valeura energy



Q3 2026 CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2026

11 November 2026

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INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

In US$'000	*Note*	*Unaudited 30 September 2026*	*31 December 2025*
ASSETS			
Current assets			
Cash and cash equivalents		369,155	282,739
Restricted cash	5	8	8
Trade and other receivables	6	42,486	28,537
Inventories	7	74,446	59,939
Prepaid expenses and deposits		9,451	11,030
Total current assets		**495,546**	**382,253**
Non-current assets			
Restricted cash	5	15,778	22,991
Prepaid expenses and deposits	19, 21	4,818	1,850
Exploration and evaluation assets	8	16,404	9,026
Property, plant and equipment	9	291,388	259,977
Right-of-use assets	10	64,948	91,349
Deferred tax assets		63,573	118,337
Total non-current assets		**456,909**	**503,530**
TOTAL ASSETS		**952,455**	**885,783**
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	11	131,024	140,091
Current portion of lease liabilities	10	22,145	36,949
Incentive compensation liability	12	5,134	2,847
Income tax payable		8,653	808
Total current liabilities		**166,956**	**180,695**
Non-current liabilities			
Lease liabilities	10	42,571	55,555
Decommissioning obligations	13	90,965	85,347
Provision for employee benefits		12,900	12,176
Deferred tax liability		8,347	9,214
Total non-current liabilities		**154,783**	**162,292**
Equity			
Share capital	14	204,940	203,311
Contributed surplus		27,568	26,158
Accumulated other comprehensive income		10,145	9,959
Retained earnings		388,063	303,368
Total equity		**630,716**	**542,796**
TOTAL LIABILITIES AND EQUITY		**952,455**	**885,783**

See accompanying notes to the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(UNAUDITED)

In US$'000	*Note*	*Three months ended*		*Nine months ended*	
		Unaudited	*Unaudited*	*Unaudited*	*Unaudited*
		30 September 2026	*30 September 2025*	*30 September 2026*	*30 September 2025*
Revenue and other income					
Oil revenues		196,106	155,651	548,126	432,996
Other income	16	5,027	3,386	15,109	14,496
		201,133	**159,037**	**563,235**	**447,492**
Expenses					
Operating		52,704	49,093	142,413	131,741
Exploration		1,459	201	2,031	3,692
General and administrative		7,944	7,994	30,955	23,471
Royalties		22,815	18,759	66,678	52,640
Special remuneratory benefit (SRB)		13,904	3,582	14,277	3,778
Finance costs	15	4,875	5,941	13,944	16,388
Depletion and depreciation	9, 10	48,934	49,951	143,732	139,701
		152,635	**135,521**	**414,030**	**371,411**
Profit for the period before other items		**48,498**	**23,516**	**149,205**	**76,081**
Change in net monetary position due to hyperinflation	4	192	173	608	600
Profit for the period before income taxes		**48,690**	**23,689**	**149,813**	**76,681**
Income taxes					
Deferred tax expense		20,727	7,407	53,897	39,622
Current tax expense		2,317	469	11,221	1,724
Net income		**25,646**	**15,813**	**84,695**	**35,335**
Net income attributable to:					
Shareholders of Valeura Energy Inc.		25,646	15,813	84,695	35,335
Net income		**25,646**	**15,813**	**84,695**	**35,335**
Other comprehensive income (loss)					
Currency translation adjustments		(225)	(50)	186	(46)
Total comprehensive income		**25,421**	**15,763**	**84,881**	**35,289**
Total comprehensive income attributable to:					
Shareholders of Valeura Energy Inc.		25,421	15,763	84,881	35,289
Total comprehensive income		**25,421**	**15,763**	**84,881**	**35,289**
Earnings per share					
Basic	*18*	*0.24*	*0.15*	*0.80*	*0.33*
Diluted	*18*	*0.24*	*0.14*	*0.78*	*0.32*

See accompanying notes to the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

In US$'000	Note	Three months ended Unaudited 30 September 2026	Three months ended Unaudited 30 September 2025	Nine months ended Unaudited 30 September 2026	Nine months ended Unaudited 30 September 2025
Operating activities					
Profit for the period before income taxes		48,690	23,689	149,813	76,681
Adjustments for:					
Depletion and depreciation	9, 10	48,934	49,951	143,732	139,701
Share-based compensation		1,498	905	9,202	5,162
Finance costs	15	4,875	5,941	13,944	16,388
Provision for employee benefits		147	754	1,462	1,142
Reversal of provision for inventory obsolescence		(197)	-	(376)	-
Reversal of allowance for tax receivable		(1,725)	(102)	(1,981)	(102)
Change in net monetary position due to hyperinflation	4	(192)	(173)	(608)	(600)
Unrealised foreign exchange gain		(743)	(1,097)	(601)	(6,056)
Operating cashflows before movements in working capital		**101,287**	**79,868**	**314,587**	**232,316**
Change in non-cash working capital	17	33,602	(2,356)	(26,358)	(49,533)
Cash generated by operations		**134,889**	**77,512**	**288,229**	**182,783**
Income taxes paid		(421)	(468)	(1,304)	(25,536)
Decommissioning cost paid	13	(16)	-	(16)	(23)
Change in restricted cash	5	10	(625)	7,213	(1,025)
Net cash from operating activities		**134,462**	**76,419**	**294,122**	**156,199**
Investing activities					
Property, plant and equipment expenditures		(41,137)	(51,607)	(166,935)	(131,333)
Exploration and evaluation expenditures	8	(5,696)	(18)	(7,146)	(526)
Long term deposit		-	(1,850)	-	(1,850)
Change in non-cash working capital	17	(7,611)	(5,622)	(53)	1,599
Net cash used in investing activities		**(54,444)**	**(59,097)**	**(174,134)**	**(132,110)**
Financing activities					
Principal payments on lease liabilities		(6,047)	(9,322)	(18,663)	(25,010)
Payments on financing fee		(5,125)	(1,927)	(7,086)	(4,824)
Payments for share repurchase	14	-	(1,253)	-	(6,669)
Payments for vested PSU/RSUs		(66)	(17)	(7,051)	(2,616)
Payments for surrendered stock options		-	-	888	(413)
Proceeds from stock option exercises		-	-	-	389
Net cash used in financing activities		**(11,238)**	**(12,519)**	**(31,912)**	**(39,143)**
Foreign exchange (loss) gain on cash held in foreign currencies		(342)	977	(1,660)	3,064
Net change in cash and cash equivalents		**68,438**	**5,780**	**86,416**	**(11,990)**
Cash and cash equivalents, beginning of the period		**300,717**	**218,773**	**282,739**	**236,543**
Cash and cash equivalents, end of the period		**369,155**	**224,553**	**369,155**	**224,553**

See accompanying notes to the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

	Number of common shares (Share '000)	*Share Capital (US$'000)*	*Contributed Surplus (US$'000)*	*Accumulated Other Comp. Income (US$'000)*	*Retained Earnings (US$'000)*	*Total Shareholders' Equity (US$'000)*
Balance, 01 January 2026	105,538	$ 203,311	$ 26,158	$ 9,959	$ 303,368	$ 542,796
Net income for the period	-	-	-	-	84,695	84,695
Shares issued	746	1,629	(741)	-	-	888
Currency translation adjustments	-	-	-	186	-	186
Share-based compensation	-	-	2,151	-	-	2,151
30 September 2026	**106,284**	**$ 204,940**	**$ 27,568**	**$ 10,145**	**$ 388,063**	**$ 630,716**

	Number of common shares (Share '000)	*Share Capital (US$'000)*	*Contributed Surplus (US$'000)*	*Accumulated Other Comp. Income (US$'000)*	*Retained Earnings (US$'000)*	*Total Shareholders' Equity (US$'000)*
Balance, 01 January 2025	106,650	$ 205,952	$ 25,182	$ 10,830	$ 286,319	$ 528,283
Net income for the period	-	-	-	-	35,335	35,335
Shares issued	660	772	(796)	-	-	(24)
Currency translation adjustments	-	-	-	(46)	-	(46)
Share repurchased under normal course issuer bid	(1,252)	(2,412)	-	-	(4,260)	(6,672)
Share-based compensation	-	-	1,196	-	-	1,196
30 September 2025	**106,058**	**$ 204,312**	**$ 25,582**	**$ 10,784**	**$ 317,394**	**$ 558,072**

See accompanying notes to the interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – REPORTING ENTITY

Valeura Energy Inc. and its subsidiaries ("Valeura" or the "Company") are currently engaged in the exploration, appraisal, development, and production of petroleum in the Gulf of Thailand and onshore natural gas in Türkiye. Valeura is incorporated in Alberta, Canada and has subsidiaries in Canada, Netherlands, Türkiye, Thailand, Singapore, Mauritius, British Virgin Islands, and Cayman Islands. Valeura's shares are traded on the Toronto Stock Exchange ("TSX") under the trading symbol VLE, and quoted on the OTCQX in the United States of America under the trading symbol VLERF. Valeura's head office address is 111 Somerset Road, #09-31, Singapore 238164. Valeura's registered and records office is 4600, 525 – 8th Avenue SW, Calgary, Alberta, T2P 1G1.

The Board of Directors approved the interim condensed consolidated financial statements for issuance on 11 November 2026.

NOTE 2 – BASIS OF PREPARATION

These unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The unaudited interim condensed consolidated financial statements should be read in conjunction with Valeura's audited consolidated financial statements and MD&A for the year ended 31 December 2025. The unaudited interim condensed consolidated financial statements have been prepared in accordance with IFRS Accounting Standards and methods of computation as set forth in Valeura's audited consolidated financial statements for the year ended 31 December 2025, with the exception as noted below of certain disclosures that are normally required to be included in annual consolidated financial statements which have been condensed or omitted in the interim statements.

Basis of Measurement

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial and non-financial assets and liabilities, which have been measured at fair value and except for the application of hyperinflationary accounting for the Company's subsidiary in Türkiye. The methods used to measure fair value are consistent with the Company's consolidated financial statements for the year ended 31 December 2025.

The interim condensed consolidated financial statements include the accounts of the Company and are expressed in thousands of US Dollars ("US$"), unless otherwise stated.

Functional and Presentation Currency

The interim condensed consolidated financial statements are presented in US Dollars ("US$"), which is the Company's functional currency and presentation currency. The functional currencies of subsidiaries are determined based on the economic environment in which they operate. For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used.

Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in other comprehensive income, and the translation of assets and liabilities under a hyperinflationary environment disclosed in Note 4. The translation differences which arise are recorded directly in other comprehensive income.

New and Revised Standards

The Company has applied all the new and revised IFRS Accounting Standards that are mandatorily effective for an accounting period that begins on or after 01 January 2026. The application of these revised standards did not have a material effect on the interim condensed consolidated financial statements.

Use of Estimates and Judgements

The preparation of interim condensed consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

The Company has reviewed the current estimates and judgements and determined that they do not have a material change from the estimates and judgements used for the audited consolidated financial statements for the year ended 31 December 2025.

Going Concern

The interim condensed consolidated financial statements for the period ended 30 September 2026, have been prepared on a going concern basis, which assumes that the Company have adequate resources to continue in operational existence for the foreseeable future.

NOTE 3 – MATERIAL ACCOUNTING POLICIES

(a) Basis of consolidation

(i) Subsidiaries:

The interim condensed consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- Has power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Potential voting rights held by the Company, other vote holders or other parties
- Rights arising from other contractual arrangements
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Company's accounting policies.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Company loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Company had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

(ii) Transactions eliminated on consolidation:

Intercompany balances and transactions, and any unrealised income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

(b) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When the Company undertakes its activities under joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly
- its liabilities, including its share of any liabilities incurred jointly
- its revenue from the sale of its share of the output arising from the joint operation
- its share of the revenue from the sale of the output by the joint operation
- its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenue, and expenses relating to its interest in a joint operation in accordance with the IFRS Accounting Standards applicable to the particular assets, liabilities, revenue, and expenses.

A portion of the Company's exploration and development activities are conducted jointly with others. The joint interests are accounted for on a proportionate consolidation basis and as a result the financial statements reflect only the Company's proportionate share of the assets, liabilities, revenues, expenses, and cash flows from these activities.

Valeura has the following licences and working interests:

Name of the Joint Arrangement	*Key Fields*	*Nature of the Relationship with the Joint Arrangement*	*Principal Place of Operation of Joint Arrangement*	*Thai Fiscal Regime*	*Working Interests*
G10/48 Concession[1]	Wassana	Operator	Gulf of Thailand	Thai III	100%
B5/27 Concession[2]	Jasmine/Ban Yen	Operator	Gulf of Thailand	Thai I	100%
G1/48 Concession[3]	Manora	Operator	Gulf of Thailand	Thai III	70%
G11/48 Concession[4]	Nong Yao	Operator	Gulf of Thailand	Thai III	90%
West Thrace Deep JV[5]	-	Operator	Türkiye	N/A	63%
Banarli Deep JV[5]	-	Operator	Türkiye	N/A	100%

(1) The Company's interest in the G10/48 Concession is held by Valeura Energy (Thailand) Ltd.
(2) The Company's interest in the B5/27 Concession is held by Valeura Energy Jasmine Ltd.
(3) The Company's interest in the G1/48 Concession is held by Valeura Energy (Thailand) Ltd. (70%)
(4) The Company's interest in the G11/48 Concession is held by Valeura Energy (Thailand) Ltd. (90%)
(5) A further two-year appraisal period extension has been granted for the West Thrace licence, resulting in a new expiry date of 27 June 2028. The Banarli licence has been extended by six months, to a new expiry date of 27 December 2026, and the Company intends to apply for this to be extended to two years.

On 15 October 2025, the Company, together with its partner, Pinnacle Turkey, Inc ("Pinnacle") entered into a joint venture agreement with a subsidiary of Transatlantic Petroleum LLC ("Transatlantic") to explore for and develop hydrocarbons in the deep rights formations of the Thrace basin of northwest Türkiye (the "Joint Venture"). The Joint Venture provided an opportunity for Transatlantic to earn a 50% undivided working interest in the deep rights held by the Company and Pinnacle in both West Thrace Deep and Banarli Deep.

Under the terms of the Joint Venture, Transatlantic satisfied the earning requirements entitling it to a 50% undivided working interest in the West Thrace Production Leases and West Thrace Exploration Licence under the terms of the Transatlantic JVA, but in Q3 2026 notified Valeura of its intent to relinquish its earning rights. Valeura's interest remains 63% in the West Thrace Production Leases and West Thrace Exploration Licence. Transatlantic did not satisfy the Joint Venture provisions to earn an interest in the Banarli Licence, and therefore Valeura's interest remains 100%.

The West Thrace Exploration Licence expires 27 June 2028. The Banarli Licence has an expiry date of 27 December 2026, and the Company intends to apply for this to be extended by two years.

(c) Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred except if related to the issue of debt securities. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value with certain exceptions.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Company in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Company obtains control including control achieved in a business that was joint operation) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

(d) Financial instruments

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets whose objective is to hold assets to collect contractual cash flows; and the contractual terms of the financial assets give rise to cash flows on specified dates that are solely payments of principal and interest on principal amounts outstanding.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at fair value through profit or loss ("FVTPL"). However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Company, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Valeura does not currently have financial instrument contracts to which it applies hedge accounting.

(iii) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognised as a deduction from equity, net of any tax effects.

(e) Inventories

Inventories consist of the Company's unsold Thailand crude oil and spare parts. Inventories are stated at the lower of cost and net realisable value ("NRV"). Cost is determined using the weighted average cost method, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. NRV represents the estimated selling price in the ordinary course of business less costs to sell. Costs for unsold crude oil include operating expenses, and depletion associated with the production of crude oil in inventory. The Company assesses the NRV of the inventories at the end of each year and recognises the appropriate write-down if this value is lower than the carrying amount. When the circumstances that previously caused inventories to be written down no longer exist or when there is clear evidence of an increase in NRV because of changed economic circumstances, the amount of the write-down is reversed.

Spare parts are stated at cost net of provision for obsolescence. The provision is recognised for spare parts used for exploration and production of oil that are obsolete and unserviceable.

(f) Exploration and evaluation assets

The Company follows the successful efforts method of accounting to account for its oil and gas exploration, evaluation, appraisal, and development expenditures. Under this method, costs of acquiring properties, drilling successful exploration and appraisal wells, and development costs are capitalised. All other costs such as pre-licence costs, exploratory, geological, and geophysical costs including seismic costs incurred during exploration phase, are recognised in profit or loss as incurred. Exploration and evaluation ("E&E") costs, including the costs of acquiring licences and directly attributable general and administrative costs, are initially capitalised as exploration and evaluation assets. The costs are accumulated by well, field, or exploration area pending determination of technical feasibility and commercial viability. E&E assets is written off when the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the very near future, and is not expected to be renewed or exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area. The write-off of E&E assets is recognised in profit or loss.

(g) Property, plant, and equipment

(i) Recognition and measurement

Items of property, plant, and equipment ("PP&E"), which include oil and gas production assets, are measured at cost less accumulated depletion and depreciation and accumulated impairment losses. Development and production assets are grouped into cash-generating units ("CGUs") for impairment testing. When significant parts of an item of PP&E, including oil and natural gas interests, have different useful lives, they are accounted for as separate items (components).

Gains and losses on disposal of an item of property, plant, and equipment, including oil and gas interests, are determined by comparing the proceeds from disposal with the carrying amount of PP&E and are recognised in profit or loss.

(ii) Subsequent costs

Costs incurred subsequent to the determination of technical feasibility and commercial viability and the costs of replacing parts of PP&E are recognised as oil and natural gas interests only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognised in profit or loss as incurred. Such capitalised oil and natural gas interests generally represent costs incurred in developing proved and/or probable reserves and bringing in or enhancing production from such proved and probable reserves, and are accumulated on a field or geotechnical area basis. The carrying amount of any replaced or sold component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Capital work-in-progress

Capital work-in-progress comprises costs incurred in the construction of property, plant, and equipment, including development assets related to oil and gas projects, up to the date of completion and commissioning of the asset. Such costs are transferred from capital work-in-progress to the appropriate asset category upon completion and commissioning, and are depreciated over their estimated useful lives from the date of such completion and commissioning.

(iv) Depletion and depreciation

Oil and gas properties, floating storage and offloading ("FSO") vessels and mobile offshore production unit ("MOPU") are classified within property, plant and equipment. The net carrying value of oil and gas properties is depleted by area using the unit of production method by reference to the ratio of production in the year to the related proved and probable reserves, taking into account estimated future development costs necessary to bring those proved and probable reserves into production. Future development costs are estimated taking into account the level of development required to produce the proved and probable reserves for each area. These estimates are reviewed by independent reserve engineers at least annually. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Other PP&E are recorded at cost on acquisition and amortised on a straight-line basis. The estimated useful lives for the current and comparative periods are as follows:

- Leasehold improvements: 5 years
- Furniture, fixtures and office equipment: 5 years
- Computers: 5 years

(h) Impairment

(i) Financial assets:

Loss allowances are recognised for expected credit losses ("ECLs") on its financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

(ii) Non-financial assets:

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

PP&E and E&E assets are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is the greater of its value-in-use and its fair value less costs of disposal. Fair value less costs of disposal is determined as the amount that would be obtained from the sale of the assets in an arm's length transaction between knowledgeable and willing parties.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. Value-in-use is generally computed by reference to the present value of the future cash flows expected to be derived from production of proved and probable reserves. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

An impairment loss in respect of PP&E and E&E assets, recognised in prior years, is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depletion and depreciation, if no impairment loss had been recognised.

(i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets are initially measured at an amount equal to the lease liability, adjusted by lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. It is subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain re-measurement of the lease liability. Right-of-use assets for assets related to oil and gas production are depreciated on a unit of production basis. All other leased assets are depreciated based on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment review similar to property, plant, and equipment.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

(j) Employee benefits

(i) Short-term employee benefits

Salaries, annual rewards, and related employment welfare are recognised as expenses when incurred.

(ii) Retirement and termination benefit costs

The Company has a provision for employee benefits (the "provision") and an employee savings plan. The employee savings plan is a plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The cost of the employee savings plan benefit is expensed as earned by employees. These benefits are unfunded and are expensed as the employees provide service.

The provident funds are funded by payments from employees and from the Company which are held in a separate trustee-administered fund. The Company contributes to the funds at a rate of 5% to 15% of the employees' salaries which are charged to the statement of profit or loss in the period the contributions are made.

The provision for employee benefit is for Legal Severance Pay under the Thai Labour Protection Act 1998 (revised 2023) and Retirement Pension Plan. It specifies that an employee will receive a fixed one-time payment on retirement, dependent on factors such as age, years of service and compensation. The provision is accounted for under IAS 19 *Employee Benefits*. The calculation of the Provision is performed annually by a qualified actuary using the projected unit credit method. There are no assets related to the provision.

The Company's obligation in respect of the retirement benefit plans is calculated by estimating the amount of future benefits that employees will earn in return for their services to the Company in current and future periods. Such benefits are discounted to the present value. The employee benefits obligation is calculated by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income (loss) in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

(iii) Other long-term benefits

The other provision for employee benefit is long-term benefits based on employees' length of service. The Company calculates the amount of these benefits according to the employees' service period.

The expected obligations of retirement and termination benefit costs and other long-term benefits are calculated by independent actuarial experts and accrued over the period of employment. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions will be recognised in the statement of profit or loss and other comprehensive income in the period in which they arise.

The Company recognises the obligations in respect of employee benefits in the statements of financial position under "Provision for Employee Benefits".

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognised for future operating losses.

Decommissioning obligations

The Company's activities give rise to dismantling, decommissioning and site disturbance remediation activities. Provision is made for the estimated cost of site restoration and capitalised in the relevant asset category. Decommissioning obligations are measured at the present value of management's best estimate of expenditure required to settle the present obligation at the statement of financial position date. The Company uses a credit adjusted interest rate in the measurement of the present value of its decommissioning obligations. Subsequent to the initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognised as finance costs whereas increases or decreases due to changes in the estimated future cash flows are capitalised. Actual costs incurred upon settlement of the decommissioning obligations are charged against the provision to the extent the provision was established.

(l) Share-based payments

(i) Stock options

The grant date fair value of options granted to certain employees are recognised as compensation expense, with a corresponding increase in contributed surplus over the vesting period on a straight-line basis. A forfeiture rate is estimated on the grant date and is subsequently adjusted to reflect the actual number of options that vest.

(ii) Performance share units and restricted share units

The grant date fair value of performance share units ("PSU") and restricted share units ("RSU") granted to certain employees are recognised as compensation expense, with a corresponding increase in contributed surplus over the vesting period. The PSU is subject to certain non-market performance conditions, of which, the impact is estimated at the grant date.

(iii) Deferred share units

The grant date fair value of cash-settled deferred share units ("DSU") granted to a member of the board of directors are recognised as compensation expense, with a corresponding increase in compensation liability over the vesting period. Subsequent to initial recognition, the compensation liability and corresponding compensation expense are measured at fair value.

(m) Revenue from contracts with customers

The Company's oil revenues from the sale of crude oil are based on the consideration specified in the contracts with customers. Valeura recognises revenue when the performance obligation is satisfied by transferring control of the product to the customer, which is generally when legal title passes to the customer and collection is reasonably assured. Crude oil sales in Thailand are conducted on a tender basis for both domestic and export sales. The reference price generally used for Thailand crude oil is Dubai crude oil.

(n) Royalties

Royalty arrangements that are based on production or sales are recognised by reference to the underlying arrangement.

(i) Royalties to government in Thailand

Royalties paid to the Thailand government are based on sales volumes and are payable in cash in each calendar quarter which commences from January, April, July, and October for Thai I licences and in the month following sales for Thai III licences. Royalties for Thai I licences are a flat 12.5%, and for Thai III licences are between 5% and 15% based on sales volumes.

(ii) Payment to previous owner in Thailand

Under the terms of the sales and purchase agreement between the Company and the previous owner of Licence B5/27, the Company is required to make payments to the previous owner in cash based on sales volumes computed as follows:

1) 6% of gross revenue from certain production areas within Licence B5/27;
2) US$2 per barrel of oil produced from certain production areas within Licence B5/27; and
3) 4% of gross revenue from certain production areas other than that mentioned in 2) above within Licence B5/27.

(o) Special remuneratory benefit

Special remuneratory benefit ("SRB") is a unique form of tax on Windfall Profits or annual additional petroleum profits, arising from substantial increases in the price of petroleum, or very low-cost discoveries under Thailand Petroleum Income Tax Act. SRB is calculated annually on a block-by-block basis and varies from year-to-year, depending on the revenue per one meter of well drilled in the year. SRB will not apply unless capital expenditures have been recovered in full.

If the concessionaire has petroleum profit for the year, calculated based on related annual income per one meter of well, the SRB is calculated at the following rates, subject to a ceiling of 75% of Petroleum Profit for the Year.

Rated Annual Income Per One Meter of Well	*SRB*
Up to Baht 4,800	Zero
Baht 4,800 to 14,400	1.0% per each Baht 240 increment
Baht 14,400 to 33,600	1.0% per each Baht 960 increment
Over Baht 33,600	1.0% per each Baht 3,840 increment

In order to determine rated annual income per one meter of well:

1) calculate annual petroleum income for the year, and adjust for inflation and exchange rates;
2) calculate the accumulated total meters of all wells (exploration wells, appraisal wells, production wells, etc.) drilled during the period of the concession; and rated annual income per one meter of well = adjusted annual petroleum income divided by (Total depth of all wells + GSF). GSF means geological stability factor, which shall be fixed for each geological region of Thailand, and shall not be less than 150,000 meters. The number will increase in areas where drilling is more difficult.

(p) Finance costs

Finance costs comprise interest expense on any borrowings, accretion of the discount on provisions and interest expense arising from lease liabilities. Interest expense on borrowings is recognised as it accrues in profit or loss, using the effective interest method.

(q) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax is the expected taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to taxes payable in respect of previous years.

Deferred tax is providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the initial recognition of assets or liabilities in a transaction that is not a business combination.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Foreign Currency Translation

(i) Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the balance sheet date and foreign exchange currency differences are recognised in the statement of profit or loss and other comprehensive income. Transactions in foreign currencies are translated at exchange rates prevailing at the transaction date. Foreign exchange gains and losses are presented within finance income and costs in the statement of income and comprehensive income.

(ii) Functional and presentation currency

Items included in the financial statements of each of the operational entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currencies of the Company's operational entities are the United States Dollar ("US$"), the Canadian Dollar ("CAD"), and the Turkish Lira ("TRY"). The consolidated financial statements are presented in US$ which is the Company's presentation currency. The balance sheets and income statements of foreign companies are translated using the current rate method. All assets and liabilities are translated at the balance sheet date rates of exchange, whereas the income statements are translated at average rates of exchange for the year, except for transactions where it is more relevant to use the rate of the day of the transaction, and the translation of assets and liabilities under a hyperinflationary environment disclosed in Note 4. The translation differences which arise are recorded directly in other comprehensive income.

NOTE 4 – HYPERINFLATION

During the second quarter of 2022, the Turkish Statistical Institute's published consumer price index indicated that cumulative 3-year inflation had exceeded 100 percent which continued throughout the year 2025 and 2026. Consequently, the Company has concluded that its subsidiary in Türkiye, whose functional currency is the Turkish Lira, is currently operating in a hyperinflationary environment. The Company has therefore applied accounting adjustments to the underlying financial results and position of its subsidiary in Türkiye as required by IAS 29 *Financial Reporting in Hyperinflationary Economies*. As required by IAS 29, the Company's interim condensed consolidated financial statements will include the results and financial position of its Turkish subsidiary, restated in terms of the measuring unit current at the period end date.

The Company applied the consumer price index ("CPI") annual inflation rates published by the Turkish Statistical Institute. The indices used are found in the tables below. Average cumulative annual inflation rates were used for 2018 to 2026. Inflation for items purchased in 2018 is greater than those in 2026 due to the cumulative effect of inflation over the additional years. In 2026, monthly inflation rates were used as follows:

Year Purchased	*Cumulative Average Annual CPI*
2018	303.73
2019	254.59
2020	215.69
2021	163.90
2022	53.44
2023	64.49
2024	60.04
2025	35.18

Month	*Monthly CPI 2026*
January	4.84
February	2.96
March	1.94
April	4.18
May	1.71
June	0.99
July	1.78
August	1.84
September	1.84

Non-monetary items are carried at cost or cost less depreciation. The Company's subsidiary in Türkiye has applied to its historical cost and accumulated depreciation the change in a general price index from the date of acquisition to the end of the reporting period. Monetary items and non-monetary items held at current cost were not restated, as they are considered to be expressed in terms of the measuring unit current at the period end date.

NOTE 5 – RESTRICTED CASH

As at 30 September 2026, the Company's restricted cash of US$15.8 million (31 December 2025: US$23.0 million) comprised the following:

1) US$8,000 (31 December 2025: US$8,000) related to securing licence deposits with the General Directorate of Mining and Petroleum Affairs of the Republic of Türkiye ("GDMPA"); and
2) US$15,778,000 (31 December 2025: US$22,991,000) held with Thailand Bank related to securing a financial security issued in accordance with Thailand decommissioning regulation and the Thailand Customs department, which is classified as a non-current asset as it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

NOTE 6 – TRADE AND OTHER RECEIVABLES

In US$'000	*Unaudited 30 September 2026*	*31 December 2025*
Trade receivables	24,852	8,849
Tax receivables	14,895	18,382
Others	2,739	1,306
Total	**42,486**	**28,537**

Trade receivables are normally settled within 30 days terms (2025: 30 days term).

NOTE 7 - INVENTORIES

In US$'000	*Unaudited 30 September 2026*	*31 December 2025*
Crude oil	39,480	29,303
Spare parts (net of provision for obsolescence)	34,966	30,636
Total	**74,446**	**59,939**

NOTE 8 – EXPLORATION AND EVALUATION ASSETS

In US$'000	*Total*
Balance, 01 January 2026	9,026
Additions	7,187
Disposal	(41)
Hyperinflation adjustments (Note 4)	608
Effects of movements in exchange rates	(376)
Balance, 30 September 2026	**16,404**

Exploration and evaluation ("E&E") assets consist of the Company's exploration projects which are pending the determination of proved or probable reserves. Additions represent the Company's share of costs incurred on E&E assets during the period.

NOTE 9 – PROPERTY, PLANT, AND EQUIPMENT

Cost *(In US$'000)*	*Oil and gas properties*	*Capital work-in-progress*	*Other PP&E*	*Total*
Balance, 01 January 2026	651,066	43,485	67,167	761,718
Additions	90,729	59,776	15,232	165,737
Disposal	-	-	(113)	(113)
Transfer	11,629	(11,629)	-	-
Hyperinflation adjustment (Note 4)	-	-	4,571	4,571
Effects of movements in exchange rates	-	-	(9)	(9)
Balance, 30 September 2026	**753,424**	**91,632**	**86,848**	**931,904**
Accumulated depletion and depreciation *(In US$'000)*				
Balance, 01 January 2026	458,814	-	42,927	501,741
Depreciation expense	125,844	-	8,471	134,315
Disposal	-	-	(111)	(111)
Hyperinflation adjustment (Note 4)	-	-	4,571	4,571
Balance, 30 September 2026	**584,658**	**-**	**55,858**	**640,516**
Net book value *(In US$'000)*				
Balance, 01 January 2026	192,252	43,485	24,240	259,977
Balance, 30 September 2026	**168,766**	**91,632**	**30,990**	**291,388**

For the purposes of calculating depletion, oil and gas properties in Thailand include estimated future development costs of US$907.0 million associated with development of the Company's proved and probable reserves. The depreciation expense includes the capitalisation of US$4.4 million. Such depreciation is capitalised as cost of crude oil inventory.

NOTE 10 – RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Company has lease contracts for various items used in its operations, including floating production storage and offloading ("FPSO") vessels, floating storage and offloading ("FSO") vessels, mobile offshore production unit ("MOPU"), offices and warehouses. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Lease terms are between 2 to 7 years (2025: 2 to 7 years).

The estimated useful lives of right-of-use assets for the current and comparative periods are as follows:

	Useful life
FPSO, FSO and MOPU lease	2-7 years
Buildings (warehouse and office lease)	2-5 years

Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Cost *(In US$'000)*	*FPSO, FSO and MOPU*	*Buildings*	*Total*
Balance, 01 January 2026	151,093	4,241	155,334
Additions	353	1,175	1,528
Derecognition from purchase option exercised	(27,863)	-	(27,863)
Balance, 30 September 2026	**123,583**	**5,416**	**128,999**
Accumulated depletion and depreciation *(In US$'000)*			
Balance, 01 January 2026	61,756	2,229	63,985
Depreciation expense	13,027	602	13,629
Derecognition from purchase option exercised	(13,563)	-	(13,563)
Balance, 30 September 2026	**61,220**	**2,831**	**64,051**
Net book value *(In US$'000)*			
Balance, 01 January 2026	89,337	2,012	91,349
Balance, 30 September 2026	**62,363**	**2,585**	**64,948**

The depreciation expense includes the reversal of US$0.2 million. Such depreciation is capitalised as cost of crude oil inventory.

Lease liabilities

Set out below are the carrying amounts of the lease liabilities analysed as:

In US$'000	*FPSO, FSO and MOPU*	*Buildings*	*Total*
Current	21,338	807	22,145
Non-current	40,645	1,926	42,571
Balance, 30 September 2026	**61,983**	**2,733**	**64,716**

The discount rate used is 8.8% to 13.0% (2025: 8.8% to 13.0%), reflecting the Company's incremental borrowing rate.

The undiscounted lease payments by maturity are as follows:

Lease payment maturity analysis – Contractual undiscounted cash flows *(In US$'000)*	***FPSO, FSO and MOPU***	***Buildings***	***Total***
Less than one year	22,932	988	23,920
Between 2 and 5 years	45,949	2,558	48,507
Total	**68,881**	**3,546**	**72,427**

NOTE 11 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

In US$'000	***Unaudited 30 September 2026***	***31 December 2025***
Trade payables	42,122	39,536
Accruals	65,147	73,663
VAT payables	7,055	4,890
SRB payables	15,140	20,010
Others	1,560	1,992
Total	**131,024**	**140,091**

Trade payables are normally settled within 30 to 60 days (2025: 30 to 60 days). Management considers that the carrying amount of trade payables approximates their fair value.

NOTE 12 – INCENTIVE COMPENSATION LIABILITY

The Company granted deferred share units ("DSU") to non-executive members of the board. Subject to meeting certain conditions as set out in the DSU plan, the grantee of a DSU is entitled to receive cash settlement of its DSU upon redemption. Cash settlement of DSUs are calculated based on the selected average share price of the Company at the redemption date. The compensation liability was measured at fair value on Level 1 fair value measurement based on the quoted market price available on the stock exchange. The number of outstanding DSUs as at each reporting period, are as follows:

	Number of DSU
Balance at 01 January 2026	**477,566**
Granted	76,455
Settled	(59,202)
Balance at 30 September 2026	**494,819**

NOTE 13 – DECOMMISSIONING OBLIGATIONS

In US$'000	***Unaudited 30 September 2026***	***31 December 2025***
Balance at beginning of the period/year	85,347	83,644
Change in estimates	-	(5,683)
Accretion on decommissioning obligations (Note 15)	5,634	7,362
(Paid) / other adjustments	(16)	24
Balance at end of the period/year	**90,965**	**85,347**

The Company's decommissioning obligations result from its ownership interest in oil and natural gas assets. The total decommissioning obligation is estimated based on the Company's net ownership interest in all wells, estimated costs to reclaim and abandon these wells and facilities and the estimated timing of the costs to be incurred in future years.

NOTE 14 – SHARE CAPITAL

(a) Authorised

The Company has authorised an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.

(b) Share repurchases

The Company had initially received approval from Toronto Stock Exchange ("TSX") to make a Normal Course Issuer Bid ("NCIB") to purchase up to 7.39 million common shares from 14 November 2024 to 13 November 2025.

On 18 November 2025, the Company received approval from TSX to make a new NCIB commencing on 20 November 2025 to 19 November 2026. Under this NCIB, the Company may purchase up to 6.3 million common shares.

During the period ended 30 September 2026, the Company did not purchase common shares (2025: 1,771,804 common shares) through the NCIB. From the initial NCIB to the reporting date, the shares purchased were recorded at a volume weighted average book value price of US$1.93 per common share (CAD2.11) equating to a total of US$4.1 million (CAD4.4 million). Retained earnings was reduced by US$6.6 million (CAD10.6 million) representing the excess of the purchase price of the common shares over their average carrying value.

Common shares	*Number of Shares*	*Amount (US$'000)*
Balance, 01 January 2026	105,538,654	203,311
Shares issued pursuant to stock options exercises	745,245	1,629
Balance, 30 September 2026	**106,283,899**	**204,940**

(c) Stock options

Valeura has an option programme that entitles officers, directors, employees, and consultants to purchase shares in the Company. Options are granted at the market price of the shares at the date of grant, have a seven-year term and vest over three years. The number and weighted average exercise prices of stock options are as follows:

Stock Options	*Number of Options*	*Weighted average exercise price (CAD)*
Balance, 01 January 2026	1,174,998	1.60
Exercised	(675,000)	1.80
Balance, 30 September 2026	**499,998**	**1.33**
Exercisable at 30 September 2026	**499,998**	**1.33**

The following table summarises information about the stock options outstanding at 30 September 2026:

Exercise prices (CAD)	*Outstanding at 30 September 2026*	*Weighted average remaining life (years)*	*Weighted average exercise price (CAD)*	*Exercisable at 30 September 2026*	*Weighted average exercise price (CAD)*
$0.25 - $0.39	30,000	0.5	0.25	30,000	0.25
$0.40 - $1.05	130,000	1.5	0.52	130,000	0.52
$1.06 - $1.84	239,999	2.5	1.58	239,999	1.58
$1.85 - $2.10	99,999	3.5	2.10	99,999	2.10
	499,998	**2.3**	**1.33**	**499,998**	**1.33**

There were no stock options granted during the period (2025: nil). The weighted average share price on exercise date is CAD5.08 (2025: CAD5.08). The expected volatility is based on historical volatility.

(d) Performance share units and Restricted share units

The Company has a share-based compensation programme of PSU and RSU granted to certain employees of the Company. The vesting of PSU and RSU are subject to vesting date and certain employment conditions. The PSU is also subject to certain performance conditions. The following table summarises information about the PSU and RSU outstanding at 30 September 2026:

	PSU (US$'000)	*RSU (US$'000)*
Balance, 01 January 2026	***2,606***	**2,030**
Amortised	2,139	1,777
Cancelled	241	104
Vested	(675)	(1,566)
Balance, 30 September 2026	**4,311**	**2,345**

The number of outstanding PSU and RSU as at 30 September 2026 are as follows:

	Number of PSU	*Number of RSU*
Balance, 01 January 2026	**1,240,657**	***814,152***
Granted	154,113	284,792
Canceled	(85,624)	(24,171)
Vested	(322,176)	(433,529)
Balance, 30 September 2026	**986,970**	**641,244**

NOTE 15 – FINANCE COSTS

	Nine months ended	
In US$'000	*Unaudited 30 September 2026*	*Unaudited 30 September 2025*
Accretion on decommissioning obligations (Note 13)	5,634	5,523
Interest expenses on lease liabilities (Note 10)	4,847	6,041
Financing fee	3,463	4,824
Total	**13,944**	**16,388**

NOTE 16 – OTHER INCOME

In US$'000	Nine months ended	
	Unaudited 30 September 2026	Unaudited 30 September 2025
Interest income	5,446	3,688
Foreign exchange gain	267	3,122
Royalty income from Licence G6/48	4,670	1,725
Others	4,726	5,961
Total	**15,109**	**14,496**

NOTE 17 – SUPPLEMENTAL STATEMENTS OF CASH FLOW

Accounts payable and accrued liabilities include SRB payables which amounted to US$15.1 million at 30 September 2026 (31 December 2025: US$20.0 million).

In US$'000	Three months ended		Nine months ended	
	Unaudited 30 September 2026	Unaudited 30 September 2025	Unaudited 30 September 2026	Unaudited 30 September 2025
Change in non-cash working capital:				
Trade and other receivables	17,280	(11,446)	(11,757)	(16,746)
Prepaid expenses and deposits	1,607	(62)	2,234	(8,274)
Inventories	557	5,027	(10,097)	(3,161)
Accounts payable and accrued liabilities	6,547	(1,497)	(6,791)	(19,753)
Total	**25,991**	**(7,978)**	**(26,411)**	**(47,934)**
Operating	33,602	(2,356)	(26,358)	(49,533)
Investing [1]	(7,611)	(5,622)	(53)	1,599
Total	**25,991**	**(7,978)**	**(26,411)**	**(47,934)**

(1) Accrued capital expenditures relating to development drilling and facility.

NOTE 18 – EARNINGS PER SHARE

Basic earnings per share are based on net income attributable to the common shareholders and is calculated based upon the weighted-average number of common shares outstanding during the periods presented.

	Three months ended		Nine months ended	
	Unaudited 30 September 2026	Unaudited 30 September 2025	Unaudited 30 September 2026	Unaudited 30 September 2025
Net income attributable to shareholders of the Company (In US$'000)	**25,646**	**15,813**	**84,695**	**35,335**
Weighted average number of common shares for the purposes of basic earnings per share (in thousands unit)	106,271	106,219	106,028	106,339
Earnings for the purposes of basic earnings per share (In US$'000)	**0.24**	**0.15**	**0.80**	**0.33**
Weighted average number of common shares for the purposes of diluted earnings per share from: (in thousands unit)				
Stock options	445	998	445	998
PSU	987	1,217	987	1,217
RSU	641	783	641	783
Weighted average number of common shares for the purposes of diluted earnings per share (in thousands unit)	108,344	109,217	108,101	109,337
Earnings for the purposes of diluted earnings per share (In US$'000)	**0.24**	**0.14**	**0.78**	**0.32**

NOTE 19 – FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development, production, and financing activities such as:

- Credit risk
- Market risk
- Liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies, and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from oil and natural gas marketers and partners. The maximum exposure to credit risk is as follows:

In US$'000	***Unaudited 30 September 2026***	***31 December 2025***
Trade receivables	24,852	8,849
Others	2,739	1,306
Financial assets included in trade and other receivables	**27,591**	**10,155**
Tax receivable	14,895	18,382
Total trade and other receivables	**42,486**	**28,537**

Trade receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company's trade receivables balance is primarily attributable to sale of hydrocarbons. In order to minimise credit risk, the Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Trade receivables are non-interest bearing and are generally on 30 days (2025: 30 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Tax receivable

Included in the carrying amount is an allowance of US$1.1 million (2025: US$3.2 million) on withholding tax receivable, which management assessed to be unrecoverable following a tax audit on one of the Company's subsidiaries and management's estimation on probability of being unrecoverable.

Market risk

Market risk is the risk that changes in market conditions, such as commodity prices, foreign exchange rates, and interest rates will affect the Company's income or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the Company's return.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk in changes in foreign exchange rates relates primarily to the Company's operating activities and the Company's net investments in foreign subsidiaries and joint arrangements. The Company's transactions are principally denominated in US$. However, payments to governments such as royalties, taxes, and SRB payments, and to local contractors are paid in local currency in Canada, Türkiye, and Thailand. The Company incurs foreign currency risk on transactions and balances that are denominated in currencies other than US$.

Sensitivity analysis

The following table details the sensitivity to a certain percentage increase and decrease in sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their transition at the period end for a certain percentage change in foreign currency rates.

If the relevant foreign currency strengthens by 10% against the functional currency of each entity, the Company's profit for the financial year will increase by:

At 30 September 2026 *(In US$'000)*	***Movement %***	***Strengthening***	***Weakening***
Impact to profit or loss			
Thai Baht	10	(4,458)	4,458
Canadian Dollar	10	(457)	457
Turkish Lira	10	13	(13)

Commodity price risk

The Company has exposure to price risk in its exploration and production of oil business. The Company has not used derivative financial instruments to hedge exposure to oil price fluctuations. The results of operations and cash flows of oil production can vary significantly with fluctuations in the market prices of hydrocarbons. These are affected by factors outside the Company's control, including market forces of supply and demand and regulatory and political actions of governments.

Interest rate risk

Interest rate risk is the risk that future cash flows or valuations of assets or liabilities will fluctuate as a result of changes in market interest rates. A 1% increase or decrease is used when management assesses changes in interest rate risk internally. No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's profit or loss and equity arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's financial liabilities consist of accounts payable. Accounts payable consists of invoices payable to trade suppliers for field operating activities, capital expenditures, and office expenses. The Company processes invoices within a normal payment period. Accounts payable have contractual maturities of less than one year. The Company maintains and monitors a certain level of cash which is used to finance all operating and capital expenditures.

Capital management

The Company's objective when managing capital is to maintain a flexible capital structure which allows it to execute its growth strategy through expenditures on exploration, development, and acquisition activities while maintaining a strong financial position. As at 30 September 2026, the Company had working capital of US$328.6 million (31 December 2025: US$201.6 million) which included cash and cash equivalents and restricted cash of US$369.2 million (31 December 2025: US$282.7 million).

Revolving and Expandable Credit Facility

On 22 July 2026, the Company entered into a revolving and expandable credit facility (the "Facility") with a syndicate of leading international banks and a global commodities trading house. The Facility is a revolving credit line of up to US$75 million and includes an uncommitted accordion feature allowing total commitments to be increased by up to a further US$250 million, to US$325 million in aggregate. The revolving portion of the Facility is a three-year senior secured revolving credit line, and the uncommitted accordion feature is subject to standard conditions including lender consent and market liquidity. The Company intends to deploy these financial resources to add value through mergers and acquisitions and plans to only draw from the Facility when acquisition funding is needed. As at 30 September 2026, the facility remained undrawn and, accordingly, no financial liability was recognised. Costs directly attributable to establishing the facility were recognised as prepaid financing cost and are being amortised over the commitment period. As at 30 September 2026, prepaid financing costs of US$3.6 million were recognised in the financial statements, comprising US$1.3 million and US$2.3 million presented within current and non-current prepaid expenses, respectively.

Management will continuously monitor and manage the Company's capital and liquidity position in order to assess the requirement for changes to the capital structure to meet the objectives and to maintain flexibility. The Company's overall strategy remains unchanged from 2025.

Fair value of financial assets and liabilities

The Company's fair value measurements are classified as one of the following levels of the fair value hierarchy:

- Level 1 – inputs represent unadjusted quoted prices in active markets for identical assets and liabilities. An active market is characterised by a high volume of transactions that provides pricing information on an ongoing basis.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These valuations are based on inputs that can be observed or corroborated in the marketplace, such as market interest rates or forecasted commodity prices.
- Level 3 – inputs for the asset or liability are not based on observable market data.

The Company aims to maximise the use of observable inputs when preparing calculations of fair value. Classification of each measurement into the fair value hierarchy is based on the lowest level of input that is significant to the fair value calculation.

The fair value of cash and cash equivalents, trade and other receivables, and accounts payable and accrued liabilities approximate their carrying amounts due to their short terms to maturity. There were no transfers between Level 1 and 2 during the nine months ended 30 September 2026 and the full year ended 31 December 2025.

NOTE 20 – GEOGRAPHIC SEGMENTED INFORMATION

Information reported to the Company's Chief Executive (the Chief Operating Decision Maker ("CODM")) for the purposes of resource allocation and assessment of segment performance is focused on the category of geography and each type of activity. The Company's CODM monitors the segment performances by type of activity which are producing assets, non-producing assets, and corporate business. The current producing assets are ongoing production operations on oil fields in Thailand. The non-producing assets are exploration in Türkiye.

The following is an analysis of the Company's revenue and results by reportable segment in 2026 and 2025:

In US$'000	***Thailand*[1]**	***Türkiye*[2]**	***Corporate***	***Total***
30 September 2026				
Revenue and other income	**558,948**	**(609)**	**4,896**	**563,235**
Expenses				
Operating	142,413	-	-	142,413
Exploration	2,031	-	-	2,031
General and administrative	8,120	285	22,550	30,955
Royalties	66,678	-	-	66,678
Special remuneratory benefit (SRB)	14,277	-	-	14,277
Finance costs	8,329	97	5,518	13,944
Depletion and depreciation	143,487	-	245	143,732
Profit (loss) before other items and tax	**173,613**	**(991)**	**(23,417)**	**149,205**
Change in net monetary position due to hyperinflation	-	608	-	608
Profit (loss) for the period before income taxes	**173,613**	**(383)**	**(23,417)**	**149,813**
Deferred tax (recovery) expense	53,911	-	(14)	53,897
Current tax expense	10,523	-	698	11,221
Net income (loss)	**109,179**	**(383)**	**(24,101)**	**84,695**
Non-current assets [3]	**382,335**	**5,847**	**336**	**388,518**

(1) Thailand segment comprises PP&E and E&E assets on Jasmine, Manora, Nong Yao and Wassana fields.
(2) Türkiye segment comprises Banarli and West Thrace which are exploration assets.
(3) Non-current assets consist of restricted cash, PP&E, right-of-use assets and E&E assets.

In US$'000	*Thailand[1]*	*Türkiye[2]*	*Corporate*	*Total*
30 September 2025				
Revenue and other income	**447,242**	**(78)**	**328**	**447,492**
Expenses				
Operating	131,741	-	-	131,741
Exploration	3,692	-	-	3,692
General and administrative	9,371	336	13,764	23,471
Royalties	52,640	-	-	52,640
Special remuneratory benefit (SRB)	3,778	-	-	3,778
Finance costs	11,417	89	4,882	16,388
Depletion and depreciation	139,381	-	320	139,701
Profit (loss) before other items and tax	**95,222**	**(503)**	**(18,638)**	**76,081**
Change in net monetary position due to hyperinflation	-	600	-	600
Profit (loss) for the period before income taxes	**95,222**	**97**	**(18,638)**	**76,681**
Deferred tax expense	39,511	-	111	39,622
Current tax expense	1,159	-	565	1,724
Net income (loss)	**54,552**	**97**	**(19,314)**	**35,335**
Non-current assets[3]	**386,286**	**3,520**	**686**	**390,492**

(1) Thailand segment comprises PP&E and E&E assets on Jasmine, Manora, Nong Yao, and Wassana fields.
(2) Türkiye segment comprises Banarli and West Thrace which are exploration assets.
(3) Non-current assets consist of restricted cash, PP&E, right-of-use assets, and E&E assets.

Segment revenue reported above represents revenue generated from external customers. There were no intersegment sales in the current period (2025: nil).

Information about major customers

In 2026, there was one customer (2025: two) that individually contributed to more than 10% of the Company's revenue. Included in revenues arising from producing assets in Thailand are revenues of approximately US$548.1 million (2025: US$433.0 million) which arose from sales to the Company's significant customer. No other single customers contributed 10 per cent or more to the Company's revenue for the nine months ended 30 September 2026 and 2025.

NOTE 21 – COMMITMENTS

Commitments to supplier contracts

Offshore production rig and vessel

Future minimum payments under non-cancellable supplier contracts:

In US$'000	*Unaudited 30 September 2026*	*31 December 2025*
Within one year	52,863	52,382
After one year but within five years	40,351	52,650
Total	**93,214**	**105,032**

Other supplier contracts

Future minimum payments under non-cancellable supplier contracts:

In US$'000	*Unaudited 30 September 2026*	*31 December 2025*
Within one year	29,555	30,373
After one year but within five years	62,761	73,257
Over five years	648	370
Total	**92,964**	**104,000**

Capital Commitment

Future capital commitments for oil and gas properties under development:

In US$'000	***Unaudited 30 September 2026***	***31 December 2025***
Within one year	24,016	54,598
After one year but within five years	-	124
Total	**24,016**	**54,722**

Commitments from the Farm-in

On 25 July 2025, the Company entered into a Farm-in Agreement with PTT Exploration and Production Plc ("PTTEP"), through PTTEP's subsidiary, PTTEP Energy Development Company Limited to earn a 40% interest in Blocks G1/65 and G3/65 (the "Blocks"), in the offshore Gulf of Thailand (the "Farm-in"). Under the terms of the Farm-in, the Company is entitled to earn a 40% working interest in the Blocks, with PTTEP holding the remaining 60% and continuing to operate. To earn its interest, the Company will, upon closing of the Farm-in, pay 40% of actual back costs incurred up to 30 September 2026, amounting to US$23.2 million, and 40% of ongoing costs from 01 October 2026 to the closing date. In addition, the Company will also pay up to US$3.7 million to carry PTTEP on an additional seismic acquisition (requested by the Company) of approximately 165 km^2 on Block G3/65, located to the northeast of the Nong Yao field. The Blocks are governed by the terms of Production Sharing Contracts granted by the Thailand government through the Ministry of Energy.

On 15 September 2026, the Cabinet of the Government of Thailand granted executive approval for the transfer of a 40% participating interest to the Company. However, as at 30 September 2026, the closing of the Farm-in transaction had not yet occurred, as certain conditions precedent to closing had not yet been satisfied. In accordance with the terms in the Farm-in Agreement, the Company paid US$1.85 million to PTTEP in relation to the additional seismic acquisition. This amount has been recorded as deposit in the financial statements.

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