-year extension subject to the Governor's authorization.

F. Exploration asset - South Africa

Pursuant to the Partnership's strategy, which involves prospecting and limited investment in exploration assets, on May 19, 2026 - the Partnership exercised its option and entered into an agreement, through Navitas Petroleum Africa Ltd. (a private company wholly owned by the Partnership) (hereinafter - "**NPA**") with Azinam South Africa Limited (a wholly-owned subsidiary of Eco (Atlantic) Oil & Gas Ltd.) (hereinafter - "**Azinam**"), for USD 4 million, to acquire interests in the Block 1 CBK exploration license in South Africa, such that following completion of the transaction, NPA holds 37.5% of the asset and acts as its operator.

NPA will assume Azinam's share of all costs, expenses, and liabilities related to work on the asset, up to a total cap of USD 7.5 million. The amounts to be borne by NPA with respect to that those of Azinam shall bear an annual interest rate of 8% and shall be repaid from 85% of Azinam's free cash flow from the production of the oil asset, insofar as it becomes a producing asset.

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Completion of the transaction is subject, among other things, to the approval of the South African regulator and of another partner to the License, in accordance with the existing JOA for the asset.

On September 21, 2026, following the fulfillment of the conditions precedent, the transaction was completed, and the Partnership holds a 37.5% interest in the asset and serves as its operator.

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

G. Acquisition of rights in the Tiberius and Logan discoveries in the Gulf of America

On July 31, 2026, the Partnership, through Navitas Petroleum US, LLC (hereinafter - the "**Navitas US**"), entered into agreements with companies from the Kosmos and Occidental groups to acquire 33.33% participation rights in each of the Tiberius and Logan oil discoveries in the Gulf of America (hereinafter - the "**Agreements**", the "**Sellers**", "**Tiberius**", "**Logan**" and jointly - the "**Oil Assets**" and the "**Transaction**", as applicable).
In accordance with the Agreements, the Partnership will acquire from the Sellers approx. 33.33% of the rights in the Oil Assets (hereinafter - the "**Acquired Rights**"), such that upon completion of the Transaction the holding structure in the two Oil Assets will be identical among the three partners.
The effective date for the Transaction is January 1, 2026 (hereinafter - the "**Effective Date**"). In exchange for the Acquired Rights, Navitas US undertook the following payments:
Navitas US paid the Sellers the actual expenses incurred for its share of the Acquired Rights with respect to Tiberius as from the Effective Date and through the Agreements' signing date totaling approx. USD 4.6 million.
Navitas US will bear the Sellers' share of Tiberius' future development costs, up to a cap of USD 68 million, reflecting reimbursement of the Sellers' past costs incurred prior to the Effective Date. Out of the above cap approx. USD 9.2 million was paid to the Sellers on the Agreements' signing date. Furthermore, Navitas US will pay USD 3 million in consideration for the Acquired Rights in Logan.
Navitas US will pay the Sellers two future contingent payments of approx. USD 7.5 million each, for meeting the targets pertaining to production from the two wells to be drilled in Tiberius under Phase 1.

Furthermore, Navitas US will also assume the Sellers' existing liabilities (royalties to third parties) in respect of the rights to the Tiberius oil asset.
The Transaction for the acquisition of interests in the Tiberius and Logan discoveries was completed, subsequent to the statement of financial position date, in November 2026.

According to the resources report prepared by an independent reserves evaluator as of July 31, 2026, the proved reserves (1P) in the Tiberius Project (100%) are estimated at approx. 16.2 MMBBL of oil and approx. 4.9 BCF of natural gas. The proved and probable reserves (2P) in the reservoir (100%) are estimated at approx. 39.3 MMBBL of oil and approx. 11.9 BCF of natural gas.
In addition, the best estimate of contingent resources (2C) in the Tiberius project (100%) is estimated at approx. 5.6 MMBBL of oil and 1,703 MMCF of natural gas.

According to the resources report prepared by an independent reserves evaluator, as of July 31, 2026, the best estimate of the contingent resources (2C) in the Logan project (100%) is approx. 27.4 MMBBL of oil and 12,978 MMCF of natural gas.

NOTE 4 - DEBENTURES

A. Debentures (Series C)

Further to that which is stated in Note 11A to the Annual Financial Statements, on February 4, 2026 a full early redemption was executed, at the Partnership's initiative, of the full outstanding balance of the Debentures (Series C) in circulation (approx. NIS 274,989 thousand p.v.) for approx. NIS 279,661 thousand (approx. USD 91 million). As a result of the repayment of the Debentures (Series C), in the first quarter of 2026 the Partnership recognized a loss of approx. USD 1.6 million in respect of the early redemption, which was included under the finance expenses line item in the statement of comprehensive income.

B. Debentures (Series E)

Further to that which is stated in Note 11C to the Annual Financial Statements, on February 4, 2026 a full early redemption was executed, at the Partnership's initiative, of the full outstanding balance of the Debentures (Series E) in circulation for approx. NIS 523,353 thousand (approx. USD 170 million). As a result of the repayment of the Debentures (Series E), in the first quarter of 2026 the Partnership recognized a loss of approx. USD 13.5 million in respect of the early redemption, which was included under the finance expenses line item in the statement of comprehensive income.

C. Debentures (Series F)

Further to that which is stated in Note 11D to the Annual Financial Statements, on March 31, 2026, partial early redemption was carried out at the Partnership's initiative of NIS 440,000,000 p.v., of the outstanding Debentures (Series F) in consideration for approx. NIS 495 million (approx. USD 160 million) (including accrued interest). As a result of the repayment of the Debentures (Series F), in the first quarter of 2026 the Partnership recognized a loss of approx. USD 8.5 million in respect of the early redemption, which was included under the finance expenses line item in the statement of comprehensive income.

D. Debentures (Series H)

Further to Note 11F to the Annual Financial Statements, on February 15, 2026, the Partnership issued NIS 330,000,000 p.v. in Debentures (Series H) by way of a series expansion, as part of a private placement; the issuance proceeds totaled approx. NIS 325,545 thousand (approx. USD 106 million).
The issuance expenses totaled approx. USD 0.3 million. The effective interest rate in the said issuance is approx. 7.53%.

As of September 30, 2026, the Partnership meets the set covenants.

NOTE 5 - LOANS FROM BANKS AND FINANCIAL INSTITUTIONS

A. Entering into a reserve-based lending (hereinafter - "**RBL**") Agreement

On January 19, 2026, Navitas Petroleum Holdings, LLC - a wholly-owned subsidiary of the Partnership (hereinafter - the "**Borrower**") - entered into an RBL (reserves-based lending) agreement for a revolving borrowing base facility totaling USD 1.35 billion. On January 21, 2026, the Agreement's financial closing was completed, and the Partnership withdrew the full finance facility amount. The financing was provided by a consortium of foreign and Israeli banks and local and foreign financial institutions (hereinafter - the "**Agreement**", the "**Lenders**" and the "**Finance Facility**", respectively).
The loan was used, among other things, to repay the following debts and financial instruments: (1) The financing for the development of the Shenandoah Project (the balance of the principal and interest of which was approx. USD 433 million) (see Note 5B below), as well as the Partnership's Debentures (Series C) totaling NIS 274,989,000 in p.v. (approx. USD 88 million) (see Note 4A below); (2) The Partnership's Debentures (Series E) totaling NIS 500,000,000 in p.v. (approx. USD 160 million) (see Note 4B below); (3) Redemption of the Borrower's preferred stock allocated to an institutional entity in exchange for making an equity contribution to the Borrower for the development of the Shenandoah project (see Note 7 below); and (4) A credit facility of USD 100 million taken out by a subsidiary of the Partnership (see Note 5D below).

The Finance Facility is of the revolving credit type, such that as of the financial closing date and up to one month prior to the final repayment date (as described below), the Borrower may once again withdraw a loan which has already been withdrawn and repaid, except for once again withdrawing amounts repaid due to an early repayment obligation and which cannot be withdrawn under the terms and conditions of the Agreement.

The total Finance Facility will be gradually reduced, at predetermined rates, every March 31 and September 30 (as of March 31, 2027) until the final repayment date on September 30, 2032 (or when the balance of the reserves expected in the Pledged Oil Assets will fall below the threshold set forth in the Agreement, whichever is earlier) (hereinafter - the **"Finance Facility Reduction Date**").

The Agreement includes an accordion mechanism according to which the Borrower may, at any time during the 36-month period after the financial closing date, request an increase of up to an aggregate of USD 500 million in lending commitments. Existing or new lenders may agree to the increase request, and the increase will be subject, inter alia, to the fact that at the increase date, no breach event is ongoing and there is no potential breach event that may occur as a result of the increase, as well as maintaining compliance with the financial ratios.

NOTE 5 - LOANS FROM BANKS AND FINANCIAL INSTITUTIONS (cont.)

A. Entering into a reserve-based lending (hereinafter - "**RBL**") Agreement (cont.)

Subject to compliance with the conditions precedent attached to drawdowns as detailed in the Agreement, the Borrower may withdraw loans from the Finance Facility (in the amount available at the drawdown date) from the closing date until one month before the final repayment date (hereinafter - the "**Availability Period**" and the "**Loans**", respectively).
The maximum amount, which the Borrower may effectively withdraw will be the lower of: (a) The total amount of the Lenders' undertaking at that time; and (b) the borrowing base amount as defined below (hereinafter - the "**Maximum Drawdown Amount**").

In accordance with the terms of the Agreement, the Partnership will be allowed to pledge additional oil and gas assets it owns in the United States, such that they will be included under the Pledged Oil Assets and thereby increase the Maximum Withdrawal Amount, at the approval of a special majority of the Lenders.

The borrowing base amount - will be revised from time to time and redetermined on September 30 and March 31 (as from September 30, 2026) until the final repayment date by the Lenders based on the banking model, which will be the lower of the NPV (project life) divided by 1.5 and NPV (loan life) divided by 1.3. The borrowing base amount may also be revised on interim dates, by adopting a revised banking model, in circumstances defined in the Agreement (including, among other things, where there is an indication of a material reduction in the borrowing base amount and/or a borrowing base deficiency, and with respect to changes in the loan's underlying assets), and on the interim date to be set for this purpose.
Subsequent to the statement of financial position date, the first redetermination process was completed. Under the process, the banking model assumptions were updated to reflect actual production, and upon its completion, the loan amount and its terms remained unchanged.

The Loans will bear, from the date they are advanced, variable annual interest based on the CME Term SOFR plus a tiered annual spread as follows: (1) 4.25% until the end of two years from the Agreement signing date; (2) 4.50% from the end of two years until the end of four years from the signing date; and (3) 4.75% from the end of four years from the signing date onwards. (Effective interest rate - approx. 9.5%).

The interest will be paid at the end of each interest period, which will be set to one, 3 or 6 months (as determined by the Borrower).

The Agreement also stipulates interest on arrears in respect of a payment default at a rate of 2% above the relevant interest rate.
On the date each Loan is advanced, the Borrower may set an interest period applicable thereto, at the end of which both the principal and the interest in respect of that Loan shall be paid. The Borrower may opt for an interest period of one month, three months or six months (or another period at the Lenders' consent), provided that the interest period does not end after the final repayment date of the Credit Facility. On the payment date of a loan's principal and interest, the Borrower may refinance the loan by taking out a new loan under the facility.

NOTE 5 - LOANS FROM BANKS AND FINANCIAL INSTITUTIONS (cont.)

A. Entering into a reserve-based lending (hereinafter - "**RBL**") Agreement (cont.)

In addition, insofar as on the Finance Facility Reduction Date, the total principal of the Loans withdrawn shall exceed the cap of the reduced Finance Facility at that time, the Borrower will be required to repay the difference, so as not to exceed the reduced facility.

Main collateral

To secure the repayment of the Loans and compliance with the existing undertakings under the Agreement, the following, among other things, will be pledged under a first-rank fixed pledge:
(1) The rights of the Borrower and the subsidiaries holding the Pledged Oil Assets (hereinafter - the "**Project Companies**" and the "**Pledged Oil Assets**", respectively), which include: (a) the Shenandoah oil asset; (b) the onshore oil fields in the Denbury project and the Neches onshore oil field (hereinafter - the "**Onshore Assets**"), and the assets associated with the Pledged Oil Assets (including rights in the projects' equipment and facilities and the projects' agreements, all as defined in the agreement);
(2) A pledge on all assets of the Borrower and the Project Companies, including their rights under material agreements, insurance policies and bank accounts, and on the Borrower's equity interests in each of the Project Companies all subject to generally accepted exceptions;

Furthermore, the Partnership will pledge in favor of the Lenders its entire equity interest in the Borrower.

In accordance with the provisions of the Agreement, if the total outstanding principal amount of the Loans exceeds the Maximum Withdrawal Amount, the Borrower is required to make a mandatory early repayment of the Loans in an amount by which the Loans exceed the Maximum Withdrawal Amount within the period defined in the Agreement.

In addition, the Agreement stipulates a requirement to execute full or partial early repayment in the following circumstances: the sale of rights in all Pledged Oil Assets; a change of control; in the event that a sanction event has occurred (such as a Debtor's representation or statement regarding sanctions found to be incorrect, a Debtor's inclusion in the sanctions list or a breach of a Debtor's undertakings regarding sanctions); or where the continued advancement of the Credit Facility becomes unlawful for any Lender or any of its affiliates.

NOTE 5 - LOANS FROM BANKS AND FINANCIAL INSTITUTIONS (cont.)

A. Entering into a reserve-based lending (hereinafter - "**RBL**") Agreement (cont.)

Financial covenants

The Agreement sets forth a financial covenant which the Borrower is required to comply with, and whose violation gives the Lenders the right to demand immediate repayment of the Loans (unless a remediation was carried out as described below), as detailed below:
Leverage ratio - the ratio between the debtors' total net debt and their adjusted EBITDAX (as defined in the agreement) shall not exceed 3.5 on the assessment date. The leverage ratio will be assessed on June 30 and December 31 of each year (with respect to the 12 months ended on that date); the above may be remediated by way of capital injection on the dates set in the Agreement and subject to restrictions detailed therein. The Partnership meets the set covenant.

The Agreement includes an obligation to perform hedging transactions for oil and gas prices (net of royalties), at the following amounts:

1. With respect to the first year (on a rolling basis) - hedging at least 50% of the expected oil and gas production.
2. With respect to the second year (on a rolling basis) - hedging at least 33.33% of the expected production.
3. With respect to the period up to the third year (on a rolling basis) - hedging at least 25% of the expected production.

However, the Agreement includes a relief provision, according to which when the FLCR exceeds x2.5, the abovementioned minimum hedging requirements cease to apply for the period of up to two years prior to the final repayment date. If the FLCR falls below x2.5 in one of the subsequent banking models, the minimum hedging requirements will be renewed and will apply in full. Furthermore, the Agreement includes a restriction regarding the maximum volume of oil and gas which may be hedged under certain circumstances.

In January 2026, the Borrower obtained financing of approx. USD 1.35 billion; as of September 30, 2026, the Partnership reduced the financing amount, and its outstanding balance as of that date is USD 1,000 million.
As of September 30, 2026, the Borrower has complied with the undertaking to conduct the abovementioned hedges.

B. Loans for funding the Shenandoah project

Further to that which is stated in Note 10C to the Consolidated Annual Financial Statements regarding loans to the Shenandoah project, in January 2026, the Partnership executed an early repayment, as permitted under the Project Finance Agreement, of the outstanding loan amount and accrued interest in respect thereof for a total of approx. USD 433 million (net of the share of the ShenHai Financing). The repayment was made from the RBL proceeds as stated in Note 5A above. As a result of the repayment of the loan as stated above, in the first quarter of 2026, the Partnership recognized an expense of approx. USD 23.9 million in respect of the amortization of the balance of the loan raising costs.

NOTE 5 - LOANS FROM BANKS AND FINANCIAL INSTITUTIONS (cont.)

C. Loans for funding the Denbury project

Further to Note 10D to the Annual Financial Statements, following a decision by the Partnership, in December 2025, to exercise full early repayment, as permitted in the loan agreement, of the outstanding loans and the accrued interest, in January 2026, the Partnership repaid - by way of early repayment - the outstanding balance of the loans and accrued interest thereon in the total amount of approx. USD 29 million. As a result of the repayment of the loans as stated above, in the fourth quarter of 2025, the Partnership recognized an expense of approx. USD 1 million in respect of the amortization of the balance of the loan raising costs and early repayment fees.

D. Credit from a financial institution

Further to that which is stated in Note 10E to the Annual Financial Statements, in January 2026, the Partnership executed an early repayment, as permitted under the loan agreement, of the outstanding loan amount and accrued interest in respect thereof for a total of approx. USD 100.5 million. As a result of the repayment of the above loan, in the first quarter of 2026, the Partnership recognized an expense of approx. USD 2.3 million in respect of the amortization of the balance of the loan raising costs, which was included under finance expenses in the statement of comprehensive income.

E. Loans for funding the Monument project

Further to that stated in Note 10F to the Consolidated Annual Financial Statements, up to the first quarter of 2026, all the equity required for the development of the project was invested and withdrawals from the project finance facility began. Of the project financing amount of approx. USD 150 million that the Borrower is entitled to draw, approx. USD 107.5 million had been drawn as of September 30, 2026, and an additional approx. USD 16 million had been drawn as of the date of authorization of the financial statements.

F. Engagement in a finance agreement with an institutional entity

In July 2026, the Partnership transferred its entire holding stake in Navitas Petroleum Holdings, LLC (which incorporates the Partnership's activity in the United States) to a new subsidiary, Navitas Petroleum Lux SARL, incorporated in Luxembourg and wholly-owned by the Partnership; the transfer is tax-exempt in accordance with the provisions of Section 104A to the Income Tax Ordinance. Under the Israel Tax Authority's approval of the abovementioned transfer, the Partnership undertook to comply with the provisions of Section 104A.

On July 30, 2026, Navitas Petroleum Lux SARL (hereinafter - the "**Borrower**") entered into an agreement for the provision of a credit facility from an institutional entity, totaling up to USD 250 million (hereinafter - the "**Finance Facility**", the "**Agreement**" and the "**Lender**", as applicable). Furthermore, on that date USD 100 million was provided as a loan out of the credit facility.

NOTE 5 - LOANS FROM BANKS AND FINANCIAL INSTITUTIONS (cont.)

F. Engagement in a finance agreement with an institutional entity (cont.)

Subject to the terms of the Agreement, the Borrower will be entitled to withdraw loans from time to time by virtue of the Finance Facility during the Availability Period, which commences on the Financial Closing Date and ends after 24 months from the Agreement Date (hereinafter - the "**Availability Period**" and the "**Loans**", as applicable). The Finance Facility which will not be utilized by the end of the Availability Period will be immediately canceled. A commitment fee will be paid on the unutilized facility amount, as provided by the Agreement.

As from their provision date, the Loans will bear variable annual interest at a rate similar to that set in the RBL Agreement (as detailed in Section A above) plus a spread as set in the Agreement.

The Finance Facility includes a gradual reduction until the end of the Availability Period. The Loans which will be drawn will be repaid on the semi-annual reduction dates set in the Agreement, as from March 31, 2027 and through March 31, 2031, in a manner which ensures that the outstanding principal balance will not exceed the caps set in the Agreement for those dates.

To secure the repayment of the Loans and compliance with the existing liabilities under the Agreement, collateral was provided comprising a pledge on the Borrower's shares and a pledge on their bank accounts.

The Agreement sets grounds for execution of early, full or partial prepayment, among other things, in the following cases: (a) In the event of a change of control in the Borrower or if the Borrower ceases to wholly own (100%) of the capital and voting rights in Navitas Petroleum Holdings, LLC; (b) If the RBL Facility is fully repaid and cancelled, or if the total liabilities thereunder increase, subject to exceptions set in the Agreement; (c) If an asset from the RBL Facility borrowing base is sold or ceases to be classified as such, a proportionate portion of the Loans will be accelerated, calculated according to that asset's contribution rate to the borrowing base amount (as defined above) immediately prior to that event; (d) If a portion of the RBL Facility is voluntarily repaid and permanently cancelled, then at the Lender's request, a proportionate portion of the Finance Facility will be cancelled and a proportionate portion of the Loans will be repaid; and (e) If one or more of the licenses of the pledged assets under the RBL Facility, which together constitute more than 5% of the borrowing base amount in the RBL Facility, are cancelled or suspended for a consecutive period of more than six months, a proportionate portion of the Loans will be accelerated. The repayment dates, amount and calculation method vary according to the relevant grounds.

Financial covenants and distribution restrictions

The Agreement sets several financial covenants which the Borrower is required to comply with and which are similar to those set in the RBL Facility, and distribution restrictions similar to those set in the RBL Facility ensuring the coverage ratio set with the institutional entity.

NOTE 5 - LOANS FROM BANKS AND FINANCIAL INSTITUTIONS (cont.)

G. Credit facilities from banks

During the reporting period and subsequent to the statement of financial position date, in November 2026, the Partnership entered into agreements with banks for the provision of unsecured credit facilities of up to USD 300 million for a period of 12-30 months. The Partnership undertook to comply with financial covenants, interest rate adjustments for non-compliance with the financial covenants, and distribution restrictions similar to those set for Debentures (Series H), see Note 11F to the Consolidated Annual Financial Statements. For the utilized balance, the Partnership will pay interest at a rate of SOFR plus a spread, and for the unutilized balance, the Partnership will pay a commitment fee, as set in the agreement. As of September 30, 2026 and shortly prior to the financial statements' approval date, the credit facilities were unutilized.

NOTE 6 - PARTNERSHIP'S EQUITY CAPITAL

A. Further to Note 14D to the Consolidated Annual Financial Statements, during the reporting period, 4,279,960 Options (Series 6) were exercised into 4,279,960 participation units of the Partnership for a total of approx. NIS 444,236 thousand (approx. USD 148,988 thousand). 4,040 Options (Series 6) expired on August 31, 2026.

B. Further to Note 11B to the Consolidated Annual Financial Statements, during the reporting period, NIS 46,934,710 p.v. of Debentures (Series D) were converted into 1,750,548 participation units of the Partnership.
As of September 30, 2026, the outstanding principal of Debentures (Series D) convertible into the Partnership's participation units, amounts to NIS 63,800,127 p.v.
Subsequent to the statement of financial position date, in October and November 2026, NIS 2,766,721 p.v. of Debentures (Series D) were converted into 105,666 participation units of the Partnership, and the outstanding par value of the Debentures (Series D) convertible into the Partnership's participation units is NIS 61,033,406 p.v.

C. On March 17, 2026, the General Partner's Board of Directors approved a profit distribution totaling approx. NIS 468 million (approx. USD 150 million), with the record date for the distribution set for April 3, 2026. The profit distribution was carried out on April 14, 2026. The earnings distribution per participation unit was USD 1.27 (NIS 3.95)

As part of the profit distribution as stated above, and further to that stated in Notes 11B and 14D to the Consolidated Annual Financial Statements, the adjusted conversion rate of Debenture (Series D) is NIS 26.18372 and the new exercise price of Option (Series 6) is NIS 116.37209 per participation unit.

NOTE 7 - REDEMPTION OF PREFERRED SHARES BY A SUBSIDIARY

Further to that which is stated in Note 13A to the Consolidated Annual Financial Statements, on January 22, 2026, a full redemption was made at the Partnership's initiative, of the full balance of the preferred shares issued, totaling approx. USD 110.6 million. As a result of the initiated redemption of the Preferred Shares and in accordance with the Agreement, the amounts paid to the Preferred Shareholders include additional amounts beyond those recognized in the Financial Statements up to the Early Redemption Date.
The surplus of the said amounts totals approx. USD 19.2 million and was stated in the first quarter of 2026, under a (negative) reserve from transactions with non-controlling interests.

NOTE 8 - SHARE-BASED PAYMENTS

A. Further to Note 15 to the Consolidated Annual Financial Statements, in April 2026, the Partnership allotted 120,718 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 4 million at the grant date.

B. Subsequent to the statement of financial position date, in November 2026, the board of directors of the Partnership's General Partner authorized the allocation of 85,161 RSUs 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 2.6 million at the grant date.

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

1) During the reporting period, 367,327 RSUs vested into 367,327 participation units of the Partnership after the offerees had met the vesting conditions set out in the Plan.

2) Subsequent to the statement of financial position date, 127,658 RSUs vested into 127,658 participation units of the Partnership after the offerees had met the vesting conditions set out in the Plan.

3) During the reporting period, 8,923 awarded non-marketable options were exercised into 8,710 participation units of the Partnership in consideration for approx. USD 39 thousand.

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):

	September 30, 2026		September 30, 2025		December 31, 2025	
	Balance	Fair value *)	Balance	Fair value *)	Balance	Fair value *)
	Unaudited				Audited	
	USD thousand					
Financial liabilities						
Debentures (Series C)	-	-	100,452	101,216	105,552	106,479
Debentures (Series D)	21,736 **)	106,396	38,110 **)	147,767	36,930 (**)	150,828
Debentures (Series E)	-	-	146,215	158,560	149,743	162,476
Debentures (Series F)	152,575	160,641	273,654	288,717	288,496	305,321
Debentures (Series G)	327,408	342,769	302,369	313,128	308,987	318,433
Debentures (Series H)	313,622	324,845	-	-	205,888	216,395
	815,341	934,651	860,800	1,009,388	1,095,596	1,259,932

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

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

NOTE 9 - FINANCIAL INSTRUMENTS (cont.)

B. Hedging and derivatives

The Group is exposed to changes in the oil prices in respect of its future sales. To hedge the said exposure, the Group enters into oil price hedges for some of its future production (puts, swaps and capped swaps (a transaction that combines swaps with the exposure capped at a specific price through the purchase of a call option).
In accordance with the RBL Facility finance agreement and the revision of the banking model, the Partnership revised the hedged volumes in accordance with the policy established in the agreement (see Note 5A).

Information about open transactions as of September 30, 2026:

Hedging strategy	Term of hedge	Quantity (MBBL)	Average price (USD/barrel)			
			PUT	Floor price	Ceiling price	SWAP
PUT	October to December 2026	2,192	63	-	-	-
PUT	2027	3,114	64	-	-	-
Capped SWAP	2027	3,134	-	55	63	-
SWAP	2028	3,646	-	-	-	61
Capped SWAP	2028	550	-	55	60	-
SWAP	January to September 2029	1,896	-	-	-	62

The fair value of the liabilities, net in respect of the foregoing hedging transactions as of September 30, 2026 was approx. USD 52,282 thousand.

Subsequent to the statement of financial position date, the Group entered into additional hedges, closed out certain hedges, and certain hedges matured in accordance with their terms, as detailed below:

- Entering into put options to hedge WTI oil totaling approx. 420 thousand barrels of oil in the period spanning from November 2027 to December 2029, at a minimum average price per barrel of approx. USD 65. The closing out of put options to hedge WTI oil, totaling approx. 365 thousand barrels of oil, that were designated for the period from April 2027 to October 2027, at a minimum average price per barrel of approx. USD 62. In addition, put options to hedge WTI oil, totaling approx. 830 thousand barrels of oil, at a minimum average price per barrel of approx. USD 59, matured in accordance with their terms.

- Entering into swaps to hedge WTI oil for approx. 135 thousand barrels of oil in the period from July 2029 to October 2029, at a minimum average price per barrel of approx. USD 66. And the closing out of swaps to hedge WTI oil for approx. 155 thousand barrels of oil that were designated for the period from April 2028 to October 2028, at a minimum average price per barrel of approx. USD 73.

NOTE 9 - FINANCIAL INSTRUMENTS (cont.)

B. Hedging and derivatives (cont.)

Further to that which is stated in Note 19C to the Consolidated Annual Financial Statements, as of September 30, 2026, the Partnership has open NIS/USD hedges as stated below-

- Acquisition of call options for December 2026 totaling USD 5 million at a price of NIS 3.1 per dollar.
- A forward for the purchase of NIS and sale of USD for December 2026 totaling USD 5 million at a price of NIS 2.8716 per USD 1.

The fair value of the liability in respect of the foregoing hedging transactions as of September 30, 2026 was approx. USD 220 thousand.

NOTE 10 - GEOGRAPHICAL SEGMENT REPORTING

A. General

In accordance with IFRS-8, the Partnership's operating segments are determined on the basis of management reports based on the geographic location of the Partnership's assets.

The operating segments are as follows:

- The Oil and Gas Exploration, Development and Production in the US Segment - most of the activity during the reporting period has taken place in the following projects: Shenandoah, Buckskin, Monument, Shenandoah South, Tiberius and Logan in the waters of the Gulf of America south of the coast of Texas and Louisiana and in onshore oil fields in Texas, in the Denbury and Neches fields.

- Development and Production of Gas and Oil Assets in the Southwest Atlantic Ocean Segment – as part of the Sea Lion discovery in the Falkland Islands.

- Other segments include rights to a negligible offshore exploration license in the Philippines and an option to join as a partner in another offshore oil asset located off the coast of Morocco.

NOTE 10 - GEOGRAPHICAL SEGMENT REPORTING (cont.)

A. General (cont.)

	Oil and Gas Exploration, Development and Production in the US Segment	Exploration, Development and Production of Oil and Gas in the Southwest Atlantic Segment	Other operations	Non-segmented	Total
			USD thousand		
Assets and liabilities					
As of September 30, 2026 (unaudited)					
Segment assets	2,271,871	1,010,803	15,054	403,082	3,700,810
Segment liabilities	1,441,626	353,717	31	898,062	2,693,436
As of September 30, 2025 (unaudited)					
Segment assets	1,895,585	137,860	5,460	480,217	2,519,122
Segment liabilities	682,422	24,304	-	980,807	1,687,533
As of December 31, 2025 (audited)					
Segment assets	2,155,252	456,355	7,654	384,339	3,003,600
Segment liabilities	666,099	38,387	-	1,241,769	1,946,255

NOTE 10 - GEOGRAPHICAL SEGMENT REPORTING (cont.)

A. General (cont.)

	Oil and Gas Exploration, Development and Production in the US Segment	Exploration, Development and Production of Oil and Gas in the Southwest Atlantic Segment	Other operations	Total
	USD thousand			
Capital expenditures				
For the nine-month period ended September 30, 2026 (unaudited)	270,441	605,274	6,799	882,514
For the nine-month period ended September 30, 2025 (unaudited)	405,994	79,376	343	485,713
For the three-month period ended September 30, 2026 (unaudited)	146,983	239,580	5,016	391,579
For the three-month period ended September 30, 2025 (unaudited)	97,557	42,075	134	139,766
For the year ended December 31, 2025 (audited)	489,563	160,250	2,636	652,449

B. Since the Exploration, Development and Production of Oil and Gas in the Southwest Atlantic Segment is at the development stage (the Sea Lion project), the effect of this segment on the Statement of Comprehensive Income is negligible and immaterial, and since the Partnership's revenues and operating profit are, at this stage, derived from the Oil and Gas Exploration, Development and Production in the US Segment, no information regarding the operating results of the segments is presented.

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