NEWMEDENERGY

2026

Consolidated Interim Financial Statements AS OF 30.06.2026

NEWMEDENERGY

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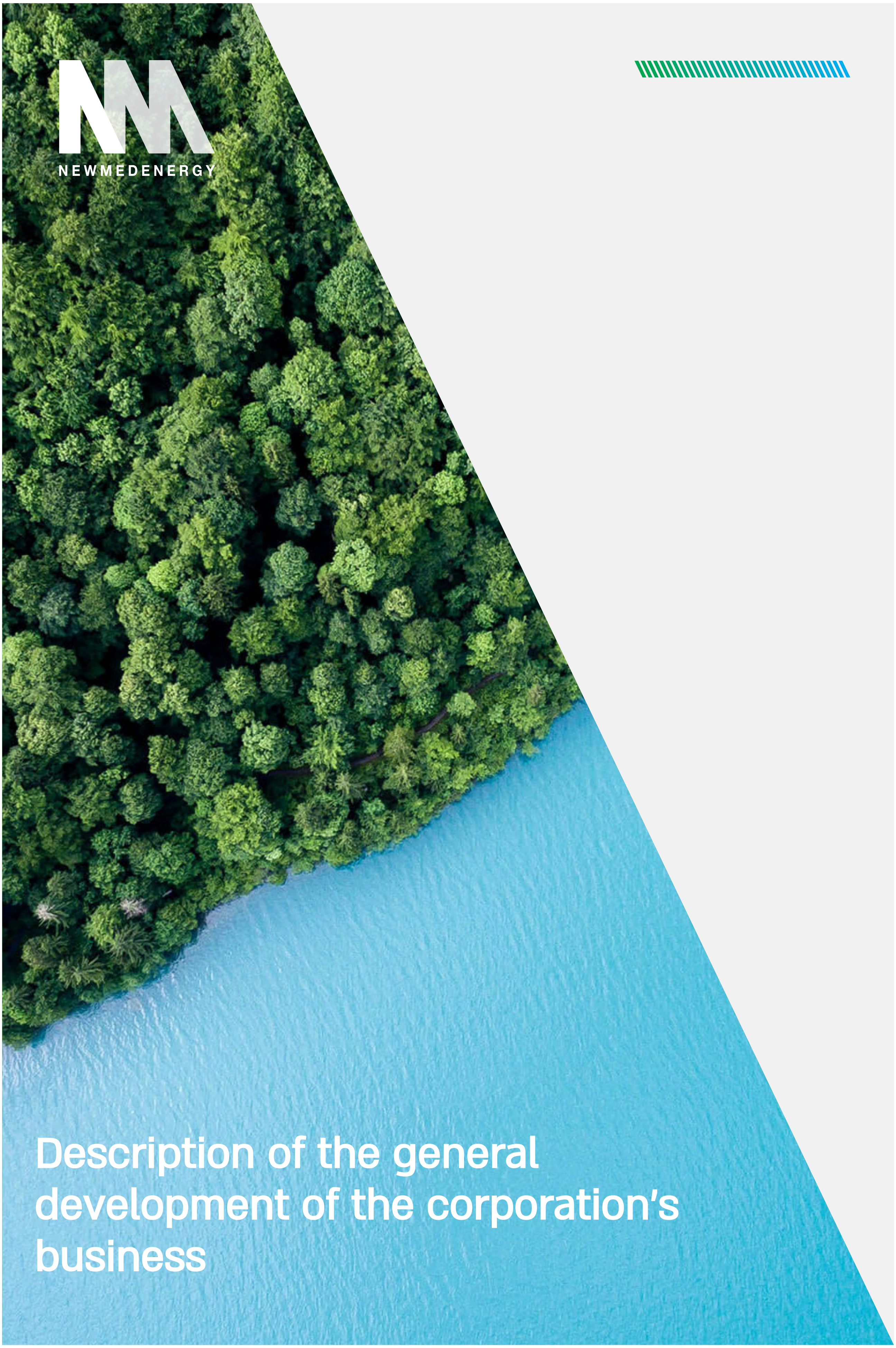

Description of the general development of the corporation's business

Update to Chapter A (Description of the Partnership's Business) of the Periodic Report for 2025

of NewMed Energy – Limited Partnership (the "Partnership")[1]

1. **Section 4 of the Periodic Report – distribution of profits**

On 12 August 2026, the board of directors of the Partnership's general partner, NewMed Energy Management Ltd. (the "**GP**" and the "**Board**", respectively), approved a profit distribution in the sum total of 60 million U.S. dollars ("**$**"), the record date for which is 24 August 2026. Such distribution of profit will be carried out on 3 September 2026.

2. **Section 6.8 of the Periodic Report – the Swords of Iron War and the security situation**

As of the report approval date, the military conflict between the United States and Israel, on the one hand, and Iran, on the other, which began on 28 February 2026 with a joint attack on Iran, is still ongoing. During this conflict, a temporary ceasefire was reached, and on 18 June 2026, the United States and Iran signed an MOU designed to end the conflict and open the Strait of Hormuz. However, the situation remains unstable and a permanent arrangement between the relevant parties is yet to be reached. In addition, a ceasefire agreement between Israel and Lebanon was reached, and talks are concurrently being held between the United States, Israel, and Lebanon in order to formulate a permanent agreement. As of the report approval date, there is no certainty that military operations on the Iranian front will not resume in the near or more distant future.

Following the impact of the conflict with Iran against the backdrop of the signing of an MOU on 18 June 2026 between the United States and Iran as noted above, and the increasing traffic in the Strait of Hormuz that ensued, and in accordance with the assumption that most of the production of crude oil will return to pre-conflict levels by the end of 2026 and that most of suspended production will resume in Q1/2027, in its review of July 2026, the U.S. Energy Information Administration (EIA) updated its forecasted average Brent price per barrel for 2026 to approx. $82.[2]

The revenue forecast for 2026 for sales of natural gas and condensate from the Leviathan project (100%), in relation to 2P Reserves, as included in the Reserves, Contingent Resources and Discounted Cash Flow Report released by the Partnership in its immediate report of 16 January 2026 (Ref. 2026-01-006999), was calculated based, inter alia, on the assumption that the average Brent price per barrel in 2026 would be $63, and accordingly, the total revenue forecast for this year was calculated as approx. $2.55 billion (the "**Original Calculation**"). The Q1 Report noted that, according to the

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[1] This chapter includes material developments or changes that occurred in the Partnership's business, in accordance with Section 39A of the Securities Regulations (Periodic and Immediate Reports), 5730-1970, as well as other updates pertaining to the Partnership's business, which took place in Q2/2026, until shortly before the report approval date on any matter required to be described in the Periodic Report (as defined below), other than updates included in the Q1/2026 report as released on 19 May 2025 (Ref. 2026-01-046030) (the "**Q1 Report**"). Unless stated otherwise, the update refers to section numbers in Chapter A (Description of the Partnership's Business) of the 2025 Periodic Report, released on 16 March 2026 (Ref. 2026-01-022818) (the "**Periodic Report**").

[2] Link.

Original Calculation, considering the actual sales figures for January-April 2026, and based on an average Brent price per barrel of approx. $90 through the end of 2026 (without changes to any other assumptions), the calculation of the revenue forecast for 2026 totaled approx. $2.88 billion (i.e., a revenue increase of approx. $330 million compared with the Original Calculation). As of the report approval date, considering the actual sales figures for January-July 2026, and based on an average Brent price per barrel of approx. $82 through the end of 2026 (without changes to any other assumptions compared with the Original Calculation), the updated calculation of the revenue forecast for 2026 totals approx. $2.74 billion (i.e., a revenue increase of approx. $184 million compared with the Original Calculation).

It is hereby clarified that the aforesaid constitutes forward-looking information within the meaning thereof in the Securities Law, 5728-1968, based on various assumptions and estimates, including the aforesaid assumption regarding the Brent price per barrel, the materialization of which is uncertain. It is further clarified that actual revenues may differ materially from the aforesaid assessment, *inter alia*, as a result of changes in energy prices, actual selling prices, production and sales volumes, market conditions, regulatory conditions, geopolitical developments, and actual project performance.

3. <u>Section 7.2 of the Periodic Report – Leviathan project</u>

Further to Sections 7.2.4 and 7.28.2 of the Periodic Report regarding the intention to conduct a 3D seismic survey in the Levithan reservoir, *inter alia*, in order to establish deep target exploration prospects in the Leviathan leases, on 9 July 2026, the partners in the Leviathan project authorized the performance of such survey, with a budget of approx. $68.8 million (100%, the Partnership's share – approx. $31.2 million), whose main goal is to optimize the existing knowledge in relation to the reservoir. In addition, according to the scheduled timetables, the survey is expected to begin during September-October 2026 and take several months.

4. <u>Section 7.3 of the Periodic Report – interests in Cyprus</u>

a. Further to Section 7.3.12 of the Periodic Report and Section 4 of the Q1 Report regarding the initialing of a memorandum of understanding for the sale of all of the natural gas quantities recoverable from the Aphrodite Reservoir in the area of Block 12 in Cyprus (the "**Aphrodite Reservoir**"), between the holders of the interests in the Aphrodite Reservoir and the Cyprus Hydrocarbons Company, and the national gas company of Egypt, the Egyptian Natural Gas Holding Company ("**EGAS**" and the "**MOU**", respectively), and a Host Government Agreement ("**HGA**") between the holders of the interests in the Aphrodite Reservoir and AMC (as defined in the Partnership's immediate report of 9 April 2026 (Ref. 2026-01-032446), and the Egyptian government, in connection with a project for the development of the system for gas transmission offshore Egypt to EGAS, on 22 July 2026, the Partnership received the MOU after all of the signatures were added, and the operator of the Aphrodite Reservoir, Chevron Cyprus Limited, estimates that all of the signatures are expected to be added to the HGA in the upcoming weeks. For further details, see the Partnership's immediate report dated 22 July 2026 (Ref. 2026-01-069607), the information in which is incorporated herein by reference.

b. As announced by Royal Dutch Shell Plc. ("**Shell**"), Shell engaged in a transaction for the sale of all of the interests of BG Cyprus Limited in the Aphrodite Reservoir (35%) to MOL Group. For further details, see the Partnership's immediate report of 31 July 2026 (Ref. 2026-01-072372), the information in which is incorporated herein by reference.

5. Section 7.4 of the Periodic Report – Yam Tethys project

Further to Section 7.4.1 of the Periodic Report regarding the letter of the Petroleum Commissioner (the "**Commissioner**") dated 21 September 2025 in which he invited the partners in the Yam Tethys project and in the Tamar project to present their position in relation to the decommissioning of the Yam Tethys platform, on 25 June 2026, Chevron Mediterranean Limited ("**Chevron**"), the operator of the Yam Tethys project and the Tamar project, replied to the Commissioner, that it intends to act for the decommissioning of the Yam Tethys platform in 2028, subject to agreements to be obtained between the partners in the Yam Tethys project and the Tamar project, *inter alia*, in connection with the timetables and division of such decommissioning costs.

6. Section 7.5 of the Periodic Report – the right to overriding royalties from the Tanin and Karish leases

Further to Section 7.5.2 of the Periodic Report regarding the overriding royalties to which the Partnership is entitled from the Tanin and Karish leases, Energean Israel Ltd. ("**Energean**") has notified the Partnership that the investment recovery date in relation to the Karish lease occurred in June 2026, and that, accordingly, the overriding royalty rate decreased from 5.12% to 2.47% since that date. In addition, the Partnership, through its external advisors, intends to review the calculation underlying the said assessment. For further details, including with respect to a material valuation regarding the Partnership's right to royalties from the Tanin and Karish leases, see Annex B to the Board of Directors' Report (Chapter B hereof) and Note 6A to the Partnership's Consolidated Interim Financial Statements as of 30 June 2026 (Chapter C hereof).

7. Section 7.7 of the Periodic Report – exploration licenses in Zone I, in the area of Blocks 4, 5, 6, 7, 8 and 11, in Israel's EEZ (the "Zone I Licenses")

Further to Section 7.7.3 of the Periodic Report regarding the intention of the partners in the Zone I Licenses to engage an international provider to conduct a combined 2D and 3D seismic survey, in July 2026 the operator of Zone I Licenses engaged such a provider, and such survey is expected to commence in September 2026 and take about 3 months. Furthermore, the partners in the Zone I Licenses approved a total budget of approx. $22 million (100%, the Partnership's share – approx. $7.3 million) for the conduct of the survey.

8. Section 7.12.3 of the Periodic Report – engagements for the supply of natural gas from the Leviathan project

a. Further to Section 7.12.3(c)(5) of the Periodic Report regarding the amendment to the agreement on export of gas from the Leviathan reservoir to Blue Ocean Energy in Egypt ("**Blue Ocean**"), upon completion of the Combined Section project as provided in Section 9 below, all of the conditions in the aforesaid amendment to the agreement to the increase of the daily gas quantity which the

Leviathan partners are obligated to supply to Blue Ocean as part of the first tranche have been met. For further details, see the Partnership's immediate report of 9 July 2026 (Ref. 2026-01-065211), the information in which is incorporated herein by reference.

b. On 19 May 2026, the Partnership and Ratio Energies – Limited Partnership engaged with Dalia Energy Companies Ltd. in an agreement for the supply of natural gas from the Leviathan project. For further details, see the Partnership's immediate report of 20 May 2026 (Ref. 2026-01-046572), the information in which is incorporated herein by reference.

c. In Q2/2026 and up to the report approval date, the Partnership signed several additional agreements for the sale of natural gas from the Leviathan project with various customers in the Israeli market, on a spot basis, and in volumes that are not material.

d. As of the report approval date, the Partnership continues to conduct negotiations, at various stages, with additional prospective customers in the domestic market, among which are independent power producers, subject, *inter alia*, to the Leviathan project's supply capacity.

9. Section 7.13.2 of the Periodic Report – export

Further to Section 7.13.2(b)(1) of the Periodic Report and Section 8 of the Q1 Report regarding the project carried out by Israel Natural Gas Lines Ltd. ("**INGL**") for laying a subsea pipeline in the subsea transmission section between Ashdod and Ashkelon (the "**Combined Section**") and regarding the delay in the completion of the work for the construction thereof, on 8 July 2026, Chevron, the Operator of the Leviathan project, received INGL's notice whereby the Hot Commissioning tests had been completed and the piping of natural gas in the Combined Section had begun. For further details, see the Partnership's immediate report of 9 July 2026 (Ref. 2026-01-065211), the information in which is incorporated herein by reference.

10. Section 7.15 – competition

Further to Section 7.15.2 of the Periodic Report regarding the notice of the Minister of Energy and Infrastructures the ("**Energy Minister**") dated 25 February 2026 in relation to the launch of a fifth bid round for exploration of natural gas in Israel's EEZ, on 6 July 2026, the aforesaid bid round was published, offering 5 exploration zones in the overall area of approx. 7,100 square kilometers. According to the published timetables, the deadline for the submission of questions is 15 September 2026. The submission of bids is expected to begin on 23 September 2026 and close on 11 November 2026, and the declaration of the winners and grant of the licenses are expected in the period between December 2026 and Q1/2027. The bids will be scored based on the quality of the proposed work plan and a signing bonus, while the rules of the bid round were formulated with the help of the Competition Authority. In accordance with the Competition Authority's opinion published in relation to the bid round, the Partnership is rated in the third group, representing the lowest priority. The Partnership is currently studying the statements appearing in the opinion as aforesaid and contemplating its next steps.

11. Section 7.21 of the Periodic Report – financing

a. General

(1) On 7 July 2026, Midroog Ltd. published an updated rating report for the Partnership, according to which the Partnership is rated at A1.il, with a stable outlook. For further details, see the rating report published by Midroog Ltd. on 7 July 2026 (Ref. 2026-15-064180).

(2) The Partnership is considering a possible public issuance of two new series of bonds (Series B and C) to be listed for trading on Tel Aviv Stock Exchange Ltd. ("**TASE**"). The issuance of such bonds by the Partnership, if and to the extent it takes place, shall be conducted as a uniform offering[3], by way of tender for the annual interest rate to be borne by these bonds, pursuant to a shelf offering report to be published by the Partnership under the Partnership's shelf prospectus[4]. It is clarified that, as of the report approval date, there is no certainty that such Issuance will indeed take place, that nothing herein shall constitute an indication of or create any undertaking by the Partnership for the conduct of such issuance, and that nothing herein shall constitute a public offering of or an invitation to acquire securities of the Partnership.

b. Bonds of Leviathan Bond

Further to Section 7.21.2 of the Periodic Report and Section 9(a)(3) of the Q1 Report regarding the plan to buy the bonds that were issued by Leviathan Bond Ltd., a subsidiary wholly owned by the Partnership, to foreign and Israeli accredited investors, that are listed on the TACT-Institutional system of TASE (the "**Bonds**"), as approved by the Board on 6 January 2026, in the aggregate amount of up to $100 million for a period of two years (the "**Buyback Program**"), until the report approval date, the Partnership made buybacks in accordance with the Buyback Program in the total amount of approx. $57.7 million par value Bonds. For further details, see Section E in Part One of the Board of Directors' report (Chapter B hereof) and Note 6C to the Partnership's Consolidated Interim Financial Statements as of 30 June 2026 (Chapter C hereof).

c. Credit facilities

(1) Further to Section 7.21.3(a) of the Periodic Report regarding the agreements signed for the provision of credit facilities by two Israeli banks, which stipulate financial covenants with which the Partnership is required to comply, breach of which establishes an acceleration right for the lender, as detailed in Section 7.21.4(a) of the Periodic Report, following are details with respect to the said financial covenants, in accordance with the figures of the Partnership's Consolidated Interim Financial Statements as of 30 June 2026 (Chapter C hereof):

[3] Within the definition of this term in the Securities Law, 5728-1968 and in the Securities Regulations (Manner of Offering Securities to the Public), 5767-2007.

[4] As published by the Partnership on 12 May 2025 and dated 13 May 2025 (Ref. 2025-01-033082).

Covenant	Value Calculated as of 30 June 2026
The ratio between the value of the Partnership's assets and net financial debt shall be no less than the following ratios: Up to a net financial debt of $2.5 billion – no less than 1.5; for any additional net financial debt exceeding $2.5 billion and not exceeding $2.75 billion – no less than 2.5; and for any net financial debt exceeding $2.75 billion – no less than 4.1, on two consecutive review dates.	The Partnership's net financial debt is less than $2.5 billion and the said ratio is approx. 4.44
The Partnership's liquidity (on a standalone basis) shall be no less than $20 million.	Approx. $603 million
Total financial debt, apart from limited recourse loans other than the bonds of Leviathan Bond Ltd., shall not exceed $3 billion.	Approx. $1.6 billion
Surplus sources shall not be negative.	Not negative

(2) Further to Section 7.21.3(b) of the Periodic Report regarding an agreement signed by the Partnership for the provision of credit facilities by an Israeli bank, which stipulates financial covenants with which the Partnership is required to comply, breach of which establishes an acceleration right for the lender, as detailed in Section 7.21.4(b) of the Periodic Report, following are details with respect to the said financial covenants, in accordance with the figures of the Partnership's Consolidated Interim Financial Statements as of 30 June 2026 (Chapter C hereof):

Covenant	Value Calculated as of 30 June 2026
The ratio between the value of the Partnership's assets and net financial debt shall be no less than the following ratios: Up to a net financial debt of $2.5 billion – no less than 1.5; for any additional net financial debt exceeding $2.5 billion and not exceeding $2.75 billion – no less than 2.5; and for any net financial debt exceeding $2.75 billion – no less than 4.1, on two consecutive review dates	The Partnership's net financial debt is less than $2.5 billion and the said ratio is approx. 4.44
The Partnership's liquidity (on a standalone basis) shall be no less than $20 million	Approx. $603 million

Covenant	Value Calculated as of 30 June 2026
Total financial debt, apart from limited recourse loans other than the bonds of Leviathan Bond Ltd., shall not exceed $3 billion	Approx. $1.6 billion
Surplus sources shall not be negative.	Not negative

(3) Further to Section 7.21.3(c) of the Periodic Report regarding an agreement signed by the Partnership for the provision of credit facilities by an Israeli bank, up to the report approval date, the Company drew down, by several drawdowns, a total amount of $150 million, out of a total amount of $500 million. Below are details regarding financial covenants with which the Partnership is required to comply, breach of which establishes an acceleration right for the lender, as detailed in Section 7.21.4(c) of the Periodic Report, in accordance with the figures of the Partnership's Consolidated Interim Financial Statements as of 30 June 2026 (Chapter C hereof):

Covenant	Value Calculated as of 30 June 2026
The ratio between the value of the Partnership's assets and net financial debt shall be no less than the following ratios: Up to a net financial debt of $2.5 billion – no less than 1.5; for any additional net financial debt exceeding $2.5 billion and not exceeding $2.75 billion – no less than 2.5; and for any net financial debt exceeding $2.75 billion – no less than 4.1, on two consecutive review dates	The Partnership's net financial debt is less than $2.5 billion and the said ratio is approx. 4.44
The Partnership's liquidity (on a standalone basis) shall be no less than $20 million	Approx. $603 million
Total financial debt, apart from limited recourse loans other than the bonds of Leviathan Bond Ltd., shall not exceed $3 billion	Approx. $1.6 billion
Surplus sources shall not be negative.	Not negative

12. **Section 7.22 – Taxation**

a. Further to Sections 7.22.3, 7.22.4 and 7.22.5 of the Periodic Report and Section 10 of the Q1 Report regarding assessment orders that the Partnership received from the Tax Authority in view of disputes that had arisen between the Partnership and the Tax Authority and disagreements with respect to the amount of the Partnership's taxable income for 2016, 2017 and 2018, trial hearings were scheduled for May 2027.

b. Further to Sections 7.22.6 and 7.22.7 of the Periodic Report and Section 10 of the Q1 Report regarding unagreed assessments received by the Partnership from the Tax Authority in view of disputes that had arisen between the Partnership and the Tax Authority and disagreements with respect to the amount of the Partnership's taxable income for 2019 and 2020, on 30 June 2026, the Partnership filed a reasoned administrative objection to all the rulings of the Assessing Officer in the tax assessments.

13. **Section 7.24 of the Periodic Report – restrictions and supervision over the Partnership's activity**

a. Further to Section 7.24.13(e) of the Periodic Report regarding the policy background document published by the Ministry of Energy and Infrastructures (the "**Ministry of Energy**") on use of the sub-surface for reaching net-zero greenhouse gas emissions in the context of acts of storage or burial of carbon dioxide, on 16 July 2026, a legislative memorandum for Amendment of the Mines Ordinance (Storage of Materials) 5786-2026 was published for public comment. The memorandum is available for public comment until 20 August 2026 and aims to create a regulatory framework for the advancement of sub-surface storage, including burial of carbon dioxide, storage of natural gas and hydrogen, and use of the sub-surface for purposes of energy production. The memorandum proposes, *inter alia*, to regulate the grant of prospecting permits and exploration licenses for the identification of suitable geological structures, grant of discovery certificates and conferral of storage rights. With respect to natural gas and hydrogen storage, it is proposed that the discovery certificate be granted by the Director General of the Natural Gas Authority, with the Commissioner's approval with respect to the geological aspects, and that the storage be conditioned on obtaining a storage license under the Natural Gas Sector Law, 5762-2002. It is also proposed to authorize the Minister to grant, under the conditions determined in the memorandum and without any tender or other public proceeding, a permit to perform natural gas or hydrogen storage experiments, *inter alia*, to a leaseholder, where the reservoir in which the experiment is sought to be performed is situated within the area of the lease and is in force.

b. Further to Section 7.24.16 of the Periodic Report regarding the 2024 Natural Gas Sector Review, on 3 June 2026, the Natural Gas Authority released the 2025 Natural Gas Sector Review. According to the Review, in 2025, the aggregate natural gas consumption by the domestic market and export amounted to approx. 26.8 BCM, of which approx. 14.4 BCM were consumed by the domestic market and approx. 12.4 BCM were exported. The Review further stated that natural gas accounted for approx. 74% of the electricity production mix in Israel in 2025. The Review additionally mentions, *inter alia*, the continued development of the transmission infrastructures including the Combined Section project and the Ramat Hovav-Nitzana export line project, as well as the expansion of the production capacity in the Leviathan and Tamar reservoirs which, according to the review, is expected to strengthen market redundancy and energy security.

c. Further to Section 11(b) of the Q1 Report regarding the release of the draft Natural Gas Sector Regulations (Management of the Natural Gas Sector in Times of Emergency) (Amendment no. 1), 5786-2026 for public comment, which includes amendments to the existing regulations from 2017, on 14 July 2026, the government approved the Natural Gas Sector Regulations (Management of the Natural Gas Sector in Times of Emergency) (Amendment), 5786-2026, which were published in the Official Gazette on 19 July 2026 (the "**Amendment to the Regulations**"). To clarify, the Amendment to the Regulations is not identical to the language of the draft regulations released for public comment on 26 March 2026 as aforesaid. The Amendment to the Regulations includes, *inter alia*: (1) termination of the arrangements applicable in a state where there is one significant gas field, and application of a uniform mechanism for management of the natural gas sector in times of emergency; (2) an obligation that applies to any natural gas supplier which is able to actually supply natural gas, to offer for sale, to consumers, the balance of the natural gas that it is capable of producing and supplying; (3) a mechanism for allocation of natural gas in times of shortage, according to which preference shall be given to consumers in the Israeli market (according to a pre-determined hierarchy), such that export shall be enabled only with respect to the quantity remaining after allocation as aforesaid; (4) a mechanism regarding the price of the natural gas sold in times of emergency according to which, when there is a binding agreement and with respect to the quantity determined therein, the price stated in the agreement shall apply while, with respect to the quantity that is not subject to a binding agreement, the price shall not exceed the last general average quarterly natural gas price published by the Natural Gas Authority; (5) reporting duties in relation to the ability to supply and consume natural gas when a declaration of an emergency in the natural gas sector is in effect (6) extension of the effective period of the directives of the Minister of Energy and Infrastructures under Regulation 8 (Powers in Special Situations) from 5 to 8 days.

d. On 24 June 2026, the State Comptroller's report on "guaranteeing the natural gas needs of the Israeli economy" was published. The report pertains, *inter alia*, to the policy on retaining natural gas reserves for the domestic market, the policy on export of natural gas, the natural gas demand forecasts, the development of additional supply sources and the backup and redundancy infrastructures in the natural gas sector. In the report, the State Comptroller recommended, *inter alia*, that (1) the Dayan committee will consider recommending to the government to consider reducing the gap between the projected domestic demand and the gas supply, through the available gas quantity of approx. 105 BCM, so long as there is a projected demand in excess of the mandatory retention quantity until 2048; (2) the Dayan committee will re-examine the natural gas needs of the domestic market in the next 25 years, *inter alia*, while taking updated demand forecasts into consideration; (3) the Ministry of Energy and the National Economy Council, in consultation with government officials and the relevant bodies in the electricity sector, will optimize the economic model for examining the gas policy, including with respect to the gas retention obligation, costs of bringing forward the construction of import infrastructures and costs of potential non-supply; (4) the Ministers of Energy, Finance, and Foreign Affairs, and the National Security Council will perform staff work to examine the mechanism of approvals for natural gas export, such that it will take into account the entirety of the considerations and the impact on the economy; (5) the Ministry of Energy will publish the criteria and considerations for granting export permits, including the impact of export on energy security, competition, gas prices in the domestic market and the geopolitical situation, and will also consider the claims made by the gas partnerships with respect to the export permits; (6) the Ministry of Energy will act to regulate a natural gas sector that is as competitive as possible and will confirm, upon approval of additional export quantities, the fulfillment of the domestic market needs, the guaranteeing of an appropriate natural gas price and the maintaining of regulatory certainty, and that the public interest will be taken into account in a future negotiation between the IEC and the gas partnerships; (7) the Ministry of Energy will examine the reasons for the non-exhaustion of prospective resources and will act for use thereof when it is technically and economically feasible and will also explore, together with the Competition Authority, the limitations applicable to the participation of the gas partnerships in exploration processes and the effect of the export permits on the merit of new exploration; and (8) the Ministry of Energy will formulate incentivization mechanisms for the development of small reservoirs according to examination of the economic merit in an economy-wide perspective.

e. 5 July 2026 saw the signing of the Order regarding Engagement in Natural Gas (Judea and Samaria) (No. 2300), 5786-2026, regulating engagement in the construction and operation of natural gas transmission systems and distribution networks in Judea and Samaria, which took effect on the date it was signed. The order determines, *inter alia*, that the holder of a transmission license under the Natural Gas Sector Law will receive a permit to engage exclusively in the construction and operation of a transmission system in the region, according to the terms and conditions of its transmission license, *mutatis mutandis*, and that the holder of a transmission permit as aforesaid will receive a license or a permit to distribute in the region, according to the terms and conditions determined in the order. The order further includes provisions on terms and conditions of licenses and permits, continuity of operation, construction of gas facilities, rendering of services without discrimination, tariffs, supervision, and enforcement.

14. Section 7.26.9 of the Periodic Report – payment of royalties to the State and undertakings to pay royalties to affiliates and third parties

a. Further to Section 7.26.9(b)(2) of the Periodic Report regarding draft royalty audit reports for the Tamar venture for 2019-2020 which were delivered by the Ministry of Energy to the Tamar Project operator in February 2025, in May 2026, final audit reports for 2019-2020 were delivered from the Ministry of Energy to the Tamar project operator according to the understandings reached between the parties in the matter. Based on the final audit reports as aforesaid, the Partnership is expected to pay immaterial amounts to the State and the royalty interest owners for the years 2019-2020.

b. Further to the provisions of Section 7.26.9(c)(2) of the Periodic Report regarding the recovery date of the investment in the Leviathan project, according to a current estimate by the Partnership's management, such investment recovery date occurred in July 2026. To clarify, the aforesaid investment recovery date is affected by various factors including gas and/or condensate prices, the production rate, and production and development costs, and it is subject to approval of the calculation of the investment recovery date through an audit process by the Partnership's auditors, which has yet to be completed, and to approval by the competent organs of the Partnership.

15. <u>Section 7.27 of the Periodic Report – legal proceedings</u>

a. Further to Section 7.27.1 of the Periodic Report and Section 12 of the Q1 Report regarding an appeal filed by the Partnership and Chevron (the "**Plaintiffs**") with the Supreme Court against the judgment of the Jerusalem District Court, dismissing their claim against the State of Israel through its representatives from the Ministry of Energy (the "**Defendant**"), which primarily includes a demand for the restitution of royalties paid by the Plaintiffs to the Defendant - in excess and under protest - for revenues generated by the Plaintiffs from gas supply agreements signed between consumers of natural gas and the Yam Tethys partners, part of which was actually supplied from the Tamar project (the "**Judgment**"), on 17 May 2026 a hearing on the appeal was held following which the Plaintiffs notified that they do not insist on their appeal subject to the sanctioning as a judgment of the clarification regarding the method of determination of the market value of the gas for royalties purposes, in lieu of the provisions in this regard in the Judgment. On 16 June 2026, the Supreme Court's judgment was issued in which the court ordered the dismissal of the appeal with prejudice, subject to the clarification that once a determination is made on the market value of the gas at the wellhead for purposes of calculating the royalty to the state, in respect of a transaction from a specific lease, there will be no change in such market value in the period of that transaction, also if in the course thereof, the market price of the natural gas changes. The court further ruled that an order for costs will not be issued. Accordingly, the proceeding ended without restitution of the amounts of royalties in dispute being awarded to the Plaintiffs.

b. Further to Section 7.27.2 of the Periodic Report regarding an appeal filed by the holders of participation units in Avner Oil Exploration – Limited Partnership ("**Avner**" and the "**Appellants**", respectively) from the judgment rejecting the class certification motion filed thereby in relation to the merger transaction between the Partnership and Avner (the "**Appeal**"), on 3 August 2026, the judgment of the Supreme Court was received and according to it, the Appellants notified that they are withdrawing the Appeal and accordingly the Appeal was dismissed with prejudice, without an order for costs.

c. Further to Section 7.27.3 of the Periodic Report regarding a class action certification motion filed by shareholders of Tamar Petroleum Ltd. ("**Tamar Petroleum**") with the Tel Aviv District Court (Economic Department) against the Partnership, Tamar Petroleum, officers thereof, and Leader Issuances (1993) Ltd., in connection with a share offering of Tamar Petroleum of July 2017 (in this section, the "**Certification Motion**"), on 2 June 2026, the court handed down a decision granting the motion to conduct the claim as a class action. For further details, see the Partnership's immediate report of 3 June 2026 (Ref. 2026-01-052828), the information in which is incorporated herein by reference. The Partnership intends to file a motion for a re-hearing of the Certification Motion, according to the provisions of the Courts Law [Consolidated Version], 5744-1984.

d. Further to Section 7.27.5 of the Periodic Report regarding a class action certification motion filed by a holder of participation units of the Partnership with the Tel Aviv District Court (Economic Department) against the Partnership, the GP, Delek Group Ltd., Yitzhak Sharon (Tshuva), the CEO of the GP and the directors of the GP during the relevant time (jointly: the "**Respondents**"), alleging that the Respondents refrained from disclosing, in the Partnership's reports, the existence of a clause in the agreements for sale of natural gas from the Leviathan and Tamar reservoirs to Blue Ocean (formerly: Dolphinus Limited Holdings) (in this section: the "**Certification Motion**"), on 10 June 2026, the court handed down a decision certifying the Certification Motion as a class action suit against the Respondents, save for one of the directors whose tenure began after the events contemplated in the Certification Motion. For further details, see the Partnership's immediate report of 11 June 2026 (Ref. 2026-01-055485), the information in which is incorporated herein by reference. On 25 June 2026, the court approved a stipulation according to which the Respondents shall file a motion for a rehearing by 4 October 2026, and the deadline for filing the Answer shall be postponed, insofar as necessary, until 30 days after the decision on the motion.

e. Further to Section 7.27.7 of the Periodic Report regarding a motion for an order for discovery and inspection of documents prior to the filing of a derivative suit filed by a holder of participation units of the Partnership (the "**Petitioner**"), against the Partnership, the GP, the Partnership's CEO and the GP's board members (including the members of the Compensation Committee) during the relevant time, alleging that the approval of the terms of office and employment of the Partnership's CEO by the Compensation Committee and the Board via an 'overruling', contrary to the position of the general meeting of the Partnership's participation unit holders, was in violation of the law (the "**Discovery Motion**"), on 9 June 2026, the court partially granted the Discovery Motion, ordering the Partnership to provide the Petitioner with the minutes and annexes pertaining to the approval of the compensation terms of the Partnership's CEO, as well as documents prepared by the external advisory entity in connection with the compensation, denying the other requests. In addition, the Partnership was ordered to pay costs and repayment of the court fee (the "**Discovery Decision**"). On 2 August 2026, the Partnership filed a motion with the Supreme Court for leave to appeal the Discovery Decision, in which the Supreme Court was moved to reverse the decision and deny the Discovery Motion (the "**Motion for Leave to Appeal**"). On that date, the Supreme Court ruled that the Petitioner shall file his answer to the Motion for Leave to Appeal by 2 September 2026. In addition, according to a stipulation approved on 13 July 2026, the execution of the Discovery Decision was stayed, such that the documents will be provided, insofar as necessary, within 7 days after the decision on the Motion for Leave to Appeal.

16. **Chapter D of the Periodic Report – additional corporation details**

a. On 1 June 2026, Niv Sarne took office as Executive Chairman of the Board of the Partnership and on 25 June 2026, the general meeting of the holders of the participation units of the Partnership approved his terms of office and employment. For further details, see the Partnership's immediate reports of 1 June 2026, 11 June 2026, 25 June 2026, 28 June 2026, and 7 July 2026 (Ref. 2026-01-051795, 2026-01-055617, 2026-01-060053, 2026-01-060535, 2026-01-060537 and 2026-01-064034, respectively), the information in which is incorporated herein by reference.

b. In addition, the general meeting of the holders of the participation units of the Partnership approved, on 25 June 2026, the granting of letters of undertaking for the exemption and indemnification of an officer who is the control holder, Mr. Yitzhak Sharon (Tshuva). For further details, see the Partnership's immediate reports of 11 June 2026 and 25 June 2026 (Ref. 2026-01-055617 and 2026-01-060053, respectively), the information in which is incorporated herein by reference.

c. On 31 July 2026, Mr. Yossi Abu stepped down as CEO of the Partnership, and on 1 August 2026, Mr. Niv Sarne took office as CEO of the Partnership, in lieu of his position as Executive Chairman of the Board of the Partnership, following receipt of the Board's approval therefor dated 26 July 2026. On the same date, the Compensation Committee and the Board approved the terms of office and employment of Mr. Niv Sarne as CEO, which are identical to his terms of office and employment as Chairman of the Board, subject to approval by the coming general meeting of the holders of the participation units to be convened by the Partnership. For further details, see the Partnership's immediate reports of 26 July 2026, 31 July 2026, and 2 August 2026 (Ref. 2026-01-07045, 2026-01-070446, 2026-01-070447, 2026-01-070448, 2026-01-072357 and 2026-01-072442, respectively), the information in which is incorporated herein by reference.

17. **The following table includes data on natural gas and condensate production in the Leviathan project in the first and second quarters of 2026:**[5,6]

	Q1		Q2	
	Natural gas	Condensate	Natural gas	Condensate
Total output (attributed to the holders of the Partnership's equity interests) during the period (in MMCF for natural gas and in thousands of barrels for condensate, as applicable)	30,248.39	53.56	42,979.71	84.33

[5] The figures presented in the table with respect to the share attributed to the holders of the Partnership's equity interests in the average price per output unit, in the royalties paid, in the production costs and in net revenues, were rounded off to two digits after the decimal point.

[6] The figures presented in the table in relation to condensate production do not include additional quantities of condensate which were not sold. Costs and expenses in connection with such additional quantities of condensate were attributed to the costs of natural gas production.

<table>
<tr><th colspan="2" rowspan="2"></th><th colspan="2">Q1</th><th colspan="2">Q2</th></tr>
<tr><th>Natural gas</th><th>Condensate</th><th>Natural gas</th><th>Condensate</th></tr>
<tr><td colspan="2">Average price per output unit (attributed to the holders of the Partnership's equity interests) (dollar per MCF and per barrel, as applicable)</td><td>5.29</td><td>69.44</td><td>6.68</td><td>75.08</td></tr>
<tr><td rowspan="3">Average royalties (any payment derived from the output of the producing asset including the gross income from the petroleum asset) paid per output unit (attributed to the holders of the Partnership's equity interests) (dollar per MCF and per barrel, as applicable)</td><td>The State</td><td>0.54</td><td>7.14</td><td>0.72</td><td>8.12</td></tr>
<tr><td>Third parties</td><td>0.13</td><td>1.71</td><td>0.17</td><td>1.95</td></tr>
<tr><td>Interested parties</td><td>0.07</td><td>0.86</td><td>0.09</td><td>0.97</td></tr>
<tr><td colspan="2">Average production costs per output unit (attributed to the holders of the Partnership's equity interests) (dollar per MCF and per barrel, as applicable)[7,8]</td><td>1.07</td><td>8.07</td><td>0.92</td><td>7.51</td></tr>
<tr><td colspan="2">Average net proceeds per output unit (attributed to the holders of the Partnership's equity interests) (dollar per MCF and per barrel, as applicable)</td><td>3.48</td><td>51.66</td><td>4.78</td><td>56.53</td></tr>
</table>

Date: 12 August 2026

NewMed Energy – Limited Partnership

by NewMed Energy Management Ltd., the General Partner

Signed by: Gabi Last, Director[9]

and Niv Sarne, CEO

[7] The figures include current production costs only and do not include the reservoir's exploration and development costs and tax payments to be made by the Partnership in the future.

[8] The average production costs per natural gas output unit include costs in respect of transmission of the natural gas via INGL's transmission system to EMG's terminal in Ashkelon, to the terminal on the Jordanian border, as well as costs of transmission via the regional transmission system to the point of delivery in Aqaba, Jordan, for the purpose of supplying the gas to Egypt, which totaled approx. $23.1 million in Q1/2026 and approx. $36.2 million in Q2/2026 (100%). In addition, the average production costs per condensate output unit include costs in respect of transmission of the condensate via the pipeline of Europe Asia Pipeline (EAPC), which totaled approx. $0.5 million in Q1/2026 and approx. $0.8 million in Q2/2026.(100%)

[9] Mr. Gabi Last was authorized by the Board to sign this report on 12 August 2026, because as of the date of approval of the report, the board of directors of the GP has no chairperson.

Board of Directors report

This report is a translation of NewMed Energy – Limited Partnership's Hebrew-language Board of Directors' Report of the General Partner. It is prepared solely for convenience purposes. Please note that the Hebrew version constitutes the binding version, and in any event of discrepancy, the Hebrew version shall prevail.

12 August 2026

NewMed Energy – Limited Partnership

Report of the Board of Directors of the General Partner

for the six- and three-month periods ended 30 June 2026

The board of directors of NewMed Energy Management Ltd. (the "**GP**") hereby respectfully submits the Board of Directors Report for the six- and three-month periods ended 30 June 2026 (the "**Report Period**" and "**Q2**", respectively).

Part One - Explanations of the Board of Directors on the State of the Partnership's Business

1. Main changes that occurred in the Report Period

For a comprehensive description of the main changes in the Partnership's business in the Report Period, see an update to Chapter A (Description of the Partnership's Business) of the 2025 periodic report (the "**Periodic Report**") and the consolidated interim financial statements as of 30 June 2026 (the "**Consolidated Interim Financial Statements**"), attached below.

2. Results of operations

A. General

NewMed Energy – Limited Partnership, is a public limited partnership, which mainly operates in the exploration, development, production and marketing of natural gas, condensate and oil in Israel. Over the years, the Partnership's operations have also expanded into Cyprus, Morocco, and Bulgaria. The Partnership also promotes various natural gas-based projects, with the aim of increasing the volume of sales of the natural gas produced by the Partnership. At the same time, the Partnership is examining business opportunities for exploration, development, production and marketing of natural gas, condensate and oil in other countries, and is also considering and promoting possible investments in renewable energy projects, in the context of the collaboration with Enlight Renewable Energy Ltd.[1]. The Partnership is further examining possible projects for the production of hydrogen, including blue hydrogen which is produced from natural gas and may constitute a low-carbon substitute for energy consumers[2].

In the Report Period, the Partnership operated in accordance with its business strategy, focusing on the exploration, development, production, and marketing of natural gas, condensate and oil, primarily through the Leviathan reservoir which continued to serve as the Partnership's core asset, supplying natural gas and

[1] For details regarding the collaboration with Enlight, see Section 7.10 of the 2025 Description of the General Development of the Corporation's Business (Chapter A).

[2] For details regarding potential projects for hydrogen production, see Section 7.28 of the 2025 Description of the General Development of the Corporation's Business (Chapter A).

condensate to both domestic and export markets. The Partnership's activities throughout the Report Period were characterized by financial stability, despite the impact of Operation Roaring Lion, as provided below, which led, *inter alia*, to suspension of production from the Leviathan reservoir for 33 days (as of 28 February 2026 until 2 April 2026) and a delay in completion of a project carried out by Israel Natural Gas Lines Ltd. ("**INGL**") for the laying of a subsea pipeline in the offshore transmission section between Ashdod and Ashkelon (the "**Combined Section**"), the work in which ended on 8 July 2026 (for details, see the Partnership's immediate report of 9 July 2026 (Ref. 2026-01-065211)). Concurrently, the Partnership continued to advance strategic initiatives, including the advancement of the first stage of the project for the expansion of the Leviathan reservoir, a Final Investment Decision (FID) for which was adopted on 15 January 2026, the promotion of FEED for development of the Aphrodite reservoir in Cyprus, in accordance with the agreements governing Block 12, preparation for conducting a 3D seismic survey in the Leviathan reservoir, whose main goal is to optimize the existing knowledge in relation to the reservoir and, *inter alia*, in order establish deep target exploration prospects in the Leviathan leases, preparation for conducting a combined 2D and 3D seismic survey in the Zone I exploration licenses, exploration activities in Morocco and with respect to Bulgaria – see below, as well as evaluating investments in the renewable energy and natural gas-based energy solutions. For details on the Partnership's goals and long-term operational strategy, see Section 7.28 of the 2025 Description of the General Development of the Corporation's Business (Chapter A).

As of the report approval date, the military conflict between the U.S. and Israel against Iran, which commenced on 28 February 2026 with a combined attack against Iran ("**Operation Roaring Lion**"), has not yet concluded. During such conflict, a temporary ceasefire was reached, and on 18 June 2026, the U.S. and Iran signed an MOU designed to end the conflict and open the Straits of Hormuz. However, the situation remains unstable and a permanent arrangement between all the relevant parties is yet to be reached. In addition, a ceasefire agreement between Israel and Lebanon was reached, and concurrently, talks are being held between the U.S., Israel and Lebanon in order to formulate a permanent agreement. As of the report approval date, there is no certainty that the fighting on the Iranian front will not resume in the near or distant future. Upon commencement of Operation Roaring Lion, the operator of the Leviathan project, Chevron Mediterranean Limited ("**Chevron**"), received a directive from the Minister of Energy, whereby in accordance with a security recommendation, it was required to suspend operations at the Leviathan platform, and production of natural gas and condensate from the Leviathan reservoir was suspended accordingly. On 31 March 2026, Chevron received a notice from the Petroleum Commissioner at the Ministry of Energy and Infrastructure, whereby all preparations may be carried out for the reactivation of the Leviathan platform, and regular production from the reservoir was resumed on 2 April 2026. For further details, see the Partnership's immediate report of 3 April 2026 (Ref. 2026-01-031585), the information in which is incorporated herein by reference. It is noted that the Partnership has applied for State compensation regarding the halt of gas production; however, as of the date of approval of the Consolidated Interim Financial Statements, there is no certainty regarding the receipt and scope of the compensation.

For details regarding the impact of the military conflict and the suspension of production on the projected cash flow relative to the Partnership's discounted cash flow figures as of 31 December 2025, as released by the Partnership on 16 January 2026, see Section 3G below.

In Q2/2025, Operation Rising Lion was conducted, as a result of which natural gas production from the Leviathan reservoir was suspended on 13 June 2025, and resumed on 25 June 2025, after receipt of a notice from the Petroleum Commissioner at the Ministry of Energy and Infrastructure. Additionally, for around 11 days in Q2/2025, planned work was carried out as part of the third pipeline project, combined with routine maintenance work, during which natural gas production from the Leviathan reservoir was suspended. For further details regarding Operation Rising Lion, directives of the Minister of Energy, and their implications for the Partnership's operations, see the Board of Directors' Report (Chapter B) in the 2025 periodic reports.

Further to the Board of Directors' Report of 31 March 2026, on 1 April 2026, the Partnership reported that, as it was informed by the drilling operator, the exploration drilling made at the Krum prospect, which is located in the exploration license in Block 1-21 Han Asparuh in the EEZ of the Republic of Bulgaria in the Black Sea (the "**Bulgaria License**"), revealed insignificant signs of natural gas and therefore, it is a dry hole. Total drilling expenses, and plugging and decommissioning costs are estimated, as of the date of release of the Consolidated Interim Financial

Statements, at approx. €73.6 million (approx. $85.4 million on a 100% basis). Accordingly, the Partnership recognized a loss in its interim consolidated financial statements for Q1/2026 in respect of the share of NewMed Energy Balkan Limited (a subsidiary of the Partnership) in all the costs for the license, including the drilling, plugging and decommissioning costs in the sum total of approx. $74.4 million, which was recorded under the depreciation, depletion and amortization item; the amount was later updated to approx. $73.3 million following receipt of an updated assessment from the operator of the joint venture. For further details, see Section 7.8 of the Description of the General Development of the Corporation's Business (Chapter A) in the 2025 Periodic Report and Note 3B3 to the financial statements attached below.

The Partnership's net income in the Report Period totaled approx. $117.9 million, compared with approx. $197.6 million in the same period last year, down approx. 40.3%. The decrease in the net income was primarily due to deduction of the costs of the Krum well as aforesaid, a decrease in net revenues from the sale of natural gas and condensate due to suspension of production from the Leviathan reservoir in Q1/2026 as a result of Operation Roaring Lion as detailed above, which were offset by the impact of the increase in the Brent oil barrel price on the average price per thermal unit from April 2026, as well as the recognition of one-time revenues in respect of the Eran license and discontinued operations in the Tamar reservoir, as explained below.

The Partnership's net income in Q2/2026 totaled approx. $117.8 million, compared with approx. $81.2 million in the same quarter last year, up approx. 45.1%. The increase in the net income was primarily driven by an increase in net revenues from the sale of natural gas and condensate, resulting from higher volumes and prices of natural gas and condensate sold, as well as a one-time recognition of revenues as stated above. This increase was partially offset primarily by an increase in natural gas and condensate production costs, an increase in depreciation, depletion, and amortization expenses, and an increase in net financial expenses. In the same period last year, the production of natural gas and condensate was temporarily suspended, as aforesaid.

B. Analysis of statements of comprehensive income (loss)

Below are main figures with regards to the Partnership's statements of comprehensive income (loss), in dollars in millions:

	1-3/26	4-6/26	1-6/26	1-6/25	4-6/25	2025
Revenues						
from natural gas and condensate sales	163.9	293.2	457.1	479.3	191.7	1,012.7
net of royalties	22.9	43.1	66.0	69.7	27.7	146.1
Net revenues	**141.0**	**250.1**	**391.1**	**409.6**	**164.0**	**866.6**
Expenses and costs:						
Cost of natural gas and condensate production	32.7	40.2	72.9	66.8	29.0	149.7
Depreciation, depletion and amortization expenses	93.0	32.9	125.9	39.2	16.6	171.5
Other direct expenses	3.4	3.4	6.8	5.9	2.8	11.8
G&A	7.3	5.0	12.3	8.7	5.5	17.6
Total expenses and costs	**136.4**	**81.5**	**217.9**	**120.6**	**53.9**	**350.6**
The Partnership's share in the profits (losses) of entities accounted for at equity	(0.3)	(0.4)	(0.7)	(1.5)	(0.8)	(3.6)
Other revenues	-	6.8	6.8	-	-	-
Operating income	**4.3**	**175.0**	**179.3**	**287.5**	**109.3**	**512.4**
Financial expenses	(20.6)	(39.6)	(42.2)*	(54.5)	(22.6)	(90.8)
Financial income	35.2	2.5	19.7*	18.0	11.8	57.9
Financial income (expenses), net	**14.6**	**(37.1)**	**(22.5)**	**(36.5)**	**(10.8)**	**(32.9)**
Profit before taxes on income	**18.9**	**137.9**	**156.8**	**251.0**	**98.5**	**479.5**
Taxes on income	(18.8)	(27.8)	(46.6)	(53.4)	(17.3)	(121.5)
Income from continuing operations	**0.1**	**110.1**	**110.2**	**197.6**	**81.2**	**358.0**
Profit (loss) from discontinued operations	-	0.5	0.5	-	-	(15.0)
Profit from the sale of oil and gas assets	-	7.2	7.2	-	-	-
Total profit (loss) from discontinued operations	-	**7.7**	**7.7**	-	-	**(15.0)**
Net profit	**0.1**	**117.8**	**117.9**	**197.6**	**81.2**	**343.0**
Other comprehensive profit (loss) (after tax effect):						
Adjustments generated from translation of foreign business financial statements	(0.8)	(0.6)	(1.4)	(0.2)	(0.2)	1.2
Other comprehensive income (loss)	**(0.8)**	**(0.6)**	**(1.4)**	**(0.2)**	**(0.2)**	**1.2**
Total comprehensive income (loss)	**(0.7)**	**117.2**	**116.5**	**197.4**	**81.0**	**344.2**

* In Q2/2026, the Partnership recorded expenses in respect of the revaluation of royalties receivable from Energean, which had been included in Q1/2026 within the revenues

Net revenues in the Report Period totaled approx. $391.1 million, compared with approx. $409.6 million in the same period last year, down approx. 4.5%. The decrease mainly derived from a decrease in the natural gas quantities sold from the Leviathan reservoir, approx. 4.57 BCM in the Report Period compared with approx. 4.99 BCM in the same period last year (100%), which was partially offset from an increase in the average price per thermal unit (MMBTU), approx. $5.99 per MMBTU in the Report Period, compared with approx. $5.76 per thermal unit in the same period last year. The drop in the quantities sold in the Report Period mainly generated from the production halt in the Leviathan reservoir following Operation Roaring Lion as aforesaid, while the increase in the average price per MMBTU resulted from the increase in the Brent oil barrel price, to which some of the natural gas sales contracts are linked and condensate sale contracts as stated below. In addition, in the Report Period, approx. 304 thousand barrels of condensate were sold in consideration for approx. $22.2 million (100%) (Partnership's share: approx. $10.0 million), compared with approx. 405 thousand barrels of condensate in consideration for approx. $22.3 million (100%) (Partnership's share: approx. $10.1 million) in the same period last year. In the same period last year, natural gas and condensate production was temporarily suspended, as stated in Section A above.

Net revenues in Q2 totaled approx. $250.1 million compared with approx. $164.0 million in the same quarter last year, up approx. 52.5%. The increase was primarily driven by an increase in natural gas quantities sold from the Leviathan reservoir in Q2, approx. 2.68 BCM compared with approx. 2.04 BCM in the same quarter last year (100%); as well as by a rise in the average price per thermal unit – approx. $6.55 compared with approx. $5.63 in the same quarter last year, due to a rise in the Brent barrel price as aforesaid. Additionally, in Q2, approx. 186 thousand barrels of condensate were sold in consideration for approx. $14.0 million (100%) (Partnership's share: approx. $6.4 million), compared with approx. 169 thousand barrels in consideration for approx. $8.7 million (100%) (Partnership's share: approx. $4.0 million) in the same quarter last year. In the same quarter last year. Natural gas and condensate production was temporarily suspended, as stated in Section A above.

The table below specifies the gas quantities (100%) and the average price per MMBTU sold from the Leviathan reservoir in the Report Period and in the same period last year, according to the customers' geographic location:

*****2026**

	Israel	Jordan	Egypt	Total	Average price**
		(BCM)*			Dollars
Q1	0.2	0.6	1.1	1.9	5.19
Q2	0.3	0.7	1.7	2.7	6.55
Total	**0.5**	**1.3**	**2.8**	**4.6**	**5.99**

*****2025**

	Israel	Jordan	Egypt	Total	Average price**
		(BCM)*			Dollars
Q1	0.4	0.8	1.7	2.9	5.85
Q2	0.2	0.5	1.3	2.0	5.63
Total	**0.7**	**1.3**	**3.0**	**5.0**	**5.76**

* Figures are rounded off to one tenth of a BCM.

** The price per MMBTU in dollars is rounded off to 2 digits after the decimal point.

*** The amounts in the table may not add up due to rounding-off differences.

Natural gas and condensate production costs in the Report Period totaled approx. $72.9 million, compared with approx. $66.8 million in the same period last year, up approx. 9.1%, and include expenses of management and operation of the Leviathan project, that include, *inter alia*, expenses of haulage and transport, salaries, consulting, maintenance, environment, insurance and the cost of transmission of natural gas to Egypt. The increase in the Report Period mainly derived from an increase in the costs of natural gas transmission due to an increase in the quantity of gas sold to Egypt, compared with the same period last year as well as from an increase in maintenance expenses.

Natural gas and condensate production costs totaled, in Q2, approx. $40.2 million, compared with approx. $29.0 million in the same quarter last year, up approx. 38.6%. The increase was primarily driven by the reasons stated above.

Depreciation, depletion and amortization expenses in the Report Period totaled approx. $125.9 million, compared with approx. $39.2 million in the same period last year, up approx. 221.2%. The increase mainly derives from the amortization of all costs in respect of the Bulgaria License, as provided in Section A above, in the sum total of approx. $73.3 million; from a year-over-year update to the abandonment obligation in the Yam Tethys project; and from an increase in the depreciation, depletion and amortization expenses in the Leviathan project, which derived from an increase in the asset base used for calculating the depletion and amortization expenses, which was offset by a decrease in the depletion rate following the year-over-year decrease in the quantity of natural gas produced in the Report Period, and an update to the gas reserves report in view of the adoption of the investment decision in the first stage of the Leviathan reservoir's expansion project (for details, see Note 7C1f to the financial statements as of 31 December 2025).

Depreciation, depletion, and amortization expenses in Q2 totaled approx. $32.9 million, compared with approx. $16.6 million in the same quarter last year, up approx. 98.2%. The increase was primarily due to an increase in the asset base used for calculating the depletion and amortization expenses, as well as an update to the abandonment obligation in the Yam Tethys project compared to the same quarter last year.

Other direct expenses in the Report Period totaled approx. $6.8 million, compared with approx. $5.9 million in the same period last year. The expenses include, *inter alia*, expenses of geologists, engineers and consulting as well as G&A expenses of various projects which are not at the production stage, including in the renewable energy sector.

Other direct expenses in Q2 totaled approx. $3.4 million, compared with approx. $2.8 million in the same quarter last year.

G&A expenses in the Report Period totaled approx. $12.3 million, compared with approx. $8.7 million in the same period last year, up approx. 41.4%. G&A expenses include, *inter alia*, payroll expenses, professional services, donations, and D&O liability insurance. The increase was primarily due to an increase in professional service expenses, donations and an increase in ILS-denominated expenses due to the strengthening of the ILS against the USD in the Report Period.

G&A expenses in Q2 totaled approx. $5.0 million, compared with approx. $5.5 million in the same quarter last year, down approx. 9.1%.

The Partnership's share in the profits (losses) of entities accounted for at equity in the Report Period totaled a loss of approx. $0.7 million, compared with a loss in the sum of approx. $1.5 million in the same period last year, mainly deriving from the company accounted for at equity, EMED Pipeline BV ("**EMED**"), which holds 39% of the shares of Eastern Mediterranean Gas Company S.A.E ("**EMG**").

The Partnership's share in the profits (losses) of entities accounted for at equity totaled, in Q2/2026, a loss of approx. $0.4 million, compared with a loss of approx. $0.8 million in the same quarter last year.

Other revenues in the Report Period and in Q2/2026 totaled approx. $6.8 million and resulted from the settlement of the Partnership's economic interests in the expired Eran license. For details, see Note 3B4 to the Consolidated Interim Financial Statements attached below.

Financial expenses in the Report Period totaled approx. $42.2 million, compared with approx. $54.5 million in the same period last year, down approx. 22.6%. Financial expenses in the Report Period mainly derived from interest on bonds issued by Leviathan Bond Ltd., a wholly owned subsidiary of the Partnership (the "**Leviathan Bond Bonds**"), in the sum of approx. $38.6 million (same period last year - approx. $52.3 million), and from interest expenses for loans from banking corporations in the sum of approx. $14.6 million (same period last year - approx. $3.2 million). Conversely, in the Report Period, the Partnership capitalized financial expenses to qualifying assets in a total of approx. $14.9 million (same period last year - approx. $7.4 million). In the same period last year, financial expenses were recorded due to revaluation of royalties based on future production from the Karish and Tanin leases, in a total of approx. $3.1 million, compared with financial income in a total of approx. $12.2 million in the Report Period, which were recorded under financial income, as stated below.

Financial expenses in Q2 totaled approx. $39.6 million, compared with approx. $22.6 million in the same quarter last year. The increase was primarily due to an expense in respect of the revaluation to fair value of royalties based on future production from the Karish and Tanin leases in the sum of approx. $18.0 million, compared with revenue of approx. $1.3 million in the same period last year, as well as an increase in interest expenses on loans from banking corporations. Conversely, the increase was partially offset by a decrease in interest payments in respect of the Leviathan Bond Bonds and by an increase in the capitalization of financial expenses to qualifying assets.

Financial income in the Report Period totaled approx. $19.7 million, compared with approx. $18.0 million in the same period last year. The increase in financial income mainly derived from the revaluation to fair value of royalties based on future production from the Karish and Tanin leases of approx. $12.2 million, compared with a negative revaluation in the sum of approx. $3.1 million which was recorded last year under the financial expenses. For further details, see Note 6A to the Consolidated Interim Financial Statements attached below.

The financial income in Q2 totaled approx. $2.5 million, compared with approx. $11.8 million in the same quarter last year. The decrease was primarily due to a decrease in financial income from deposits and exchange rate differences compared to the same quarter last year.

Taxes on income in the Report Period totaled approx. $46.6 million, compared with approx. $53.4 million in the same period last year. The decrease mainly derived from the decrease in pre-tax profit in the Report Period, compared with the same period last year. In accordance with the accounting principles, the Partnership did not recognize deferred tax assets in respect of the drilling expenses in Bulgaria that were depreciated under the depreciation, depletion and amortization item.

Taxes on income in Q2 totaled approx. $27.8 million, compared with approx. $17.3 million in the same quarter last year. The increase was primarily due to the increase in pre-tax profit in Q2/2026 compared to the same quarter last year.

Income from discontinued operations and from the sale of natural gas and oil assets in the Report Period totaled approx. $7.7 million and derived from the Partnership's holdings in the Tamar project which were sold in December 2021. The profit in the Report Period derived mainly from adjustment of the consideration from the sale of the Tamar project which derived from reconciliation due to refund of Tamar levy expenses for 2021.

3. Financial position, liquidity and financing sources

A. Financial position

The main changes in the items of the Statement of Financial Position as of 30 June 2026, compared with the statement of financial position as of 31 December 2025, are specified below:

Total assets as of 30 June 2026 totaled approx. $4,046.7 million, compared with approx. $3,965.8 million as of 31 December 2025.

Current assets as of 30 June 2026 totaled approx. $511.1 million, compared with approx. $468.2 million as of 31 December 2025, as specified below:

Cash and cash equivalents as of 30 June 2026 totaled approx. $52.5 million, compared with approx. $107.7 million as of 31 December 2025. The cash income derived mainly from revenues from the sale of natural gas and condensate from the Leviathan project, from revenues from Energean in respect of production-based royalties from the Karish lease, and from receipt of loans from banking corporations; conversely, the Partnership made payments in respect of profit distributions to participation unit holders, investments in projects, buyback of Leviathan Bond Bonds, interest payments due to loans and income tax advances.

Short-term deposits as of 30 June 2026 totaled approx. $111.3 million, compared with approx. $49.8 million as of 31 December 2025, and primarily include deposits in connection with the Leviathan Bond Bonds in the sum of approx. $110.8 million, compared with approx. $49.6 million as of 31 December 2025.

Trade receivables as of 30 June 2026 totaled approx. $242.4 million, compared with approx. $181.5 million as of 31 December 2025. The increase mainly derived from a sales increase to customers in Jordan and Egypt during Q2/2026, compared with Q4/2025.

Trade and other receivables as of 30 June 2026 totaled approx. $98.0 million, compared with approx. $125.3 million as of 31 December 2025. The decrease mainly derives from a decrease in the balances of the operators of the joint ventures in the Leviathan and Block 12 in Cyprus projects, from a decrease in the receivables from a company accounted for at equity and from a decrease in prepaid expenses due to the insurance of oil and gas assets.

Income tax receivables as of 30 June 2026, totaled approx. $6.9 million, compared with approx. $3.9 million as of 31 December 2025, and include mainly advance payments paid by the Partnership to the Income Tax Authority, offset by the estimated tax payment in respect of the Partnership's taxable income.

Non-current assets as of 30 June 2026 totaled approx. $3,535.6 million, compared with approx. $3,497.6 million as of 31 December 2025, as specified below:

Investments in oil and gas assets as of 30 June 2026 totaled approx. $2,871.7 million, compared with approx. $2,848.3 million as of 31 December 2025. The movement in the Report Period derived from investments made by the Partnership in the Leviathan project, including in connection with the first stage of the expansion project, and from an update to a retirement asset in the Leviathan project in the sum total of approx. $79.2 million, as well as from investments in the a project in Cyprus in the sum of approx. $11.9 million. Conversely, the Partnership recorded depreciation, depletion and amortization expenses in the Leviathan project in the sum of approx. $45.3 million, and reduced the balance of the costs of the project in Bulgaria as of 31 December 2025 following the aforesaid dry hole, in the sum of approx. $22.4 million.

Investments in entities accounted for at equity as of 30 June 2026 totaled approx. $58.5 million, compared with approx. $59.0 million as of 31 December 2025, and is mainly due to the investment in EMED.

Long-term deposits as of 30 June 2026 totaled approx. $2.8 million, compared with approx. $0.8 million as of 31 December 2025, and mainly derive from a deposit to secure bank guarantee in the context of the project in Bulgaria.

Other long-term assets as of 30 June 2026 totaled approx. $602.6 million, compared with approx. $589.5 million as of 31 December 2025. The assets primarily include receivables from royalties based on future production from the Karish and Tanin leases, investments in infrastructure and in pipelines for the transmission of natural gas for export to Jordan and Egypt, royalty differences to the State paid to the Ministry of Energy, an overriding royalty to interested parties and third parties, as well as access fees in respect of the Blue Ocean Agreement.

Current liabilities as of 30 June 2026 totaled approx. $659.9 million, compared with approx. $201.8 million as of 31 December 2025, as specified below:

Trade and other payables as of 30 June 2026 totaled approx. $115.8 million, compared with approx. $201.8 million as of 31 December 2025. The decrease was primarily due to a decline in the operator's balances in the joint ventures of Leviathan and in Bulgaria.

Current maturities of bonds as of 30 June 2026 totaled approx. $544.1 million and include the Series 2027 Leviathan Bond Bonds, which mature on 30 June 2027, net of issuance expenses and net of bonds purchased under the buyback plan as stated in Section 3E below.

Non-current liabilities as of 30 June 2026 totaled approx. $1,510.8 million, compared with approx. $1,872.4 million as of 31 December 2025, as specified below:

Bonds as of 30 June 2026 totaled approx. $515.8 million, compared with approx. $1,117.3 million as of 31 December 2025, and include the Series 2030 Leviathan Bond Bonds, net of issue expenses, and net of bonds that were purchased as part of the buyback as provided in Section 3E below. The decrease derives mainly from classification as current liabilities of the Series 2027 Bonds, the maturity date of which is on 30 June 2027 as specified above, and from buybacks as specified in Section 3E below.

Long-term loans from banking corporations as of 30 June 2026 totaled approx. $500.0 million, compared with approx. $275.0 million as of 31 December 2025. The increase derives from drawdowns on the Credit Facilities as provided in Section 3C below.

Deferred taxes as of 30 June 2026 totaled approx. $400.3 million, compared with approx. $396.7 million as of 31 December 2025. The increase resulted mainly from an increase in the temporary differences between the tax basis of oil and gas assets and other long-term assets and their value in the financial statements, which was partially offset by the effect of the decrease in the exchange rate.

Other long-term liabilities as of 30 June 2026 totaled approx. $94.7 million, compared with approx. $83.4 million as of 31 December 2025, and they mainly include the oil and gas asset retirement obligation in the Leviathan and Yam Tethys projects.

The equity of the limited partnership as of 30 June 2026 totaled approx. $1,876.0 million, compared with approx. $1,891.6 million as of 31 December 2025. The change in equity mainly derived from the comprehensive income recorded in the Report Period in the sum of approx. $116.5 million, and from distributed profits in the sum of approx. $130.2 million.

B. <u>Cash flow</u>

Net cash flows generated by the Partnership from operating activities in the Report Period totaled approx. $199.9 million, compared with approx. $303.2 million in the same period last year.

Net cash flows generated by the Partnership from operating activities in Q2/2026 totaled approx. $41.2 million, compared with approx. $130.9 million in the same quarter last year.

Net cash flows used for investing activity in the Report Period totaled approx. $290.9 million, compared with approx. $257.7 million resulting from investing activity in the same period last year. In the Report Period, the cash flows were used primarily for investments in oil and gas assets and placements of deposits. Last year, cash flows were derived primarily from withdrawal of funds from short-term deposits for early redemption of the Series 2025 Leviathan Bond Bonds.

Net cash flows used for investing activity in Q2/2026 totaled approx. $108.9 million, compared with approx. $281.5 million resulting from investing activity in the same period last year. In Q2/2026, the cash flows were used primarily for investments in oil and gas assets, investments in other long-term assets, and an increase in other receivables due to operator of joint ventures, which were partially offset from withdrawal of funds from short-term deposits, net, and from royalties based on production from the Karish lease. In the same quarter last year the cash flows derived mainly from withdrawal of funds from short-term deposits, net, which was partially offset by investments in oil and gas assets.

Net cash flows generated from financing activities in the Report Period totaled approx. $35.8 million, compared with approx. $231.4 million that were used for financing activities in the same period last year. In the Report Period, the cash flows from financing activities resulted primarily from receipt of loans from banking corporations. Conversely, the cash flows were used for profit distributions to the participation unit holders and buyback of Series 2027 and Series 2030 Leviathan Bond Bonds. In the same period last year, cash were used for financing activities for full repayment of the Series 2025 Leviathan Bond Bonds, and conversely the cash resulted from loans from a banking corporation.

Net cash flows used for financing activities in Q2/2026 totaled approx. $27.0 million, compared with approx. $131.4 million that were used for financing activities in the same quarter last year. In Q2/2026, the cash flows were used primarily for profit distribution to the participation unit holders, and redemption of bonds and buybacks of bonds, which were partially offset from receipt of a long-term loan from a banking corporation. In the same quarter last year, cash were used primarily for full repayment of the Series 2025 Leviathan Bond Bonds and profit distribution, which were partially offset from receipt of loans from banking corporations.

C. <u>Financing</u>

1) On 10 February 2026, the Partnership drew down Credit Facility B in full, in the amount of $75 million, from the binding credit facility of an Israeli bank; it was agreed that the loan under Credit Facility B would bear a fixed annual interest rate of 5.55% instead of a variable annual interest rate. In the case of early redemption by the Partnership, the loan shall bear an early redemption fee at the rate applicable to Credit Facility A. For further details, see Note 10D to the 2025 Financial Statements (Chapter C).
2) On 16 February 2026, the Partnership signed an agreement with Bank Leumi Le-Israel Ltd. for the provision of two new credit facilities totaling $500 million (in this section: the "**Signing Date**", the "**Agreement**", the "**Lender**" or the "**Bank**" and the "**Credit Facilities**", respectively). The Credit Facilities are intended to be used by the Partnership for its operating activities, including in connection with the Leviathan reservoir expansion project. According to the terms and conditions of the Agreement, the Partnership undertook to draw down all of Credit Facility A, in the sum of $100 million by 2 March 2026, and may draw down from Credit Facility B, from time to time and until one year from the Signing Date, up to additional $400 million. On 26 February 2026, the Partnership drew down the sum of $100 million from Credit Facility A, and in June 2026, the Partnership drew down the sum of $50 million from Credit Facility B. Loans that are taken from both of the Credit Facilities shall be repaid in non-equal instalments: 5% on 31 December 2028; 10% on 31 December of each of the years 2029 through 2031; and 65% on 30 June 2032. The Loans will bear interest payable semi-annually, with the first interest payment was due on 30 June 2026. The loan from Credit Facility A bears a fixed annual interest rate of 5.65%. A loan from Credit Facility B will bear a variable annual interest rate based on three-month Term SOFR, plus a margin of between 2.3% and 2.4%. For further details, see Note 10D to the 2025 Financial Statements (Chapter C). As of the date of approval of the 2025 Consolidated Interim Financial Statements, the Partnership drew down from the Credit Facilities, the amount of $150 million.
3) As of the date of the Consolidated Interim Financial Statements, the remaining available credit facilities from Israeli banks total $550 million.
4) On 7 July 2026, Midroog Ltd. published a monitoring report in which it affirmed the issuer's rating of the Partnership, as A1.il with a stable outlook. For further details, see the rating report released by Midroog Ltd. on 7 July 2026 (Ref. 2026-15-064180).
5) The Partnership is exploring the possibility of a public offering of two new Series B and C bond series, to be listed on the Tel Aviv Stock Exchange Ltd. ("**TASE**"). The said bond offering by the Partnership, if and insofar as it is consummated, will be in a uniform offering[3] by way of a tender for the annual interest rate to be borne by such bonds, according to the shelf offering report to be released by the Partnership by virtue of the Partnership's shelf prospectus[4]. It is clarified that as of the report approval date, there is no certainty that the said offering will actually go ahead, that this report does not constitute an indication or create any obligation on the part of the Partnership to execute it, and that nothing stated herein constitutes a public offering or an invitation to purchase securities of the Partnership.

[3] As defined in the Securities Law, 5728-1968, and in the Securities Regulations (Method of Public Offering of Securities), 5767-2007.
[4] As released by the Partnership on 12 May 2025 bearing the date 13 May 2025 (Ref. 2025-01-033082).

D. **Profit distributions**

1) On 15 March 2026, the GP's Board, following the recommendation of the GP's Financial Statements Review Committee (FSRC), approved a profit distribution in the sum total of $70 million ($0.05963 per participation unit), with the record date for the distribution being 24 March 2026. Such profit distribution was made on 31 March 2026.
2) On 18 May 2026, the GP's Board, following the recommendation of the GP's FSRC, approved a profit distribution in the sum total of $60 million ($0.05112 er participation unit), with the record date for the distribution being 28 May 2026. Such profit distribution was made on 11 June 2026.
3) On 12 August 2026, the GP's Board, following the recommendation of the GP's FSRC, approved a profit distribution in the sum total of $60 million ($0.05112 per participation unit), with the record date for the distribution being 24 August 2026. Such profit distribution will be made on 3 September 2026.

E. **Plan for buyback of Leviathan Bond Bonds**

In accordance with the buyback plans approved by the GP's Board, as specified in Note 10C to the 2025 Financial Statements (Chapter C), from the date of adoption of the buyback plans until the date of approval of the Consolidated Interim Financial Statements, the Partnership performed buybacks in the sum of approx. $54.6 million par value of Series 2027 Leviathan Bond Bonds in consideration for approx. $56 million, as well as buybacks in the sum of approx. $40.7 million par value of Series 2030 Leviathan Bond Bonds in consideration for approx. $42.2 million. The consideration paid for the bonds includes the interest accrued as of the buyback date.

For further details regarding the Leviathan Bond Bonds and the buyback plan, see Part Four below and Note 6C to the Consolidated Interim Financial Statements as of 30 June 2026 attached below.

F. **Primary risks**

For details regarding primary risks and uncertainties related to the Partnership's operations, see Section 3F of the Board of Directors' Report (Chapter B) in the Periodic Report as of 31 December 2025.

G. **The war and the security situation, and their potential impact on the Partnership's business**

1) Further to Section 3G of the Board of Directors' Report (Chapter B) in the Periodic Report as of 31 December 2025, and further to Section 2A above, as a result of Operation Roaring Lion, production from the Leviathan reservoir had suspended for 33 days, and regular production from the reservoir was resumed on 2 April 2026. The Partnership estimates that the suspension of the production and the delay in the completion of the Combined Section project is not expected to have a significant effect on the Partnership's results of activities in 2026, *inter alia*, as a result of the increase in the Brent oil barrel price, as stated below.
2) Following the impact of the conflict with Iran and against the backdrop of the signing of an MOU on 18 June 2026 between the U.S. and Iran as aforesaid, and the increasing traffic in the Strait of Hormuz as a result thereof, and in accordance with the assumption that most of the production of crude oil will return to the average pre-conflict levels by the end of 2026 and that most of the production which was shut down will resume in Q1/2027, in a

review from July 2026, the U.S. Energy Information Administration (EIA) updated its average Brent barrel price forecast for 2026 to approx. $82 per barrel.[5]

3) In this context, it is noted that the 2026 revenue forecast from sales of natural gas and condensate from the Leviathan project (100%), in relation to 2P Reserves, as included in the Reserves, Contingent Resources, and Discounted Cash Flow Data Report released by the Partnership in an immediate report of 16 January 2026 (Ref. 2026-01-006999), was calculated based, *inter alia*, on the assumption that the average Brent price in 2026 would be $63 per barrel, and accordingly, the total revenue forecast for that year was calculated as approx. $2.55 billion. According to such calculation, considering actual sales figures for January-July 2026, based on an average Brent price of approx. $82 per barrel until the end of 2026 (without changes to any other assumptions), the updated revenue forecast calculation for 2026 totals approx. $2.74 billion (i.e., additional revenues of approx. $184 million compared with the original calculation).

4) Further to Section 7.13.2(B)(1) of the Periodic Report and Section 8 of the first quarter report, regarding the Combined Section, and regarding the delay in completion of the construction work, on 8 July 2026, the operator of the Leviathan project, Chevron, received a notice from INGL of completion of the Hot Commissioning tests and commencement of transmission of natural gas in the Combined Section. For further details, see the Partnership's immediate report of 9 July 2026 (Ref. 2026-01-065211), the information in which is incorporated herein by reference.

5) As of the report approval date, it is impossible to predict how the fighting and/or the regional escalation will develop, and in this context whether further disruptions will occur in energy infrastructures and/or shipping routes in the Middle East (including in the Gulf region and the Strait of Hormuz). Accordingly, it is impossible to assess the scope of their potential impact, if any, on global energy prices, and on the Partnership, its assets, and its business, including the possibility of the materialization of risk factors arising therefrom and their potential impact, including the risk factors specified in Section 7.30 of the Description of the General Development of the Corporation's Business (Chapter A), the materialization of which may have a material negative effect on the Partnership, its assets and its business.

It is hereby clarified that the aforesaid constitutes forward-looking information within the meaning thereof in the Securities Law, 5728-1968, based on various assumptions and estimates, including the assumption regarding the Brent crude oil price as aforesaid, the materialization of which is not certain. It is further clarified that actual revenues may differ materially from the aforesaid assessment due to, *inter alia*, changes in energy prices, actual selling prices, production and sales volumes, market conditions, regulatory conditions, geopolitical developments, and actual project performance.

H. <u>Inflation and interest</u>

For details regarding inflation and the rise in the interest rate and their possible impact on the Partnership's business, see Section 3H of the Board of Directors' Report (Chapter B) in the Periodic Report as of 31 December 2025.

[5] Link.

Part Two - Exposure to and Management of Market Risks

Report on Exposure to and Management of Market Risks

A. Exchange rate risk

Further to Section 2A of Part Two of the Board of Directors' Report (Chapter B) in the Periodic Report as of 31 December 2025, regarding the impact of fluctuations in the ILS/USD exchange rate on the Partnership's results of operations, from the start of 2026 until the report date, the ILS appreciated by approx. 6% against the USD, and at the end of May 2026 also reached the peak of approx. 12%, compared to the rate at the beginning of 2026. This trend impacted revenues from gas agreements linked to the electricity tariff, the Partnership's ILS-denominated expenses, as well as the Partnership's tax liability, which is denominated in ILS, all in a manner that is not material.

B. Sensitivity tests

In accordance with Amendment 5767 to the provisions of the Second Schedule to the Securities Regulations (Immediate and Periodic Reports), 5730-1970, the Partnership carried out tests of sensitivity to changes in the risk factors affecting the fair value of "sensitive instruments".

Description of parameters, assumptions and models - parameters:

Parameter	Source/Manner of Treatment
ILS/Dollar exchange rate	Representative rate as of 30 June 2026
Dollar interest	Capitalization interest/SOFR interest

Sensitivity analysis of the value of future production-based royalties from the sale of the Karish and Tanin leases to changes in the cap rate when the other variables remain fixed ($ in millions):

Sensitive instrument	2%	1%	Fair value as of 30.6.2026	(1%)	(2%)
Future production-based royalties from the Karish and Tanin leases	(22.9)	(12.0)	**241.8**	13.0	27.3

Sensitivity analysis of the value of future production-based royalties from the sale of the Karish and Tanin leases to changes in the price of natural gas and condensate when the other variables remain fixed ($ in millions):

Sensitive instrument	30%	20%	10%	5%	Fair value as of 30.6.2026	(5%)	(10%)	(20%)	(30%)
Sensitivity to natural gas prices	41.1	26.6	15.9	8.8	**241.8**	(4.7)	(2.4)	(17.6)	(34.3)
Sensitivity to condensate prices	17.5	11.8	5.9	3.0	**241.8**	(3.0)	(6.0)	(5.6)	(13.6)

Sensitivity analysis of changes in the Dollar/ILS exchange rate ($ in millions):

Sensitive instrument	10%	5%	Fair value as of 30.6.2026	(5%)	(10%)
Exchange rate	3.276	3.127	2.978	2.829	2.680
Cash and cash equivalents	(*)	(*)	**0.4**	(*)	(*)
Bank deposits	(*)	(*)	**0.2**	(*)	(*)
Trade and other payables	0.3	0.1	**(2.7)**	(0.1)	(0.3)
Total	0.3	0.1	**(2.1)**	(0.1)	(0.3)

* Balance lower than $0.1 million

In the reported period, there was no change in the Partnership's exposures and market risks, as were reported in the Board of Directors' Report for 2025, except as stated below:

Report on linkage bases in Dollars in millions, as of 30 June 2026:

	In or linked to foreign currency	In non-linked ILS	Non-financial balances	Total
Assets				
Cash and cash equivalents	52.1	0.4	-	52.5
Short-term deposits	111.1	0.2	-	111.3
Trade receivables	242.4	-	-	242.4
Trade and other receivables	84.8	-	13.2	98.0
Income tax receivable	-	-	6.9	6.9
Investments in entities accounted for at equity	-	-	58.5	58.5
Investments in oil and gas assets	-	-	2,871.7	2,871.7
Long-term deposits	2.8	-	-	2.8
Other long-term assets	219.0	-	383.6	602.6
Total assets	**712.2**	**0.6**	**3,333.9**	**4,046.7**
Liabilities				
Trade and other payables	3.1	2.7	110.0	115.8
Bonds	1,059.9	-	-	1,059.9
Long-term loans from banking corporations	500.0	-	-	500.0
Deferred taxes	-	-	400.3	400.3
Other long-term liabilities	-	-	94.7	94.7
Total liabilities	**1,563.0**	**2.7**	**605.0**	**2,170.7**
Total net balance	**(850.8)**	**(2.1)**	**2,728.9**	**1,876.0**

Linkage bases in Dollars in millions, as of 31 December 2025:

	In or linked to foreign currency	In non-linked ILS	Non-financial balances	Total
Assets				
Cash and cash equivalents	106.9	0.8	-	107.7
Short-term deposits	49.6	0.2	-	49.8
Trade receivables	181.5	-	-	181.5
Trade and other receivables	107.4	-	17.9	125.3
Income tax receivable	-	-	3.9	3.9
Investments in entities accounted for at equity	-	-	59.0	59.0
Investments in oil and gas assets	-	-	2,848.3	2,848.3
Long-term deposits	0.8	-	-	0.8
Other long-term assets	223.4	-	366.1	589.5
Total assets	669.6	1.0	3,295.2	3,965.8
Liabilities				
Trade and other payables	1.8	6.2	193.8	201.8
Bonds	1,117.3	-	-	1,117.3
Long-term loan from banking corporation	275.0	-	-	275.0
Deferred taxes	-	-	396.7	396.7
Other long-term liabilities	-	-	83.4	83.4
Total liabilities	**1,394.1**	**6.2**	**673.9**	**2,074.2**
Total net balance	**(724.5)**	**(5.2)**	**2,621.3**	**1,891.6**

Part Three - Disclosure on the Corporation's Financial Reporting

Subsequent events after the Statement of Financial Position

For material events after the date of the Statement of Financial Position, see Note 8 to the Consolidated Interim Financial Statements as of 30 June 2026, which are attached below.

Separate financial information

The Partnership did not include separate financial information in the interim financial information, since such additional information is negligible, see Note 2 to the Consolidated Interim Financial Statements attached below.

Critical accounting estimates

No material change occurred in the Report Period compared with the report for 2025.

Part Four - Details of Bonds Issued by Leviathan Bond Ltd.

Leviathan Bond Bond Series	2027	2030
Par value on the issue date	600	550
Issue date	18.8.2020	18.8.2020
Par value as of 30.6.2026	600	550
Linked par value as of 30.6.2026	600	550
Value on the Partnership's books as of 30.6.2026[6]	544.1	515.8
TASE value as of 30.6.2026[7]	547.8	535.8
Fixed annual interest rate	6.500%	6.750%
Principal payment date	30.6.2027	30.6.2030
Interest payment dates	Semiannual interest payable on every June 30th and every December 30th from the issue date in 2020-2027	Semiannual interest payable on every June 30th and every December 30th from the issue date in 2020-2030
Linkage base base index[8]	None	
Conversion right	None	
Right to early redemption or mandatory conversion[9]	Right to early redemption	
Guarantee for payment of the liability	See Note 10B to 2025 Financial Statements (Chapter C)	
Name of the trustee	HSBC BANK USA, NATIONAL ASSOCIATION	
Name of person in charge at the trust company	Asma Alghofailey	
Trustee's address and e-mail	HSBC Bank USA, National Association, as TRUSTEE, 452 5th Avenue, 8E6 New York, NY 10018, asma.x.alghofailey@us.hsbc.com	
Rating as of the issue date[10]	Fitch Rating: BB stable; Moody's: Ba3 Stable; S&P: BB- Stable; Maalot: ilA+ Stable	
Rating as of the date of approval of the Consolidated Interim Financial Statements[11]	Fitch: BB Stable; Moody's: Ba3 Stable; S&P: BB- Negative; Maalot: ilA+ Negative	
Has the Partnership fulfilled, by 30.6.2026 and during the Report Period, all of the conditions and obligations under the deed of trust	Yes	
Is the bond series material[12]	Yes	
Have any conditions establishing cause for acceleration of the bonds been fulfilled	No	
Pledges to secure the bonds	See Note 10B to 2025 Financial Statements (Chapter C)	

[6] Net of principal and interest in respect of a buyback, see Section 3E of Part One above regarding the bond buyback plan that was adopted by the Board.
[7] The market value, net of the value of the bonds that were purchased under a buyback plan. The bonds are traded in Israel on the "TACT-institutional" system on TASE.
[8] The bonds' principal and interest are stated in dollars.
[9] The financing documents prescribe provisions regarding early redemption of the bonds, including (1) early redemption initiated by the issuer, subject to payment of an early redemption fee (make whole premium); and (2) mandatory early redemption in certain cases that were defined, including by way of a buyback of bonds and/or a tender offer to all of the bondholders, including upon a sale of all or some of the interests in the Leviathan project.
[10] See the Partnership's immediate reports of 19 August 2020 (Ref. 2020-01-090852 and 2020-01-091134) and of 23 August 2020 (Ref. 2020-01-092247), the information in which is incorporated herein by reference.
[11] See immediate reports of 31 March 2026, 31 March 2026, 26 March 2026, 21 December 2025, 17 December 2025, 20 October 2025, 20 October 2025, 24 June 2025, 24 June 2025 and 10 April 2025 (Ref. 2026-01-031002, 2026-01-031000, 2026-01-027862, 2025-01-101391, 2025-01-100865, 2025-01-078063, 2025-01-078061, 2025-01-044980, 2025-01-044973 and 2025-01-027121, respectively), the information in which is incorporated herein by reference.
[12] A series of bond certificates will be deemed material if the total liabilities of the corporation thereunder as of the end of the report period, as presented in the Consolidated Interim Financial Statements, constitute five percent or more of the total liabilities of the corporation.

<u>Additional information</u>

Further to the board of directors' report as of 31 March 2026, on 4 May 2026, the Partnership's CEO, Mr. Yossi Abu ("**Mr. Abu**"), notified the Partnership of the end of his tenure on 3 November 2026. The actual end of tenure of Mr. Abu as the CEO of the Partnership was advanced to 31 July 2026 as agreed with Mr. Abu.

On 18 May 2026, the Board approved the appointment of Mr. Niv Sarne ("**Mr. Sarne**") as Executive Chairman of the Board on a full-time basis, effective as of 1 June 2026. In this context, his terms of office and employment were approved. Due to Mr. Abu's termination of tenure as the Partnership's CEO as aforesaid, the Partnership reported that Mr. Sarne will cease his tenure as Chairman of the Board on 31 July 2026 and starting from 1 August 2026 will take office as the CEO of the Partnership.

On 22 March 2026, Mr. Yitzhak Sharon (Tshuva) assumed office as a director on the GP's Board.

Upon the conclusion of his term as CEO of the Company, the Partnership's the GP's Board wishes to express its appreciation and gratitude to Mr. Abu for his significant contribution to advancing the Partnership's business, and wishes him great success in his future endeavors.

The GP's Board expresses its appreciation for the GP's management, the officers and the entire team of employees for their dedicated work and their significant contribution to promotion of the Partnership's business.

Sincerely,

Gabi Last Director	Niv Sarne CEO

NewMed Energy Management Ltd.

On behalf of: NewMed Energy - Limited Partnership

<u>Annex A to the Board of Directors' Report – Figures Regarding Leviathan Bond Ltd.</u>

Further to Note 10B to the 2025 Financial Statements (Chapter C) and to Part Four of the Board of Directors' Report, and following a tax ruling received by the Partnership immediately prior to the bond offering, below are financial figures which will be disclosed to the holders of the Leviathan Bond Bonds.

Statements of Financial Position (Expressed in US$ Thousands)

	30.6.2026	30.6.2025	31.12.2025
	Unaudited	**Unaudited**	**Audited**
Assets:			
Current Assets:			
Short-term Bank deposits	101,109	1	1
Loans to shareholders	599,516	-	-
Interest Receivable	-	-	-
Related parties	-	99,944	99,555
	700,625	**99,945**	**99,556**
Noncurrent Assets:			
Loans to shareholders	549,476	1,148,414	1,148,369
Long-term bank deposits	-	56	55
	549,476	**1,148,470**	**1,148,424**
Total	**1,250,101**	**1,248,415**	**1,247,980**
Liabilities and Equity:			
Current Liabilities:			
Bonds	600,000	-	-
Interest payable	-	-	-
Related parties	1,108	-	-
	601,108	-	-
Noncurrent Liabilities:			
Bonds	550,000	1,150,000	1,150,000
Loans from shareholders	100,000	100,000	100,000
	650,000	**1,250,000**	**1,250,000**
Equity (Deficit)	(1,007)	(1,585)	(2,020)
Total	**1,250,101**	**1,248,415**	**1,247,980**

Statements of Comprehensive Income (Expressed in US$ Thousands)

	Six Months Ended 30.6.2026	Six Months Ended 30.6.2025	Three Months Ended 30.6.2026	Three Months Ended 30.6.2025	Year Ended 31.12.2025
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Financial expenses	39,600	60,495	19,952	28,730	100,359
Financial income	(40,613)	(60,500)	(20,567)	(28,745)	(99,929)
Total comprehensive expenses (income)	**(1,013)**	**(5)**	**(615)**	**(15)**	**430**

SPONSOR FINANCIAL DATA REPORT[13]

	ITEM	FOR THE THREE MONTHS ENDED 30.6.2026 QUANTITY/ACTUAL AMOUNT (IN USD$,000)
A.	Total Offtake (BCM)	2.7[14]
B.	Leviathan Revenues (100%)	646,823[15]
C.	Loss Proceeds, if any, paid to Revenue Account	-
D.	Sponsor Deposits, if any, into Revenue Account	25,000
E.	Gross Revenues (before Royalties)	160,527
F.	Overriding Royalties	
	(a) Statutory Royalties	(20,704)
	(b) Third Party Royalties	(8,282)
G.	Net Revenues	131,541
H.	Costs and Expenses:	
	(a) Fees Under the Financing Documents (Interest Income)	674
	(b) Taxes	(18,974)
	(c) Operation and Maintenance Expenses	(31,887)
	(d) Capital Expenditures	(69,379)
	(e) Insurance (income)	(3,041)
I.	Total Costs and Expenses (sum of Items H(a), (b), (c), (d) and (e))	(122,607)
J.	Total Cash Flows Available for Debt Service (Item G *minus* Item H)	8,934
K.	Total Cash Flow from operation (Item G minus Items H(c) and H(e)	96,613
L.	Total Debt Service	87,698[16]
M.	**TOTAL DISTRIBUTION TO THE SPONSOR**	-

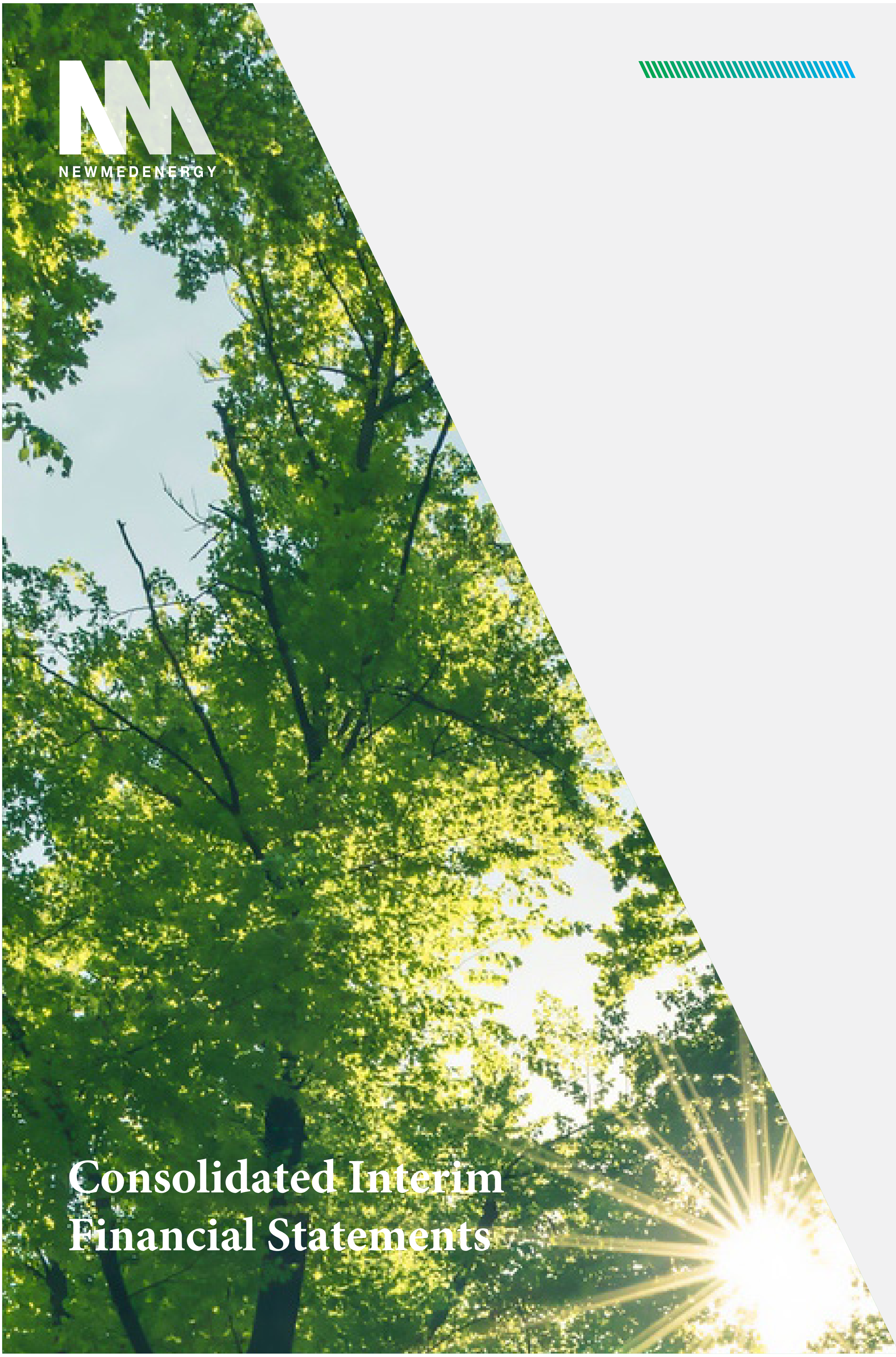
[13] The aforesaid report is delivered to the trustee for the bonds on a quarterly and annual basis and represents the cash flow deriving for the Partnership from the Leviathan project relative to the amounts required for the debt service in such period.
[14] Gas quantities from 1.4.2026 until 30.6.2026 for 100% of the Leviathan partners on an accrual basis.
[15] Gas sales from 1.4.2026 until 30.6.2026 for 100% of the Leviathan partners on an accrual basis.
[16] Including buyback of bonds by the sponsor of approximately 49.6 Million dollars.

Annex B to the Board of Directors' Report – Summary of Data of a Valuation of Royalties from the Karish and Tanin Leases

Following are details of a material valuation with respect to the profit from the revaluation of royalties from the sale of the Partnership's interests in the Karish and Tanin leases (for further details, see Note 6A to the Consolidated Interim Financial Statements attached below and the valuation attached below):

Identification of the object of the valuation:	Royalties in respect of the sale of all the interests in the Karish and Tanin leases
Identification of the object of the valuation:	Royalties in respect of the sale of all the interests in the Karish and Tanin leases
Timing of the valuation:	30 June 2026
Value of the object of the valuation shortly before the date of the valuation, if GAAP, including depreciation and amortization, did not warrant a change in its value according to the valuation:	Not applicable
Value of the object of the valuation determined according to the valuation:	A sum of approx. $241.8 million, which is included under the Partnership's 'Other long-term assets' as well as under the 'Trade and other receivables' item
Identification of the valuator and his/its characteristics, including education, experience in performing valuations in reporting corporations for accounting purposes and in a similar scope, dependence on the party commissioning the valuation, and reference to indemnification agreements:	The valuation was performed by a team headed by Mr. Shalom Sofer, CPA, a partner at PriceWaterhouseCoopers (PwC) Israel and an expert in finance and valuations. Mr. Sofer holds a B.A. in Accounting and Economics (magna cum laude) and an MBA (magna cum laude), both from Tel Aviv University. The Valuator has no personal interest in the Partnership's securities, other than the fees paid thereto for this work. The Valuator is independent of the Partnership, including in accordance with Israel Securities Authority Position 105-30, of 22 July 2015. The Valuator's fees are not contingent on the results of this work. PwC Israel has been granted indemnification, unless and insofar as it is conclusively determined that the damage resulted from gross negligence or willful misconduct on the part of PwC Israel, and the said indemnification duty shall apply solely to amounts in excess of three times the total fees.
The valuation model applied by the valuator:	Discounting expected cash flows while adjusting the discount rates to the risks entailed by the cash flow forecasts

Identification of the object of the valuation:	Royalties in respect of the sale of all the interests in the Karish and Tanin leases
The assumptions on which the valuator based the valuation, in accordance with the valuation model:	1) Period of the forecast - From Q3/2026 until the end of 2045. 2) 2P reserves - According to the D&M report published by Energean in March 2026, as of 31 December 2025: the Karish reservoir – natural gas approx. 24.87 BCM and condensate approx. 33.79 MMBBL (production end in 2044, which was updated to 2045 in the valuation); the Karish North reservoir – natural gas approx. 32.48 BCM and condensate approx. 35.56 MMBBL (production end in 2041); the Tanin lease – natural gas approx. 25.92 BCM and condensate approx. 4.42 MMBBL (production start in 2031 and production end in 2042). Total natural gas approx. 83.27 BCM and condensate approx. 73.77 MMBBL. 3) Average annual production rate - Natural gas from the Karish and Karish North leases: approx. 2.87 BCM; condensate from the Karish lease: approx. 3.47 million barrels; natural gas from the Tanin lease: approx. 2.16 BCM; condensate from the Tanin lease: approx. 0.37 million barrels. 4) Cap rate - 9.0% (weighted average cost of equity of 10.66%, net of operational risk premium of 1.70%). 5) Effective royalty rate to be paid to the State for the gas and the condensate - 11.06%. 6) Natural gas price forecast - Approx. $4.25 per MMBTU in 2026-2027 and approx. $4.30 per MMBTU from 2028 onwards. Condensate price forecast - Approx. $79.66 per barrel in 2026, approx. $68.49 per barrel in 2027, and thereafter in a range of approx. $62 to approx. $70 per barrel, based on the average of the World Bank and the EIA forecasts and Brent forward prices according to Bloomberg data, adjusted for oil quality differences. 7) Petroleum profit levy - According to the Petroleum Profit Taxation Law, 5771-2011: first installment for the Karish and Karish North reservoirs in Q1/2028 and for the Tanin reservoir in Q1/2040. 8) The investment recovery date for purposes of the overriding royalty rate: For the Karish and Karish North reservoirs in Q2/2026 and for the Tanin reservoir in Q2/2038.



Consolidated Interim Financial Statements

Date: 12 August 2026

To

The Board of Directors of the General Partner of NewMed Energy – Limited Partnership (the “Partnership”)

19 Abba Eban, Herzliya

Dear Sir/Madam,

Re: Consent given simultaneously with the release of a periodic report in connection with the shelf prospectus of the Partnership (the “Offering Document”)

We hereby notify you that we agree to the inclusion (including by way of reference) in the above referenced Offering Document of our report as specified below:

Review report as of 12 August 2026 on the Partnership's consolidated condensed financial information as of 30 June 2026 for the six- and three-month periods then ended.

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

This report is a convenience translation of NewMed Energy – Limited Partnership's Hebrew-language Quarterly Report on the Effectiveness of Internal Control over Financial Reporting and Disclosure pursuant to Regulation 38C(a) of the Securities Regulations (Immediate and Periodic Reports), 5730-1970. The original Hebrew-language version is the only binding version and shall prevail in any event of discrepancy.

Quarterly Report on the Effectiveness of Internal Control over Financial Reporting and Disclosure pursuant to Regulation 38C(a) of the Securities Regulations (Immediate and Periodic Reports), 5730-1970

The management, under the supervision of the board of directors of NewMed Energy Management Ltd., the general partner of NewMed Energy - Limited Partnership (the "**GP**" and the "**Partnership**", respectively), is responsible for setting and maintaining proper internal control over financial reporting and disclosure at the Partnership.

For this purpose, the members of management are:

1. Gabi Last, a member of the board of directors of the GP;
2. Niv Sarne, CEO of the Partnership;
3. Tzachi Habusha, CFO, Deputy CEO and Market Risk Manager of the Partnership.

Internal control over financial reporting and disclosure consists of controls and procedures existing at the Partnership, designed by, or under the supervision of, the CEO and the most senior financial officer, or by anyone actually performing such functions, under the supervision of the board of directors of the GP, and which are designed to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of the reports according to the provisions of the law, and to ensure that information which the Partnership is required to disclose in reports released thereby according to the law is gathered, processed, summarized and reported within the time frames and in the format set forth by the law.

Internal control includes, *inter alia*, controls and procedures designed to ensure that information which the Partnership is thus required to disclose, is gathered and transferred to the management of the Partnership, including the CEO and the most senior financial officer or anyone actually performing such functions, in order to enable the timely decision making in reference to the disclosure requirements.

Due to its inherent limitations, internal control over financial reporting and disclosure is not designed to provide absolute assurance that misrepresentation or omission of information in the reports will be avoided or discovered.

In the quarterly report on the effectiveness of the internal control over financial reporting and disclosure, which was attached to the quarterly report for the period ended 31 March 2026 (the "**Latest Quarterly Report on Internal Control**"), the internal control was found to be effective.

Until the date of the report, no occurrence or issue were brought to the attention of the board of directors of the GP and the management of the Partnership, which may change the evaluation of the effectiveness of the internal control, as found in the Latest Quarterly Report on Internal Control.

As of the date of the report, based on the Latest Quarterly Report on Internal Control, and based on information which was brought to the attention of the management of the Partnership and the board of directors of the GP as aforesaid, the internal control is effective.

Statement of CEO pursuant to Regulation 38C(d)(1):

Statement of Managers

Statement of CEO

I, Niv Sarne, state that:

(1) I have reviewed the quarterly report of NewMed Energy - Limited Partnership (the "**Partnership**") for Q2/2026 (the "**Reports**");

(2) To my knowledge, the Reports do not contain any misrepresentation nor an omission of a material fact required for the representations included therein, given the circumstances under which such representations were included, not to be misleading with regard to the period of the Reports;

(3) To my knowledge, the financial statements and other financial information included in the Reports adequately reflect, in all material respects, the financial position, operating results and cash flows of the Partnership for the periods and as of the dates covered by the Reports;

(4) I have disclosed to the Partnership's auditors, the board of directors and the audit and financial statements review committees of the GP in the Partnership, based on my most current evaluation of internal control over financial reporting and disclosure:

(a) Any and all significant flaws and material weaknesses in the setting or maintaining internal control over financial reporting and disclosure which may reasonably adversely affect the Partnership's ability to gather, process, summarize or report financial information in a manner which casts a doubt on the reliability of the financial reporting and preparation of the financial statements in conformity with the provisions of the law; and –

(b) Any fraud, either material or immaterial, which involves the CEO or anyone reporting to him directly or which involves other employees who play a significant role in internal control over financial reporting and disclosure.

(5) I, myself or jointly with others in the Partnership:

(a) Have set controls and procedures, or confirmed, under my supervision, the setting and maintaining of controls and procedures, which are designed to ensure that material information in reference to the Partnership, including consolidated companies thereof, as defined in the Securities Regulations (Annual Financial Statements), 5770-2010, is brought to my attention by others at the Partnership and the consolidated companies, particularly during the preparation of the Reports; and -

(b) Have set controls and procedures, or confirmed, under my supervision, the setting and maintaining of controls and procedures, which are designed to reasonably ensure reliability of financial reporting and preparation of the financial statements in conformity with the provisions of the law, including in conformity with GAAP;

(c) No occurrence or issue have been brought to my attention that occurred during the period between the date of the latest report (the quarterly report for the period ended 31 March 2026) and the date hereof, which can change the conclusion of the board of directors of the GP in the Partnership and management of the Partnership with regard to the effectiveness of internal control over the Partnership's financial reporting and disclosure.

The aforesaid does not derogate from my responsibility or from the responsibility of any other person, pursuant to any law.

12 August 2026	Niv Sarne, CEO

Statement of the most senior financial officer pursuant to Regulation 38C(d)(2):

Statement of Managers

Statement of the Most Senior Financial Officer

I, Tzachi Habusha, state that:

(1) I have reviewed the interim financial statements and the other financial information included in the interim reports of NewMed Energy - Limited Partnership (the "**Partnership**") for Q2/2026 (the "**Reports**" or the "**Interim Reports**");

(2) To my knowledge, the interim financial statements and the other financial information included in the Interim Reports do not contain any misrepresentation nor omission of a material fact required for the representations included therein, given the circumstances under which such representations were included, not to be misleading with regard to the period of the Reports;

(3) To my knowledge, the interim financial statements and the other financial information included in the Interim Reports adequately reflect, in all material respects, the financial position, operating results of operations and cash flows of the Partnership for the periods and as of the dates covered by the Reports;

(4) I have disclosed to the Partnership's auditors and to the board of directors and the audit and financial statement review committees of the GP in the Partnership, based on my most current evaluation of internal control over financial reporting and disclosure:

(a) Any and all significant flaws and material weaknesses in the setting or maintaining internal control over financial reporting and disclosure, insofar as it relates to the interim financial statements and the other financial information included in the Interim Reports, which may reasonably adversely affect the Partnership's ability to gather, process, summarize or report financial information in a manner which casts doubt on the reliability of the financial reporting and preparation of the financial statements in conformity with the provisions of the law; and
(b) Any fraud, either material or immaterial, which involves the CEO or anyone reporting to him directly or which involves other employees who play a significant role in internal control over financial reporting and disclosure.

(5) I, myself or jointly with others in the Partnership:

(a) Have set controls and procedures, or confirmed, under our supervision, the setting and maintaining of controls and procedures, which are designed to ensure that material information in reference to the Partnership, including consolidated companies thereof, as defined in the Securities Regulations (Annual Financial Statements), 5770-2010, is brought to my attention by others at the Partnership and the consolidated companies, particularly during the preparation of the Reports; and
(b) Have set controls and procedures, or confirmed, under my supervision, the setting and maintaining of controls and procedures, which are designed to reasonably ensure reliability of financial reporting and preparation of the financial statements in conformity with the provisions of the law, including in conformity with GAAP;

(c) No occurrence or issue have been brought to my attention, that occurred during the period between the date of the latest report (the quarterly report for the period ended 31 March 2026) and the date hereof, pertaining to the interim financial statements and any other financial information included in the Interim Reports, which could, in my opinion, change the conclusion of the board of directors of the GP in the Partnership and management of the Partnership with regard to the effectiveness of internal control over the Partnership's financial reporting and disclosure.

The aforesaid does not derogate from my responsibility or from the responsibility of any other person, pursuant to any law.

12 August 2026	Tzachi Habusha, CFO

NEWMEDENERGY

Report on the effectiveness of internal control over financial reporting and disclosure

NewMed Energy – Limited Partnership
Consolidated Interim Financial Statements as of 30 June 2026
in U.S. Dollars in Millions
Unaudited

This report is a translation of NewMed Energy - Limited Partnership's Hebrew-language Consolidated Interim Financial Statements as of 30 June 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.

NewMed Energy – Limited Partnership
Consolidated Interim Financial Statements as of 30 June 2026
in U.S. Dollars in Millions
Unaudited

Contents

Auditors' Review Report to the Partners of NewMed Energy – Limited Partnership

Introduction

We have reviewed the accompanying financial information of NewMed Energy – Limited Partnership and consolidated companies (the "**Partnership**") which includes the Consolidated Interim Statement of Financial Position as of 30 June 2026 and the Consolidated Interim Statements of Comprehensive Income, Changes in the Partnership's Equity and Cash Flows for the six- and three-month periods then ended. The board of directors (the "Board") and management of the Partnership's General Partner are responsible for the preparation and presentation of financial information for such interim periods in accordance with IAS 34 "Interim Financial Reporting", and they are responsible for the preparation of financial information for such interim periods under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970. Our responsibility is to express a conclusion on financial information for these interim periods based on our review.

Scope of Review

We conducted our review in accordance with 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 making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less 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 that might be identified 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 aforementioned financial information has not been prepared, in all material respects, in accordance with IAS 34.

In addition to the statements in the previous paragraph, based on our review, nothing has come to our attention which causes us to believe that the aforementioned financial information does not meet, in all material respects, the disclosure provisions under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970.

Tel Aviv, 12 August 2026

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

NewMed Energy – Limited Partnership

Consolidated Interim Statements of Financial Position (Dollars in millions)

	30.6.2026	30.6.2025	31.12.2025
	Unaudited		Audited
Assets:			
Current assets:			
Cash and cash equivalents	52.5	380.7	107.7
Short-term deposits	111.3	7.7	49.8
Trade receivables	242.4	146.5	181.5
Trade and other receivables	98.0	103.0	125.3
Income taxes receivable	6.9	-	3.9
	511.1	**637.9**	**468.2**
Non-current assets:			
Investments in entities accounted for at equity	58.5	60.9	59.0
Investments in oil and gas assets	2,871.7	2,737.6	2,848.3
Long-term deposits	2.8	0.8	0.8
Other long-term assets	602.6	520.2	589.5
	3,535.6	**3,319.5**	**3,497.6**
	4,046.7	**3,957.4**	**3,965.8**
Liabilities and Equity:			
Current liabilities:			
Current maturities of bonds	544.1	-	-
Short-term liability to a banking corporation	-	100.0	-
Income taxes payable	-	7.8	-
Trade and other payables	115.8	108.2	201.8
	659.9	**216.0**	**201.8**
Non-current liabilities:			
Bonds	515.8	1,141.3	1,117.3
Long-term loans from banking corporations	500.0	275.0	275.0
Deferred taxes	400.3	383.4	396.7
Other long-term liabilities	94.7	77.0	83.4
	1,510.8	**1,876.7**	**1,872.4**
The Partnership's Equity:			
Equity attributed to the holders of the Partnership's participation units:			
Partnership's equity	154.8	154.8	154.8
Capital reserves	(28.1)	(28.2)	(26.7)
Retained earnings	1,749.3	1,738.0	1,763.3
Total equity attributed to the holders of the Partnership's participation units	**1,876.0**	**1,864.6**	**1,891.4**
Non-controlling interests	-	0.1	0.2
Total equity of the Partnership	**1,876.0**	**1,864.7**	**1,891.6**
	4,046.7	**3,957.4**	**3,965.8**

The attached notes constitute an integral part of the Consolidated Interim Financial Statements.

12 August 2026			
Date of approval of the Financial Statements	Gabi Last Director authorized by the Board to sign on behalf of the Board	Niv Sarne CEO	Tzachi Habusha Deputy CEO CFO

NewMed Energy – Limited Partnership

Consolidated Interim Statements of Comprehensive Income (Loss) (Dollars in millions)

	For the six-month period ended		For the three-month period ended		For the year ended
	30.6.2026	30.6.2025	30.6.2026	30.6.2026	30.6.2025
	Unaudited				Audited
Revenues:					
from sale of natural gas and condensate	457.1	479.3	293.2	191.7	1,012.7
net of royalties	66.0	69.7	43.1	27.7	146.1
Revenues, net	**391.1**	**409.6**	**250.1**	**164.0**	**866.6**
Expenses and costs:					
Cost of production of natural gas and condensate	72.9	66.8	40.2	29.0	149.7
Depreciation, depletion and amortization expenses	125.9	39.2	32.9	16.6	171.5
Other direct expenses	6.8	5.9	3.4	2.8	11.8
G&A	12.3	8.7	5.0	5.5	17.6
Total expenses and costs	**217.9**	**120.6**	**81.5**	**53.9**	**350.6**
Partnership's share in losses of entities accounted for at equity	(0.7)	(1.5)	(0.4)	(0.8)	(3.6)
Other revenues	6.8	-	6.8	-	-
Operating profit	**179.3**	**287.5**	**175.0**	**109.3**	**512.4**
Financial expenses	(42.2)	(54.5)	(39.6)	(22.6)	(90.8)
Financial income	19.7	18.0	2.5	11.8	57.9
Financial expenses, net	(22.5)	(36.5)	(37.1)	(10.8)	(32.9)
Profit before income taxes	**156.8**	**251.0**	**137.9**	**98.5**	**479.5**
Taxes on income	(46.6)	(53.4)	(27.8)	(17.3)	(121.5)
Profit from continuing operations	**110.2**	**197.6**	**110.1**	**81.2**	**358.0**
Profit (loss) from discontinued operations	0.5	-	0.5	-	(15.0)
Profit from the disposal of natural gas and oil assets	7.2	-	7.2	-	-
Total profit (loss) from discontinued operations	**7.7**	-	**7.7**	-	**(15.0)**
Net income	**117.9**	**197.6**	**117.8**	**81.2**	**343.0**
Other comprehensive profit (loss) (after tax effects):					
<u>Amounts that shall be or are reclassified to profit or loss upon fulfillment of specific conditions:</u>					
Adjustments deriving from translation of financial statements of foreign business	(1.4)	(0.2)	(0.6)	(0.2)	1.2
Other comprehensive income (loss)	**(1.4)**	**(0.2)**	**(0.6)**	**(0.2)**	**1.2**
Total comprehensive income	**116.5**	**197.4**	**117.2**	**81.0**	**344.2**
<u>Basic and diluted profit (loss) per participation unit attributed to the Partnership's participation unit holders (in Dollars):</u>					
from continuing operations	0.094	0.168	0.094	0.069	0.305
from discontinued operations	0.006	-	0.006	-	(0.013)
Profit per participation unit	0.100	0.168	0.100	0.069	0.292

	For the six-month period ended		For the three-month period ended		For the year ended
	30.6.2026	30.6.2025	30.6.2026	30.6.2026	30.6.2025
	Unaudited				Audited
Number of participation units which is weighted for the purpose of calculation of the basic profit (loss) (in thousands)	1,173,815	1,173,815	1,173,815	1,173,815	1,173,815
Number of participation units which is weighted for the purpose of calculation of the diluted profit (loss) (in thousands)	1,176,127	1,175,283	1,176,094	1,175,306	1,175,625

The attached notes constitute an integral part of the Consolidated Interim Financial Statements.

NewMed Energy – Limited Partnership
Consolidated Interim Statements of Changes in the Partnership's Equity (Dollars in millions)

	Attributed to the holders of the Partnership's participation units						
	The Partnership's equity	Capital reserve for equity-based financial instruments at fair value against other comprehensive income	Other capital reserves	Retained earnings	Total	Non-controlling interests	The Partnership's total equity
Balance as of 31 December 2025 (audited)	154.8	(57.0)	30.3	1,763.3	1,891.4	0.2	1,891.6
Changes for the six-month period ended 30 June 2026 (unaudited):							
Net income	-	-	-	117.9	117.9	-	117.9
Other comprehensive loss	-	-	(1.4)	-	(1.4)	-	(1.4)
Total comprehensive income (loss)	-	-	(1.4)	117.9	116.5	-	116.5
Distributed profits	-	-	-	(130.2)	(130.2)	-	(130.2)
Provision for tax on account of the tax payable by the participation unit holders	-	-	-	(1.7)	(1.7)	-	(1.7)
Payment based on participation units and shares in subsidiaries	-	-	(*	-	(*	(0.2)	(0.2)
Balance as of 30 June 2026 (unaudited)	154.8	(57.0)	28.9	1,749.3	1,876.0	-	1,876.0
Balance as of 31 December 2024 (audited)	154.8	(57.0)	28.9	1,660.6	1,787.3	-	1,787.3
Changes for the six-month period ended 30 June 2025 (unaudited):							
Net income	-	-	-	197.6	197.6	-	197.6
Other comprehensive loss	-	-	(0.2)	-	(0.2)	-	(0.2)
Total comprehensive income (loss)	-	-	(0.2)	197.6	197.4	-	197.4
Distributed profits	-	-	-	(120.2)	(120.2)	-	(120.2)
Payment based on participation units and shares in subsidiaries	-	-	0.1	-	0.1	0.1	0.2
Balance as of 30 June 2025 (unaudited)	154.8	(57.0)	28.8	1,738.0	1,864.6	0.1	1,864.7
Balance as of 31 March 2026 (unaudited)	154.8	(57.0)	30.0	1,693.4	1,821.2	0.3	1,821.5
Changes for the three-month period ended 30 June 2026 (unaudited):							
Net income	-	-	-	117.8	117.8	-	117.8
Other comprehensive loss	-	-	(0.6)	-	(0.6)	-	(0.6)
Total comprehensive income (loss)	-	-	(0.6)	117.8	117.2	-	117.2
Distributed profits	-	-	-	(60.2)	(60.2)	-	(60.2)
Provision for tax on account of the tax payable by the participation unit holders	-	-	-	(1.7)	(1.7)	-	(1.7)
Payment based on participation units and shares in subsidiaries	-	-	(0.5)	-	(0.5)	(0.3)	(0.8)
Balance as of 30 June 2026 (unaudited)	154.8	(57.0)	28.9	1,749.3	1,876.0	-	1,876.0

NewMed Energy – Limited Partnership

Consolidated Interim Statements of Changes in the Partnership's Equity (Dollars in millions)

	Attributed to the holders of the Partnership's participation units						
	The Partnership's equity	Capital reserve for equity-based financial instruments at fair value against other comprehensive income	Other capital reserves	Retained earnings	Total	Non-controlling interests	The Partnership's total equity
Balance as of 31 March 2025 (unaudited)	154.8	(57.0)	29.0	1,717.0	1,843.8	(*	1,843.8
Changes for the three-month period ended 30 June 2025 (unaudited):							
Net income	-	-	-	81.2	81.2	-	81.2
Other comprehensive loss	-	-	(0.2)	-	(0.2)	-	(0.2)
Total comprehensive income (loss)	-	-	(0.2)	81.2	81.0	-	81.0
Distributed profits	-	-	-	(60.2)	(60.2)	-	(60.2)
Payment based on participation units and shares in subsidiaries	-	-	(*	-	(*	0.1	0.1
Balance as of 30 June 2025 (unaudited)	154.8	(57.0)	28.8	1,738.0	1,864.6	0.1	1,864.7
Balance as of 31 December 2024 (audited)	154.8	(57.0)	28.9	1,660.6	1,787.3	-	1,787.3
Changes for the year ended 31 December 2025 (audited):							
Net income	-	-	-	343.0	343.0	-	343.0
Other comprehensive income	-	-	1.2	-	1.2	-	1.2
Total comprehensive income	-	-	1.2	343.0	344.2	-	344.2
Distributed profits	-	-	-	(240.3)	(240.3)	-	(240.3)
Payment based on participation units and shares in subsidiaries	-	-	0.2	-	0.2	0.2	0.4
Balance as of 31 December 2025 (audited)	154.8	(57.0)	30.3	1,763.3	1,891.4	0.2	1,891.6

*) Less than $0.1 million.

The attached notes constitute an integral part of the Consolidated Interim Financial Statements.

NewMed Energy – Limited Partnership

Consolidated Interim Statements of Cash Flows (Dollars in millions)

	For the six-month period ended		For the three-month period ended		For the year ended
	30.6.2026	30.6.2025	30.6.2026	30.6.2026	30.6.2025
	Unaudited				Audited
Cash flows – operating activities:					
Net profit	**117.9**	**197.6**	**117.8**	**81.2**	**343.0**
Adjustments for:					
Depreciation, depletion and amortization	127.1	40.1	33.1	17.1	174.9
Taxes on income	(1.2)	(11.1)	(1.2)	(17.4)	(9.6)
Update of asset retirement obligations	2.7	3.0	1.4	1.2	4.9
Revaluation of short-term and long-term deposits	(0.3)	(0.5)	(0.2)	0.2	(0.4)
Payment based on participation units and shares in subsidiaries	(0.2)	0.2	(0.8)	0.1	0.4
Revaluation of other long-term assets	(12.2)	0.3	18.0	(2.3)	(30.2)
Partnership's share in losses of entities accounted for at equity	0.7	1.5	0.4	0.8	3.6
Profit from the sale of oil and gas assets	(14.0)	-	(14.0)	-	-
Changes in assets and liabilities items:					
Decrease (increase) in trade receivables	(60.8)	63.2	(135.4)	79.8	28.1
Decrease (increase) in trade and other receivables (including operator of joint ventures)	40.5	21.0	19.4	12.5	(16.7)
Increase in other long-term assets	(3.0)	(2.7)	(1.6)	(2.5)	(4.6)
Increase (decrease) in trade and other payables (including operator of joint ventures)	5.1	(9.4)	6.5	(39.8)	(2.9)
Increase (decrease) in oil and gas profit levy	(2.4)	-	(2.2)	-	14.9
	82.0	**105.6**	**(76.6)**	**49.7**	**162.4**
Net cash generated by operating activities	**199.9**	**303.2**	**41.2**	**130.9**	**505.4**
Cash flows - investing activity:					
Investment in oil and gas assets	(199.4)	(77.6)	(127.1)	(48.7)	(223.9)
Investment in a partnership accounted for at equity	(0.3)	(0.7)	(0.2)	(0.7)	(0.9)
Proceeds from the sale of oil and gas assets	6.8	-	6.8	-	-
Investment in other long-term assets	(17.8)	(12.5)	(26.3)	(8.5)	(89.1)
Royalties based on production from the Karish lease	21.6	24.8	8.4	10.4	52.6
Deposit in long-term deposits	(102.5)	(0.3)	(2.3)	-	(0.3)
Withdrawal from short-term deposits, net	39.3	326.1	55.4	329.8	283.8
Decrease (increase) in other receivables – due to operator of joint ventures	(38.6)	(2.1)	(23.6)	(0.8)	5.7
Net cash generated by (used for) investing activity	**(290.9)**	**257.7**	**(108.9)**	**281.5**	**27.9**
Cash flows - financing activity:					
Distributed profits	(130.2)	(120.2)	(60.2)	(60.2)	(240.3)
Repayment of a short-term loan from a banking corporation	-	-	-	-	(100.0)
Receipt of a short-term loan from a banking corporation	-	100.0	-	100.0	100.0
Receipt of a long-term loan from a banking corporation	225.0	275.0	50.0	275.0	275.0
Repayment of bonds and buybacks of bonds	(59.0)	(486.2)	(16.8)	(446.2)	(511.5)
Net cash generated by (used for) financing activity	**35.8**	**(231.4)**	**(27.0)**	**(131.4)**	**(476.8)**
Increase (decrease) in cash and cash equivalents	(55.2)	329.5	(94.7)	281.0	56.5
Balance of cash and cash equivalents at beginning of period	107.7	51.2	147.2	99.7	51.2
Balance of cash and cash equivalents at end of period	**52.5**	**380.7**	**52.5**	**380.7**	**107.7**
Annex A – Non-cash flow investing and/or financing activities:					
Investments in oil and gas assets against liabilities	47.4	55.5	47.4	55.5	110.8
Investments in other long-term assets against liabilities	15.8	19.5	15.8	19.5	11.6
Provision for tax in respect of prior years	1.7	-	1.7	-	-
Annex B – Further details on cash flows:					
Interest paid (including capitalized interest)	52.3	52.3	51.5	51.9	100.9
Interest received	2.6	8.9	0.2	4.5	14.4
Taxes and levy paid	49.2	92.8	31.4	30.4	149.2

The attached notes constitute an integral part of the Consolidated Interim Financial Statements.

Note 1 – General:

A. NewMed Energy – Limited Partnership (the "**Partnership**") was founded according to a partnership agreement signed on 1 July 1993 between NewMed Energy Management Ltd. as general partner of the first part (the "**GP**"), and NewMed Energy Trusts Ltd. as a limited partner of the second part (the "**LP**"), as amended from time to time (the "**Partnership Agreement**"). The ongoing management of the Partnership is carried out by the GP under the supervision of the supervisors, Fahn Kanne & Co., Accountants, together with Keidar Supervision & Management (jointly: the "**Supervisors**" or the "**Supervisor**"). On 1 July 1993, the LP and the Supervisor signed a trust agreement, which was amended from time to time (the "**Trust Agreement**"), which confers on the Supervisor powers of supervision over the Partnership's management by the GP, as well as powers of supervision over the fulfillment of the LP's obligations to the unit holders. The parent company of the GP is Delek Energy Systems Ltd. (the "**Parent Company**" and/or "**Delek Energy**"), a private company wholly owned by Delek Group Ltd. (the "**Delek Group**"). The participation units of the Partnership are listed on the Tel Aviv Stock Exchange ("**TASE**") and trading therein commenced in 1993. The address of the Partnership's registered office is 19 Abba Eban Boulevard, Herzliya.

B. As of the date of approval of the Consolidated Interim Financial Statements, the Partnership operates in the energy field and its primary business is exploration, development, production and marketing of natural gas, condensate and oil in Israel, Cyprus, Morocco and Bulgaria, and promotion of various natural gas-based projects, with the aim of increasing the volume of the sales of natural gas produced by the Partnership. At the same time, the Partnership is exploring business opportunities in the field of exploration, development, production and marketing of natural gas, condensate and oil in additional countries, examining and promoting possible investments in projects in the field of renewable energy, as part of the collaboration with Enlight Renewable Energy Ltd. (see Note 12F2 to the annual consolidated financial statements as of 31 December 2025 (the "**Annual Financial Statements**")), and examining possible projects for the production of hydrogen, including blue hydrogen, which is produced from natural gas and can be a low-carbon substitute for energy consumers (see Note 12F(1) to the Annual Financial Statements).

C. The Partnership's main petroleum asset, as of the date of approval of the Consolidated Interim Financial Statements, is holdings of 45.34% (out of 100%) of the Leviathan natural gas reservoir, the piping of gas from which commenced in December 2019 and the partners and their rate of holdings in which, as of the date of approval of the Consolidated Interim Financial Statements, are the Partnership, Chevron Mediterranean Ltd (39.66%) and Ratio Energies – Limited Partnership (15%) ("**Chevron**" or the "**Operator of Leviathan Project**" and "**Ratio Energies**", respectively, and jointly: the "**Leviathan Partners**"). The Leviathan reservoir currently supplies natural gas to several customers in the Israeli and regional market, and among its prominent customers are, inter alia, Blue Ocean Energy in Egypt ("**Blue Ocean**") and the Jordanian National Electric Power Company. In addition to the rights in the Leviathan reservoir, the Partnership holds rights in the Aphrodite reservoir that was discovered in the area of Block 12 in Cyprus ("**Aphrodite**" or "**Block 12**"), in Block 1-21 Han Asparuh exploration license situated in the exclusive economic zone of the Republic of Bulgaria in the Black Sea (the "**Bulgaria License**") and in other petroleum assets, as specified in Note 7 to the Annual Financial Statements.

Note 1 – General (Cont.):

D. **Operation "Roaring Lion" and the security situation and their impact on the Partnership's business:** Further to Note 1D to the Annual Financial Statements regarding Operation Roaring Lion and the security situation and their impact on the Partnership's business, as of the date of approval of the Consolidated Interim Financial Statements, the military conflict between the U.S. and Israel, on the one hand, and Iran, on the other, which began on 28 February 2026 in a joint attack against Iran ("**Operation Roaring Lion**"), is still ongoing. During the said conflict, a temporary ceasefire was reached, and on 18 June 2026, the U.S. and Iran signed an MOU aimed at terminating the conflict and reopening the Strait of Hormuz. However, the situation remains volatile, and a permanent arrangement between all relevant parties has not yet been achieved. Additionally, a ceasefire agreement has been reached between Israel and Lebanon, and talks are being conducted between the U.S., Israel, and Lebanon, aiming to formulate a permanent agreement. At the same time, military operations against the Hezbollah terrorist organization in Lebanon have continued along the northern border at varying levels of intensity. As of the date of approval of the Consolidated Interim Financial Statements, there is no certainty that the fighting on the Iranian front will not resume in the near or more distant future.

   On 31 March 2026, the operator of the Leviathan project received a notice from the Petroleum Commissioner at the Ministry of Energy and Infrastructure (the "**Commissioner**"), whereby all preparations may be carried out for the reactivation of the Leviathan platform, following its shutdown at the start of Operation Roaring Lion. Accordingly, regular production from the reservoir was resumed on 2 April 2026. For details on the additional budget approved for completion of a project being carried out by Israel Natural Gas Lines Ltd. ("**INGL**") for the laying of a subsea pipeline in the offshore transmission section between Ashdod and Ashkelon (the "**Combined Section**"), to cover additional expenses incurred due to Operation Roaring Lion, see Note 4B below.

   In the Partnership's estimation, the shutdown of the production (33 days of non-production) and the delay in the completion of the Combined Section project, are expected to have no material effect on the results of the Partnership's operations in 2026, inter alia, as result of the increase of the Brent oil barrel price (see Note 21F3 to the Annual Financial Statements). The Partnership, together with the Leviathan Partners, has applied for State compensation regarding such halt of production; however, at this stage, there is no certainty regarding the receipt or scope of such compensation.

E. As of 30 June 2026, the Partnership has a working capital deficit of $148.8 million for a twelve-month period, deriving primarily from the Series 2027 Leviathan Bond bonds which mature in June 2027. In the opinion of the Partnership's management, this deficit does not indicate a liquidity problem in the Partnership, and it will have sufficient resources in the coming year to finance its operations and/or meet its existing and expected liabilities.

F. These financial statements have been prepared in a condensed format as of 30 June 2026 and for the six- and three-month periods then ended (the "**Consolidated Interim Financial Statements**"). The reports of the Partnership should be read together with the Annual Financial Statements. Accordingly, notes regarding insignificant updates with respect to information already reported in the notes to the Annual Financial Statements were not included in these Consolidated Interim Financial Statements.

G. The Consolidated Interim Financial Statements comply with the provisions of IAS 34, and fulfill the disclosure provisions pursuant to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970.

Notes to the Consolidated Interim Financial Statements as of 30 June 2026 ($ in millions)

Note 1 – General (Cont.):

H. The financial figures of the joint ventures used by the Partnership in the preparation of its consolidated financial statements are based, inter alia, on documents and accounting data provided by the operators of the Leviathan and Block 12 reservoirs, and both Chevron and Chevron Cyprus Limited ("**Chevron Cyprus**"), respectively, are subsidiaries of a wholly-owned subsidiary of Chevron Corporation. The operator of the Bulgaria License is OMV Offshore Bulgaria GmbH ("**OMV Bulgaria**"), a subsidiary of OMV Petrom, which, to the best of the Partnership's knowledge, is a public company traded on the Bucharest Stock Exchange in Romania and is considered the largest energy corporation in Southeast Europe.

I. The Partnership's revenues in the report period from the sale of natural gas and condensate were mainly affected by Operation Roaring Lion as aforesaid in Note 1D, by the production capacity and scope of consumption of natural gas by the domestic market, Egypt and Jordan (in this section below, the "**Regional Market**"). Below is the Partnership's share in the income from sale of natural gas and condensate and quantities of natural gas sold to the domestic market and Regional Market in the report period from the Leviathan project.

	For the six-month period ended		For the three-month period ended		For the year ended
	30.6.2026	30.6.2025	30.6.2026	30.6.2025	31.12.2025
	Unaudited				Audited
Revenues from sale of natural gas and condensate:					
Natural gas	447.1	469.2	286.8	187.7	992.2
Condensate	10.0	10.1	6.4	4.0	20.5
Total	**457.1**	**479.3**	**293.2**	**191.7**	**1,012.7**
Domestic market	54.1	66.2	31.5	23.3	170.5
Regional Market	403.0	413.1	261.7	168.4	842.2
Total	**457.1**	**479.3**	**293.2**	**191.7**	**1,012.7**
Quantities of natural gas (BCM)					
Domestic market	0.25	0.31	0.14	0.11	0.83
Regional Market	1.83	1.95	1.08	0.81	4.11
Total	**2.08**	**2.26**	**1.22**	**0.92**	**4.94**
Quantities of condensate (thousands of barrels)[1]	**137.9**	**183.7**	**84.3**	**76.4**	**388.5**

[1] Do not include condensate sold under the agreement specified in Note 12C5 to the Annual Financial Statements.

Note 2 - Significant Accounting Policies

Non-inclusion of separate financial information in the Consolidated Interim Financial Statements:

In accordance with the provisions of Regulation 38D and Schedule X to the Securities Regulations (Periodic and Immediate Reports), 5730-1970, the Partnership has not included separate financial information in the interim financial statements, following examination by the Partnership's GP's management, jointly with its legal counsel, of the need to add separate financial information, and on the grounds that the additional information that separate financial information attributed to the Partnership would provide, as compared with the information included in the Consolidated Interim Financial Statements, is negligible, and thus, under securities laws, not required to be added.

The underlying parameters of the Partnership's decision are:

1) Total assets in the separate statement out of the total assets in the consolidated statement.
2) Total liabilities in the separate statement out of the total liabilities in the consolidated statement.
3) Cash flow from operating activities in the separate statement out of the cash flow from operating activities in the consolidated statement.
4) Total net profit[2] in the separate statement out of the total net profit2 in the consolidated statement.

The Partnership will continue to examine the future effect of inclusion of separate financial information every reporting period.

[2] Profit net of one-time event arising from the amortization stated in Note 3B3 below.

Notes to the Consolidated Interim Financial Statements as of 30 June 2026 ($ in millions)

Note 3 – Investments in Oil and Gas Assets:

A. Composition:

	30.6.2026	30.6.2025	31.12.2025
	Unaudited		Audited
Oil and gas assets:			
Ratio Yam (Leviathan project)	2,685.4	2,558.9	2,651.4
Appraisal and exploration assets:			
Block Han Asparuh) Bulgaria(	-	11.1	22.4
Block 12 Aphrodite (Cyprus)	186.3	167.6	174.5
	186.3	**178.7**	**196.9**
Total	**2,871.7**	**2,737.6**	**2,848.3**

B. Developments in investments in oil and gas assets:

1. **Ratio-Yam Joint Venture:**

   a. Further to Note 7C1b(2) to the Annual Financial Statements regarding the completion of the project for laying a third subsea transmission pipeline from the field to the Leviathan reservoir platform, as well as system upgrades on the platform, that enable the increase of the gas production capacity to approx. 14 BCM per year, upon completion of the project in March 2026, it was proven that the maximum gas production capacity, as of the date of approval of the Consolidated Interim Financial Statements, is approx. 1,530 MMSCF per day (approx. 15.8 BCM per year).

   b. Further to Note 7C1g to the Annual Financial Statements regarding the intention to conduct a 3D seismic survey in the Leviathan reservoir, inter alia, in order to establish deep target exploration prospects in the Leviathan leases, on 9 July 2026, the partners in the Leviathan project approved the conduct of such survey, with a budget of approx. $68.8 million (100%, the Partnership's share – approx. $31.2 million), the primary purpose of which is to optimize existing knowledge regarding the reservoir. In accordance with the planned timetables, the survey is expected to begin in September-October 2026 and take several months.

Note 3 – Investments in Oil and Gas Assets: (Cont.)

B. Developments in investments in oil and gas assets: (Cont.)

2. Block 12 in Cyprus:

Further to Note 7C2(d) to the Annual Financial Statements regarding a non-binding memorandum of understanding that outlines the framework for the continued negotiations in connection with the export of natural gas from the reservoir to Egypt, including construction of the required transmission infrastructure for the setting up of a direct pipeline to Egypt, and sale arrangements. The Partnership reported that on 9 April 2026, a memorandum of understanding (see Section (a) below) was initialed for the sale of all of the natural gas quantities recoverable from the Aphrodite reservoir, which is in the area of Block 12 in Cyprus (the "**Aphrodite Reservoir**" or the "**Reservoir**"), by the holders of the interests in the Aphrodite Reservoir and the Cyprus Hydrocarbons Company ("**CHC**") (collectively: the "**Sellers**") and the national Egyptian gas company, the Egyptian Natural Gas Holding Company ("**EGAS**" or the "**Buyer**") (the "**MOU**"). Concurrently, a Host Government Agreement ("**HGA**") was also initialed by the holders of the interests in the Aphrodite Reservoir and AMC (as defined below) and the Egyptian government, in connection with a project for the development of the gas transmission system offshore Egypt to EGAS (the "**Transmission Project**"), which arranges the regulatory framework for settlement of the rights and obligations for the construction, financing, operation and maintenance of the transmission infrastructures and the Transmission Project's related facilities, all as specified below. It is clarified that the said agreements are subject to authorization for the Egyptian and Cypriot governments' signature and the full signatures of all of the parties.

a. MOU for the sale of natural gas from the Aphrodite Reservoir:

In the MOU, the parties confirmed the commercial principles and conditions that will serve as a basis for the signing of a binding agreement for the supply of natural gas from the Aphrodite Reservoir to the Buyer (the "**Binding Agreement**") in relation to all of the gas quantities recoverable from the Reservoir. The Binding Agreement (if and insofar as signed) will be subject to several conditions precedent, as shall be agreed between the parties. The term of the Binding Agreement shall begin from the date of fulfillment of the conditions precedent, as shall be determined in the Binding Agreement, until the earlier of: (1) the end of 15 years from the date of commencement of the commercial supply; or (2) the end of the commercial production from the Reservoir, with the Sellers being entitled to extend the term of the Binding Agreement once for an additional 5-year term, by notice to be delivered no later than six months before the end of the term. The supply will begin on the date of commencement of transmission of the gas from the Reservoir, and shall comprise three main periods: (1) The first period: from commencement of transmission of the gas from the Reservoir until the end of the running-in stage, and in any event no later than 365 days from the transmission commencement date; (2) The second period: at least 6 years from the date of commencement of the commercial supply (the end of the running-in stage); and (3) The third period: from the end of the second period until the end of the term of the agreement, as specified below, with the parties being entitled to agree on an extension of the Second Period according to the Reservoir's production profile. In the first period, the Sellers will make reasonable efforts to supply the quantities required by the Buyer, and the Buyer will also make reasonable efforts to purchase the quantities required thereby; in the second period, the daily contract quantity will be 700 MMSCF per day; and in the third period, the daily contract quantity will be determined by the Sellers, which shall deliver to the Buyer two-year advance notices regarding the applicable daily contract quantity for each two-year period. The Sellers shall be entitled to increase or reduce the said quantities by up to 15% by prior notice to the Buyer.

Note 3 – Investments in Oil and Gas Assets: (Cont.)

B. Developments in investments in oil and gas assets: (Cont.)

2. Block 12 in Cyprus: (Cont.)

a. MOU for the sale of natural gas from the Aphrodite Reservoir: (Cont.)

The final delivery point shall be determined at the metering station at the onshore terminal in Port Said, Egypt (the "**Final Delivery Point**"), while the offshore delivery point shall be defined as the Cyprus-Egypt maritime border crossing point (the "**Offshore Delivery Point**"). The transmission company AMC, as defined below, shall be responsible for transmission of the gas from the Offshore Delivery Point to the Final Delivery Point. The Buyer shall take or pay for a minimum annual quantity of gas in such volume and according to such mechanism as shall be determined in the Binding Agreement. The gas price shall be linked to the Brent oil barrel price, and shall include a 'floor price' and a 'ceiling price'. Upon the signing of the MOU, it shall remain in effect until the signing of the Binding Agreement or for 12 months, whichever is earlier.

b. Host Government Agreement ("HGA"):

In the HGA, it was agreed that the parties will conduct negotiations in a period of 12 months from the date of the signing of the HGA, for the signing of additional agreements that are required in order to enable the construction of the pipeline for transmission of the gas from the Aphrodite Reservoir to EGAS (the "Additional Agreements"), including the Binding Agreement, a pipeline laying and operation agreement, a transmission agreement, a land settlement agreement, connection agreements, and additional agreements required for implementation of the Transmission Project. A final investment decision (FID) for development of the Reservoir will be required to be adopted within additional 12 months from the date of signing of the Additional Agreements, while non-signing thereof within 12 months from the date of signing of the HGA, as well as non-adoption of a final investment decision at such time shall constitute grounds for termination of the HGA. The HGA further provides that for purposes of implementation of the Transmission Project, a special purpose company (SPC) to be incorporated in Egypt – Aphrodite Midstream Company ("**AMC**"), shall be founded, and shall be held by the Aphrodite partners and by an entity to be appointed by the Egyptian government, with each one of the shareholders financing its share according to its pro-rata holdings (yet to be determined) and under the same conditions. The term of the HGA shall end on the earlier of: (1) 25 years from the date of signing thereof; (2) 20 years from the date of first gas transmission from the Reservoir via the transmission system; or (3) the date of conclusion of the commercial production of gas from the Reservoir, unless the HGA is terminated prior thereto on the grounds specified in the HGA, including expiration of the Binding Agreement or the transmission agreement. According to the provisions of the HGA, at the end of the relevant period, AMC shall be obligated to decommission the transmission pipeline or transfer it to the Egyptian government, at the discretion of the Egyptian government, on the later of: (1) expiration of the Binding Agreement; or (2) 17 years from the date of commencement of transmission of the gas from the Reservoir. The parties are holding discussions in connection with an agreement for regulation of fiscal terms and conditions – Fiscal Regime Agreement ("FRA"), which, *inter alia*, shall determine fiscal arrangements relevant to the Transmission Project, which shall be subject to signing and approval by the Egyptian parliament within a period of 6 months from the date of signing of the HGA, while non-approval thereof at such time confers on the holders of the interests in the Reservoir and on AMC a right to terminate the HGA. In the HGA, the Egyptian government confirmed its full commitment to support the Transmission Project, and undertook that the State's authorities will work on taking all of the actions required for execution of the Transmission Project. On 22 July 2026, following the completion of all signatures, the Partnership received the MOU.

Note 3 – Investments in Oil and Gas Assets: (Cont.)

B. **Developments in investments in oil and gas assets: (Cont.)**

2. **Block 12 in Cyprus: (Cont.)**

b. **Host Government Agreement ("HGA"): (Cont.)**

The completion of all signatures on the HGA is expected in the coming weeks. Furthermore, as of the date of approval of the Consolidated Interim Financial Statements, the parties to the MOU are negotiating towards singing a binding agreement for the supply of natural gas from the Aphrodite Reservoir to EGAS.

c. On 31 July 2026, the Partnership reported, according to the notice of Royal Dutch Shell Plc. ("**Shell**") that Shell has engaged in a transaction for the sale of all the interests of BG Cyprus Limited ("**BG**") in the Aphrodite Reservoir (35%) to MOL Group, in consideration for up to $720 million. The closing of such transaction is subject to the receipt of regulatory approvals and further conditions.

3. **Block 1-21 Han Asparuh, located in the Exclusive Economic Zone (EEZ) of the Republic of Bulgaria in the Black Sea (the "Bulgaria License"):**

Further to Note 7C6 to the Annual Financial Statements regarding, inter alia, the exploration well in the Krum prospect in the Bulgaria License (the 'Well"), in April 2026 the Partnership reported that in its estimation and as it was informed by OMV Bulgaria, non-significant signs of natural gas were discovered in the target layers of the Well, and therefore the Well has been found to be a "dry hole". Accordingly, the Partnership recognized a loss in its Consolidated Interim Financial Statements for Q/1 2026 for the share of NewMed Energy Balkan Limited (a subsidiary of the Partnership) ("**NewMed Balkan**") in all of the costs in respect of the license, including the drilling, plugging and decommissioning costs, in the sum total of approx. $74.4 million, which was recorded under the 'Depreciation, depletion and amortization' item, including the share of Mr. Yossi Abu ("**Mr. Abu**"), to whom equity compensation was granted at the rate of 5% of the capital in NewMed Balkan, and in connection with which the Partnership is discussing the related implications. Further thereto, the Partnership decided to act for the transfer of Mr. Abu's holdings in NewMed Balkan to the Partnership, without consideration. For details regarding the end of Mr. Abu's tenure as CEO of the Partnership on 31 July 2026, see Note 6H below.

4. **Eran license:**

Further to Note 7C8 to the Annual Financial Statements regarding the discussions held by the Partnership and Ratio Energies with the Tamar partners for the purpose of settling the economic rights due to the Partnership and Ratio Energies as the holders of interests in the expired Eran license, in accordance with the principles agreed in the arrangement reached between the Tamar partners and the State in this matter, on 13 April 2026, the Partnership and Ratio Energies entered into an agreement with the Tamar partners whereby, subject to the payment of a total amount of approx. $9.1 million (the Partnership's share – approx. $6.8 million), the Partnership and Ratio Energies shall withdraw their objection to the Tamar partners' request to change the borders of the Tamar Lease so as to include the Tamar SW reservoir, and shall conclusively and irrevocably waive their rights and claims in connection with the expired Eran license and the Tamar SW reservoir. In May 2026, the approval was received to change the borders of the Tamar reservoir, such that they will include the entire area of the Tamar SW reservoir, and accordingly, the foregoing payment was received, which was included in the 'other income' item in the Consolidated Statement of Comprehensive Income.

Note 3 – Investments in Oil and Gas Assets: (Cont.)

B. Developments in investments in oil and gas assets: (Cont.)

5. Yam Tethys project:

Further to Note 7C3 to the Annual Financial Statements regarding the Commissioner's letter of 21 September 2025, in which he invited the partners in the Yam Tethys project and in the Tamar project to present their position in connection with the decommissioning of the Yam Tethys platform, on 25 June 2026, Chevron, the operator of the Yam Tethys project and the Tamar project, responded to the Commissioner that it intends to take action to decommission the Yam Tethys platform in 2028, subject to agreements to be reached between the partners in the Yam Tethys project and in the Tamar project, inter alia in connection with the timetables and the cost-sharing of the said decommissioning. However, the Partnership believes that as of the date of approval of the Consolidated Interim Financial Statements, the conditions for revising the estimated time of decommissioning of the Yam Tethys platform are not satisfied.

6. Exploration licenses in Zone I in the area of blocks 4, 5, 6, 7, 8 and 11, in the EEZ of the State of Israel (the "Zone I Licenses"):

Further to Note 7C5 to the Annual Financial Statements regarding the intention of the partners in the Zone I Licenses to engage an international provider for the conduct of a combined 2D and 3D seismic survey, in July 2026, the operator of the Zone I Licenses engaged such a provider, and such survey is expected to commence in September 2026 and take about 3 months. Furthermore, the partners in the Zone I Licenses approved a total budget of approx. $22 million (100%, the Partnership's share – approx. $7.3 million) for the conduct of the survey.

7. Michal-Matan joint venture (discontinued operations):

Further to Notes 7C9 and 19C7 to the Annual Financial Statements regarding an agreement for the sale of the Partnership's remaining interests, at a rate of 22%, in the Tamar project to Tamar Investment 1 RSC Limited and Tamar Investment 2 RSC Limited (the "**Buyers**" and the "**Sale Agreement**", respectively), and regarding an agreement between the assessing officer and the Tamar project regarding a levy report for 2021, note that according to the Sale Agreement, the Partnership approached the Buyers requesting to perform a reconciliation regarding levy payments paid by the Partnership for the period subsequent to the record date. Accordingly, in its Consolidated Interim Financial Statements, the Partnership recognized amounts receivable in the amount of $7.2 million, which as of the date of approval of the Consolidated Interim Financial Statements, have not yet been received by the Partnership.

Note 4 – Contingent Liabilities and Engagements:

A. Engagements for the supply of natural gas and condensate:

On 19 May 2026, the Partnership reported that the Partnership and Ratio (jointly: the "**Sellers**"), excluding Chevron, engaged in an agreement with Dalia Energy Companies Ltd. (the "**Buyer**") intended for the supply of natural gas from the Leviathan project (the "**Agreement**"), in respect of two new combined cycle gas turbine (CCGT) power generation facilities, each with a capacity of approx. 850 MW, which will be established by subsidiaries controlled by the Buyer: one at the Eshkol power plant site in Ashdod, of Eshkol Avshal Energies Ltd. ("**Eshkol Avshal Facility**"); and the second at the Tzafit power plant site, of Dalia Energies Expansion Ltd. ("**Tzafit Facility**", and jointly with Eshkol Avshal Facility: the "**Facilities**"). According to the Agreement, the Sellers committed to supply the Buyer, on a firm basis, daily quantities of natural gas at an aggregate annual volume of approx. 1.3 BCM (the Partnership's share – 75.14%). Starting from a date to be determined by the Buyer, which shall fall between 1 January 2034, and 1 July 2035, until the end of the term of the Agreement, the daily natural gas quantities shall be increased such that their aggregate annual volume will be approx. 1.7 BCM. The Buyer committed to take or pay for a minimum annual quantity, calculated as a percentage of the adjusted annual contract quantity, subject to force majeure events and other standard conditions. The supply of gas under the Agreement is expected to commence on 1 January 2030. The term of the Agreement shall expire on the 20th anniversary of the Facilities' commercial operation date as defined in the Agreement, unless the Agreement is terminated earlier in accordance with its provisions. The completion of the engagement under the Agreement is subject to the fulfillment of two conditions precedent: (1) obtaining the approval of the Competition Authority, to the extent required by law, and (2) obtaining the approval of the lenders of the Facilities' owners. Furthermore, insofar as the financial closing for the Eshkol Avshal Facility is not completed by 30 June 2027, the Sellers will be entitled to reduce the quantity in the Agreement with respect to the part attributed to the Eshkol Avshal Facility (up to 50% of the aforesaid contract quantities); and insofar as such financial closing is not completed by 31 December 2027, each party shall have the right to reduce the quantity in the Agreement with respect to the part attributed to the Eshkol Avshal Facility, as aforesaid. The gas price stipulated in the Agreement is based on an indexing mechanism to the general (uniform) electricity tariff, in accordance with the mechanism detailed in the Agreement. The Agreement contains a mechanism whereby starting from 1 October 2041, and for a period of 90 days, each one of the parties may ask for reconsideration and update of the price, which shall be limited to 10% (up or down). The update shall not apply retroactively. Insofar as the parties do not agree on the price update, the party that requested the price update may reduce the daily contract quantity by up to 30%. In addition, under the Agreement, the Buyer was granted a one-time option to update the price mechanism in respect of the gas supplied to the steam production units at the Eshkol site under the existing gas sale agreement of 23 May 2024 ("**Eshkol Agreement 1**"). Insofar as the option is exercised, the price of gas to be sold to the steam units under Eshkol Agreement 1 (which, as a rule, is indexed to Brent crude oil barrel prices) will be calculated in accordance with the price mechanism applicable to the gas supplied to the combined cycle units under Eshkol Agreement 1 (which, as a rule, are indexed to the electricity tariffs), in respect of the Sellers' shares only. According to the Partnership's estimation, the change in the price mechanism in Eshkol Agreement 1 may decrease the Partnership's revenues from Eshkol Agreement 1 in an immaterial volume. The Agreement includes additional standard provisions for agreements of this type, *inter alia*, regarding force majeure events, events of default and indemnification, taxation and fiscal changes, security mechanisms, and a mechanism enabling the assignment of part of the contract quantities to Eshkol Avshal Energies Ltd., Dalia Energies Expansion Ltd., and Dalia Power Energies Ltd.

Note 4 – Contingent Liabilities and Engagements: (Cont.)

B. Agreements for the transmission of natural gas for export to Egypt:

Further to Note 12G4 and 12D2(a) to the Annual Financial Statements regarding the Combined Section project and regarding the delay in the completion of the work for construction thereof, on 18 May 2026, the GP's Board approved an additional budget of approx. $4.4 million (100% Leviathan Partners, the Partnership's share – approx. $2 million) for completion of the said work, such that as of the date of approval of the Consolidated Interim Financial Statements, the total approved budget is approx. $143 million (100% Leviathan Partners, the Partnership's share – approx. $65 million). On 8 July 2026, the Partnership reported that Chevron received a notice from INGL of completion of the Hot Commissioning tests and commencement of transmission of natural gas in the Combined Section. The project enables the increase of the transmission capacity in the EMG pipeline from approx. 6.5 BCM per annum to approx. 8.5 BCM per annum, of which the Leviathan reservoir's export capacity is approx. 6.5 BCM per annum, in addition to the reservoir's current capacity for export to Egypt of approx. 2 BCM per annum through the Jordan-North export pipeline. Furthermore, upon completion of the project, all the conditions in the Amendment to the Export to Egypt Agreement for increasing the daily gas quantity that the Leviathan Partners are obligated to supply to Blue Ocean under the first tranche – from 450 MMSCF per day (approx. 4.7 BCM per annum) to 650 MMSCF per day (approx. 6.7 BCM per annum) – have been fulfilled, as detailed in Note 12D2c2 to the Annual Financial Statements, in addition to the export of additional optional quantities on an interruptible (spot) basis.

C. Legal proceedings:

1. Further to Note 12J1 to the Annual Financial Statements regarding an appeal filed by the Partnership and Chevron (the "**Plaintiffs**") with the Supreme Court against the judgment of the Jerusalem District Court dismissing their claim against the State of Israel, through its Ministry of Energy representatives, which primarily includes a demand for the restitution of royalties paid by the Plaintiffs to the Defendant - in excess and under protest - for revenues generated by the Plaintiffs from gas supply agreements signed between consumers of natural gas and the Yam Tethys partners, part of which was actually supplied from the Tamar project (in this section: the "**Judgment**"), on 17 May 2026, a hearing on the appeal was held, following which the Plaintiffs announced that they would not insist on the appeal, subject to the entry of a judgment on the clarification regarding the method of determining the market value of the gas for royalty purposes, in lieu of the provisions on this matter in the judgment. On 16 June 2026, the Supreme Court issued its judgment, ordering the dismissal of the appeal subject to the clarification that once the market value of the gas at the wellhead has been determined for the purpose of calculating the royalty to the State with respect to a transaction from a specific lease, no change shall be made to the said market value during the term of such transaction, even if the market price of natural gas changes during the course thereof. The court further ruled that no order for costs would be made. Accordingly, the proceeding ended without an award of restitution to the Plaintiffs of the disputed royalty amounts.

2. Further to Note 12J2 to the Annual Financial Statements regarding an appeal filed by holders of participation units of Avner Oil Exploration – Limited Partnership (the "**Appellants**" and "**Avner**", respectively) with the Supreme Court from the judgment denying the class certification motion they filed in connection with the merger transaction between the Partnership and Avner (in this section: the "**Judgment**"), on 3 August 2026, the Supreme Court's judgment was received, according to which the Appellants had announced that they were withdrawing the appeal, and accordingly, the appeal was dismissed, with no order for costs.

Note 4 – Contingent Liabilities and Engagements: (Cont.)

C. Legal Proceedings: (Cont.)

3. Further to Note 12J3 to the Annual Financial Statements regarding a class action certification motion filed by shareholders of Tamar Petroleum Ltd. ("**Tamar Petroleum**") with the Tel Aviv District Court (Economic Department) (jointly: the "**Petitioners**"), against the Partnership, Tamar Petroleum, officers thereof, and Leader Issuances (1993) Ltd. (in this section, jointly: the "**Respondents**"), in connection with a share offering of Tamar Petroleum of July 2017 (the "**Offering**"), on 2 June 2026, the court handed down a decision granting the motion to conduct the claim as a class action on grounds of violation of provisions of the Securities Law, 5728-1968 (the "**Securities Law**"), concerning a misleading detail, with the class being defined as anyone who purchased shares of Tamar Petroleum in the context of the share offering of 18 July 2017, provided that they did not sell their shares up to the date of release of Tamar Petroleum's Q3/2017 report, which was released on 15 November 2017. In its decision, the court ruled, *inter alia*, that the dividend forecast included in the document distributed to institutional investors immediately prior to the Offering does not constitute a commitment to distribute dividends, and that this is a risk assumed by the sophisticated investors which materialized. However, the court ruled that there is a reasonable possibility that the said dividend forecast exceeds the boundaries of legitimate marketing conduct and establishes *prima facie* evidence of the existence of a misleading detail within the meaning thereof in the Securities Law. The court further held that the Petitioners failed to establish a reasonable possibility of fulfilment of the additional causes of action outside the Securities Law for class certification. Additionally, the court ruled, *inter alia*, that the parties shall negotiate in an attempt to obviate continued litigation of the action and reach an agreed arrangement, or at least an agreement to refer the matter to mediation, and shall update the court on the matter within 14 days. The Partnership intends to file a motion for a rehearing of the certification motion, pursuant to the provisions of the Courts Law [Consolidated Version], 5744-1984, based on the arguments presented by the Partnership to date. In the Partnership's estimation, based on the opinion of its legal counsel, the prospects of the action being granted are lower than 50%.

4. Further to Note 12J4 to the Annual Financial Statements regarding a class action certification motion filed by a holder of participation units of the Partnership (the "**Petitioner**") with the Tel Aviv District Court (Economic Department) against the Partnership, the GP, Delek Group Ltd., Yitzhak Sharon (Tshuva), the CEO of the GP and the directors of the GP during the relevant time (in this section, jointly: the "**Respondents**"), alleging that the Respondents refrained from disclosing, in the Partnership's reports, the existence of a clause in the agreements for the sale of natural gas from the Leviathan and Tamar reservoirs to Blue Ocean in Egypt (the "**Certification Motion**"), the Partnership reported receipt, on 10 June 2026, the court handed down a decision certifying the Certification Motion as a class action suit against the Respondents, save for one of the directors whose tenure began after the events contemplated in the Certification Motion, on grounds under the Securities Law, concerning a misleading detail and non-disclosure in a periodic report, with the class including anyone who purchased participation units of the Partnership from 2 October 2019, and held such participation units until 24 March 2020, excluding the Respondents or anyone on their behalf (the "**Decision**"). The court further ruled that the Respondents shall file an Answer to the Complaint within 45 days, and shall bear the Petitioner's costs until such stage. On 25 June 2026, the court approved a stipulation according to which the Respondents shall file a motion for a rehearing by 4 October 2026, and the deadline for filing the Answer shall be postponed, insofar as necessary, until 30 days after the decision on the motion. In the estimation of the Partnership's legal counsel, there are substantive grounds for intervention in the Decision. In the Partnership's estimation, based on the opinion of its legal counsel, the prospects of the action being granted are lower than 50%.

Note 4 – Contingent Liabilities and Engagements: (Cont.)

C. Legal Proceedings: (Cont.)

5. Further to Note 12J6 to the Annual Financial Statements regarding a motion for an order for discovery and inspection of documents prior to the filing of a derivative suit filed by a holder of participation units of the Partnership (in this section: the "**Petitioner**"), against the Partnership, the GP, the Partnership's CEO and the GP's board members (including the members of the Compensation Committee) in the relevant period, alleging that approval of the terms of office and employment of the Partnership's CEO by the Compensation Committee and the Board via an 'overruling', contrary to the position of the general meeting of the Partnership's participation unit holders, was in violation of the law, on 9 June 2026, the court partially granted the discovery motion, and ruled that the Partnership is required to provide the Petitioner with the minutes and annexes pertaining to the approval of Mr. Abu's compensation terms, as well as documents prepared by the external advisory entity in connection with the compensation, denying the other requests. The Partnership was ordered to pay costs and repay the court fee (the "**Discovery Decision**"). On 2 August 2026, the Partnership filed a motion with the Supreme Court for leave to appeal the Discovery Decision, moving the Supreme Court to reverse the decision and deny the discovery motion (the "**Motion for Leave to Appeal**"). On the same date, the Supreme Court ruled that the Petitioner shall file his response to the Motion for Leave to Appeal by 2 September 2026. Furthermore, in accordance with a stipulation approved on 13 July 2026, the execution of the Discovery Decision has been stayed such that the documents will be provided, insofar as necessary, within 7 days following the decision on the Motion for Leave to Appeal. In the estimation of the Partnership's legal counsel, there are substantial grounds for intervention in the decision, particularly in the rulings concerning the standard of review of an overruling decision and the need to present a material change to compensation terms for reapproval by the general meeting.

Note 5 – Taxation:

A. Further to Notes 19B2, 19B3 and 19B4 to the Annual Financial Statements regarding assessment orders that the Partnership received from the Tax Authority in the context of the disputes that emerged between the Partnership and the Tax Authority and disagreements on the amount of the Partnerships' taxable income for 2016, 2017 and 2018, according to the court's decision, the trial hearings in the proceedings will be held on 17, 19 and 20 May 2027.

B. Further to Notes 19B6 and 19B7 to the Annual Financial Statements regarding non-agreed assessment that the Partnership received from the Tax Authority in the context of the disputes that emerged between the Partnership and the Tax Authority and disagreements on the amount of the Partnerships' taxable income for 2019 and 2020, on 30 June 2026, the Partnership filed a reasoned administrative objection to all of the assessing officer's determinations in the tax assessments.

Note 6 – Additional Information:

A. Further to Note 8B to the Annual Financial Statements regarding an agreement between the Partnership and Ocean Energean Oil and Gas Ltd. ("**Energean**") for the sale of interests in the I/17 Karish and I/16 Tanin leases (jointly: the "**Leases**"), the Partnership has engaged an Independent third party evaluator to assess the fair value of the royalties based on future production from the Karish and Tanin leases as of 30 June 2026. On 19 March 2026, Energean released an updated reserves and resources report for the Leases as of 31 December 2025 (the "**Reserves and Resources Report**") for the Karish, Karish North and Tanin reservoirs. According to this report, natural gas reserves in the 2P category total approx. 83.3 BCM and hydrocarbon liquids total approx. 73.8 BCM. Based on Energean's financial statements as of 31 March 2026, on the royalties actually received from Energean, on Energean's public publications and on the conversion ratio between the quantity of natural gas and the quantity of hydrocarbon liquids as released in the Reserves and Resources Report, it is assumed that the quantity of natural gas and hydrocarbon liquids sold by Energean in H1/2026 is estimated at approx. 2.2 BCM and approx. 2.2 MMBBL, respectively, and that the quantity of natural gas and hydrocarbon liquids to be sold by Energean in 2026, as included in the valuation, is estimated at approx. 4.7 BCM and approx. 5.5 MMBBL, respectively. The main parameters used to measure the fair value under the valuations were as follows: The pre-tax cap rate (WACC) for the royalty component was estimated at 9.0% (2025: 9.5%); the rate of the value of State royalties at the wellhead is 11.06%; production date of gas from the Karish lease: from 2022 until 2045; forecasted average annual rate of production from the Karish lease: approx. 2.87 BCM of natural gas; average annual rate of production from the Karish lease of approx. 3.47 MMBBL of condensate; time of gas production from the Tanin lease: from 2031 until 2042; forecasted average annual rate of production from the Tanin lease: approx. 2.16 BCM of natural gas; average annual rate of production from the Tanin lease of approx. 0.37 MMBBL of condensate; the total reserves and resources of natural gas and hydrocarbon liquids used in the valuation is in line with the Reserves and Resources Report. The gas price formula is according to the price forecast in the Reserves and Resources Report. The price of condensate: The condensate price forecast was assessed based on the average long-term oil price forecast of the World Bank and the EIA and the Brent forward prices according to Bloomberg data, and assuming the price of condensate will be derived from the Brent price, with adjustments for oil quality differences. The update to the valuation primarily derives from the change in the investment recovery date, from update of the sale prices of hydrocarbon liquids and the lapse of time. Financial income in the report period includes revaluation in the sum of approx. $12.2 million. In June 2026, Energean informed the Partnership that the investment recovery date in respect of the Karish lease falls in June 2026 and that accordingly, the overriding royalty rate decreased from 5.12% to 2.47% from such date. The Partnership, through its external advisors, intends to review the calculation underlying the said assessment.

B. On 15 March 2026, the GP's Board approved a profit distribution in the sum of $70 million ($0.05963 per participation unit of the Partnership), with the record date for the distribution being 24 March 2026. The profit distribution was performed on 31 March 2026.

On 18 May 2026, the GP's Board approved a profit distribution in the sum of $60 million ($0.05112 per participation unit of the Partnership), with the record date for the distribution being 28 May 2026. The profit distribution was performed on 11 June 2026.

On 18 May 2026, the GP's Board approved a distribution to the LP in the sum of approx. ILS 0.5 million (approx. $0.2 million), designated for the payment of the Supervisor's fees and the trustee's fees and expenses, in accordance with the provisions of the Trust Agreement.

On 12 August 2026, the GP's Board approved a profit distribution in the sum of $60 million ($0.05112 per participation unit of the Partnership), with the record date for the distribution being 24 August 2026. The profit distribution will be performed on 3 September 2026.

Note 6 – Additional Information: (Cont.)

C. Further to Note 10C to the Annual Financial Statements regarding the approval of the Board of the Partnership's GP to adopt plans for the purchase of bonds of Leviathan Bond, below are the relevant plans for the report period:

Date of approval of purchase plan	Period	Plan Amount	Leviathan Bond Series	Amount Used ($ in millions)	Balance as of Date of Approval of the Consolidated Interim Financial Statements ($ in millions)
15.10.2024	15.10.2024-15.10.2026	100	2025-2027-2030	100	-
6.1.2026	6.1.2026-6.1.2028	100	2027-2030	57.7	42.3

Starting from 1 January 2026 and until the date of approval of the Consolidated Interim Financial Statements, the Partnership performed buybacks in the sum of approx. $70.0 million par value for approx. $72.1 million, which includes the interest accrued as of the buyback date.

With respect to the bond series maturing on 30 June 2027 in the sum of approx. $29.3 million par value and for approx. $29.9 million, which includes the interest accrued as of the buyback date, and with respect to the bond series maturing on 30 June 2030 in the sum of approx. $40.7 million par value and for approx. $42.2 million which includes the interest accrued as of the buyback date.

Note 6 – Additional Information: (Cont.)

D. Further to Note 10D to the Annual Financial Statements regarding credit facilities and loans provided to the Partnership from two Israeli banks and from Bank Leumi, below are details on the financial covenants with which the Partnership is required to comply and which gives rise to the lender's acceleration right, and the calculated value thereof as of the date of the Consolidated Interim Statements of Financial Position –

1) The ratio between the value of the Partnership's assets and the net financial debt shall, on two consecutive examination dates, be no less than the ratios stated below: up to the net financial debt of $2.5 billion – no less than 1.5; due to any additional net financial debt exceeding $2.5 billion and not exceeding $2.75 billion – no less than 2.5; and due to any additional net financial debt exceeding $2.75 billion – no less than 4.1. According to the Partnership's financial statements as of 30 June 2026, the Partnership's net financial debt is less than $2.5 billion and the ratio between the value of the Partnership's assets to net financial debt is approx. 4.44.
2) The Partnership (standalone) shall maintain minimal liquidity of $20 million. As of 30 June 2026, this amount is approx. $603 million.
3) At all times, the total financial debt shall not exceed $3 billion. According to the Partnership's financial statements as of 30 June 2026, the total financial debt is approx. $1.6 billion.
4) Surplus sources shall not be negative. As of 30 June 2026, the surplus sources is not negative.

From 1 January 2026 and until the date of approval of the Consolidated Interim Financial Statements, the Partnership drew down from the credit facilities a total amount of $225 million. As of the date of approval of the Consolidated Interim Financial Statements, the Partnership has available and unutilized credit facilities from an Israeli bank and from Bank Leumi in an amount of approx. $200 million and approx. $350 million, respectively.

E. The Partnership is considering a possible public issuance of two new series of bonds (Series B and C) to be listed for trading on Tel Aviv Stock Exchange Ltd. ("**TASE**"). The issuance of such bonds by the Partnership, if and to the extent it takes place, shall be conducted as a uniform offering[3], by way of tender for the annual interest rate to be borne by these bonds, pursuant to a shelf offering report to be published by the Partnership under the Partnership's shelf prospectus. It is clarified that, as of the date of approval of the Consolidated Interim Financial Statements, there is no certainty that such issuance will indeed take place, that nothing herein shall constitute an indication of or create any undertaking by the Partnership for the conduct of such issuance, and that nothing herein shall constitute a public offering of or an invitation to acquire securities of the Partnership.

F. Further to Note 12B2 to the Annual Financial Statements regarding the investment recovery date in the Leviathan project, according to an updated assessment by the Partnership's management, the said investment recovery date occurred in July 2026. It is clarified that the said investment recovery date is affected by various factors, including gas and/or condensate prices, production rate, and production and development costs, and it is subject to the approval of the calculation of the investment recovery date through an audit process by the Partnership's auditors, which has yet to be completed, and to approval by the competent organs of the Partnership.

G. On 22 March 2026, Mr. Yitzhak Sharon (Tshuva) ("**Mr. Tshuva**") began serving as a director on the GP's Board. On 30 March 2026, the Compensation Committee and the Board approved the granting of letters of undertaking of exemption and indemnification to Mr. Tshuva, in the standard form at the Partnership and on terms and conditions identical to the other directors, subject to approval by the general meeting of the Partnership's participation unit holders. At the same time, the Compensation Committee also approved the inclusion of Mr. Tshuva in the GP's and the Partnership's D&O liability insurance policy, as being from time to time and on terms and conditions identical to the other directors.

[3] Within the definition of this term in the Securities Law, 5728-1968 and in the Securities Regulations (Manner of Offering Securities to the Public), 5767-2007.

Note 6 – Additional Information: (Cont.)

H. On 4 May 2026, Mr. Abu notified the Partnership that he would step down as CEO of the Partnership on 3 November 2026, following the 6-month prior notice period as determined in his terms of employment. As later agreed between the Partnership and Mr. Abu, Mr. Abu stepped down as CEO of the Partnership on 31 July 2026 (rather than on 3 November 2026), and he shall be entitled to receive payment in lieu of the remaining prior notice period as well as retirement benefits, including an adjustment bonus, all in accordance with his employment agreement.

I. On 18 May 2026, the Board approved the appointment of Mr. Niv Sarne ("**Mr. Sarne**") as Executive Chairman of the Board on a full-time basis, effective as of 1 June 2026, including approval of his terms of office and employment. On 1 June 2026 Mr. Sarne took office as Executive Chairman of the Board of the Partnership, and on 25 June 2026 the Partnership's general meeting of participation unit holders approved his terms of office and employment. In this context, Mr. Sarne's monthly salary is approx. ILS 150 thousand gross (adjusted every three months in accordance with the Consumer Price Index), the Partnership may grant Mr. Sarne an annual bonus every year, in respect of the preceding calendar year, in an amount of up to ILS 800 thousand, provided that he is employed by the Partnership for at least 3 months during that year, and in the event of termination of his employment following a tenure of at least one year in this position, an adjustment bonus that shall not exceed 6 monthly salaries. Mr. Sarne is further entitled to standard social benefits, all in accordance with the compensation policy, as revised from time to time. Mr. Sarne was also allotted, for no consideration, 781,947 non-tradable options exercisable for 781,947 participation units. The allotment was made according to the new compensation policy and the ESOP. The options vest in 3 equal annual tranches, commencing from 20 May 2026 (the "Approval Date"). The exercise price of the first tranche was ILS 18.567, which is equal to the average closing price of the participation units on the stock exchange at the close of the 30 trading days preceding the Approval Date. The exercise price of the two remaining tranches will increase by 5% each year compared to the preceding year. According to a valuation received by the Partnership, the economic value of the additional options on the Approval Date amounted to approx. ILS 4.2 million, and the annual economic value (i.e., the economic value of the additional options on the Approval Date, divided by 3), amounted to approx. ILS 1.4 million. The economic value of the additional options as aforesaid was calculated using the Black & Scholes model, based on the following assumptions: (a) Participation unit price as of the grant date of ILS 17.80; (b) Exercise price of each option (adjusted for profit distributions) calculated according to ILS 18.567 for the first tranche, ILS 19.495 for the second tranche, and ILS 20.470 for the third tranche; (c) Expiration date – 20 May 2030; (d) Vesting date – as detailed in this section above; (e) Standard deviation of 35.93%; and (f) risk-free interest rate of approx. 3.72%.

On 1 August 2026 Mr. Niv Sarne took office as CEO of the Partnership, in lieu of his position as Chairman of the Board, after receipt of the Board's approval therefor on 26 July 2026. On the same date, the Compensation Committee and the Board approved Mr. Sarne's terms of office and employment as CEO, which are identical to his terms of office and employment as Chairman of the Board, subject to approval by the upcoming general meeting of the Partnership's participation unit holders, to be convened by the Partnership.

J. Further to Note 15B7 to the Annual Financial Statements regarding draft royalty audit reports for the Tamar venture for the years 2019-2020, sent by the Ministry of Energy to the operator of the Tamar project in February 2025, in May 2026, the Ministry of Energy sent the operator of the Tamar project final audit reports for the years 2019-2020, in accordance with understandings that had been reached between the parties on this matter. Based on such final audit reports, the Partnership is expected to pay the State and the royalty interest owners immaterial amounts for the years 2019-2020.

Notes to the Consolidated Interim Financial Statements as of 30 June 2026 ($ in millions)

Note 7 – Financial Instruments:
Fair value of financial instruments:

A. The fair value of the financial instruments presented in the Consolidated Interim Financial Statements matches or is close to their book value, with the exception of the Leviathan Bond bonds (Level 1) issued as stated in Note 10B to the Annual Financial Statements:

	Fair value	Book value
As of 30 June 2026 (Unaudited)	**1,083.6**	**1,059.9**
As of 30 June 2025 (Unaudited)	1,136.2	1,141.3
As of 31 December 2025 (Audited)	1,139.3	1,117.3

B. Figures on the fair value hierarchy of the financial instruments that are measured in fair value that were recognized in the Consolidated Interim Statements of Financial Position:

	30.6.2026			
	Level 1	Level 2	Level 3	Total
	Unaudited			
Financial assets at fair value through profit or loss:				
Investment in a joint project with Airovation Technologies (see Note 12F1 to the Annual Financial Statements)	-	-	2.0	**2.0**
Royalties based on future production from the Karish and Tanin leases (see Note 8B to the Annual Financial Statements)	-	-	**241.8**	**241.8**
Total financial assets at fair value through profit or loss	-	-	**243.8**	**243.8**

	30.6.2025			
	Level 1	Level 2	Level 3	Total
	Unaudited			
Financial assets at fair value through profit or loss:				
Investment in a joint project with Airovation Technologies (see Note 12F2 to the Annual Financial Statements)	-	-	1.0	**1.0**
Royalties based on future production from the Karish and Tanin leases (see Note 8B to the Annual Financial Statements)	-	-	253.0	**253.0**
Total financial assets at fair value through profit or loss	-	-	**254.0**	**254.0**

Note 7 – Financial Instruments: (Cont.)
Fair value of financial instruments: (Cont.)
B. (Cont.)

	31.12.2025			
	Level 1	Level 2	Level 3	Total
	Audited			
Financial assets at fair value through profit or loss:				
Investment in a joint project with Airovation Technologies (see Note 12F1 to the Annual Financial Statements)	-	-	2.0	**2.0**
Royalties based on future production from the Karish and Tanin leases (see Note 8B to the Annual Financial Statements)	-	-	251.1	**251.1**
Total financial assets at fair value through profit or loss	-	-	253.1	**253.1**

Notes to the Consolidated Interim Financial Statements as of 30 June 2026 ($ in millions)

Note 7 – Financial Instruments: (Cont.)
Fair value of financial instruments: (Cont.)

C. An adjustment due to fair value measurements classified at level 3 in the fair value scale of royalties based on future production from the Karish and Tanin leases:

	For the six-month period ended 30 June	
	2026	2025
	Unaudited	
Balance as of 1 January	**251.1**	**278.0**
Revenues	(21.6)	(24.8)
Changes in revenues receivable	0.1	2.9
Remeasurement recognized in profit or loss	12.2	(3.1)
Balance as of 30 June	**241.8**	**253.0**

	For the three-month period ended 30 June	
	2026	2025
	Unaudited	
Balance as of 31 March	**273.1**	**262.1**
Revenues	(8.4)	(10.4)
Changes in revenues receivable	(4.9)	-
Remeasurement recognized in profit or loss	(18.0)	1.3
Balance as of 30 June	**241.8**	**253.0**

	For the year ended 31 December 2025
	Audited
Balance as of 31 December 2024	**278.0**
Revenues	(52.6)
Changes in revenues receivable	(0.1)
Remeasurement recognized in profit or loss	25.8
Balance as of 31 December 2025	**251.1**

Note 8 – Material Events Subsequent to the Date of the Consolidated Interim Statements of Financial Position:

A. See Note 6B for details regarding approval by the board of the Partnership's GP for a profit distribution in the sum of $60million.

B. See Note 3B2b for details regarding completion of all of the signatures on the MOU for the sale of natural gas from the Aphrodite Reservoir to Egypt.

C. See Note 3B2c for details regarding Shell's engagement in a transaction for the sale of all of BG's interests in the Aphrodite Reservoir.

D. See Note 4C2 for details regarding receipt of the Supreme Court's judgment denying an appeal of holders of Avner's participation units regarding the merger of the partnerships.

E. See Note 6H for details regarding the actual date of Mr. Abu's stepping down as CEO of the Partnership.

F. See Note 6I for details regarding the conclusion of Mr. Sarne's office as Executive Chairman of the Board and his appointment as CEO of the Partnership.

G. See Note 4B for details regarding completion of the Combined Section project.

H. See Note 6F for details regarding the investment recovery date in respect of the Leviathan project.

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