2026
Repsol Upstream Group Interim condensed consolidated financial statements as at June 30

repsol

Report on Review of Interim Condensed Consolidated Financial Statements

To the Board of Managers of
Repsol E&P S.à r.l.

We have reviewed the accompanying interim condensed consolidated financial statements of Repsol E&P S.à r.l. (the "Company"), which comprise the balance sheet as at 30 June 2026, and the income statement, the statement of recognised income and expense, statement of changes in equity and statement of cash flows for the 6 month period then ended, and material accounting policy information and other explanatory information.

Board of Board of Managers responsibility for the interim condensed consolidated financial statements

The Board of Managers is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union, and for such internal control as the Board of Managers determines is necessary to enable the preparation of interim condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'entreprises agréé

Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE 2410 "Review of interim financial information performed by the independent auditor of the entity") as adopted for Luxembourg by the "Institut des Réviseurs d'Entreprises". This standard requires us to comply with relevant ethical requirements and conclude whether anything has come to our attention that causes us to believe that the condensed interim consolidated financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework.

A review of condensed interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. The Réviseur d'entreprises agréé performs procedures, primarily consisting of making inquiries of management and others within the Company, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these interim condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, “Interim Financial Reporting” as adopted by the European Union.

Restriction on distribution and use

This report, including the conclusion, has been prepared for and only for the Board of Managers and the Shareholders in accordance with the terms of our engagement letter and is not suitable for any other purpose. We do not accept any responsibility to any other party to whom it may be distributed.

Luxembourg, 29 July 2026

PricewaterhouseCoopers Assurance, Société coopérative
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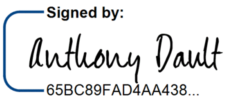

Anthony Dault

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NOTE: The Appendix forms an integral part of the interim consolidated Financial Statements.

Repsol E&P, S.à r.l. and investees comprising the Repsol Upstream Group

Balance Sheet at June 30, 2026 and December 31, 2025

	Note	06/30/2026	12/31/2025
		$ Million	
Intangible assets	10	406	345
Property, plant and equipment	11	11,595	11,469
Investments accounted for using the equity method	12	2,774	2,680
Non-current financial assets	7	448	388
Deferred tax assets	20	311	830
Other non-current assets	13	1,016	1,048
NON-CURRENT ASSETS		**16,550**	**16,760**
Non-current assets held for sale	15	-	532
Inventories		88	55
Trade and other receivables	16	954	649
Income tax assets	20	39	138
Other current assets		36	36
Other current financial assets	7	843	411
Cash and cash equivalents	7	119	181
CURRENT ASSETS		**2,079**	**2,002**
TOTAL ASSETS		**18,629**	**18,762**

	Note	06/30/2026	12/31/2025
		$ Million	
Shareholders' equity		5,428	5,301
Other cumulative comprehensive income		(26)	(1)
EQUITY	5	**5,402**	**5,300**
Non-current provisions	14	2,374	2,427
Non-current financial liabilities	6	7,725	7,784
Deferred tax liabilities	20	1,559	1,505
Other non-current liabilities	13	176	178
NON-CURRENT LIABILITIES		**11,834**	**11,894**
Liabilities related to non-current assets held for sale	15	-	2
Current provisions	14	163	186
Current financial liabilities	6	355	288
Trade and other payables	16	650	867
Income tax liabilities	20	225	225
CURRENT LIABILITIES		**1,393**	**1,568**
TOTAL EQUITY AND LIABILITIES		**18,629**	**18,762**

Repsol E&P, S.à r.l. and investees comprising the Repsol Upstream Group
Income Statement for the interim periods ended June 30, 2026 and June 30, 2025

	Note	$ Million 06/30/2026	06/30/2025
Sales		2,643	2,696
Changes in inventories of finished goods and work in progress		20	26
Procurements		(81)	(45)
Amortization and depreciation of non-current assets		(566)	(561)
(Charges of)/Reversal of impairments		(5)	4
Personnel expenses		(194)	(303)
Transport and freights		(130)	(130)
Supplies		(10)	(38)
Gains/(Losses) on disposal of assets		(127)	29
Other operating income / (expenses)		(502)	(619)
OPERATING INCOME	17	**1,048**	**1,059**
Interest income		36	38
Interest expenses		(217)	(172)
Change in fair value of financial instruments		(34)	132
Exchange gains (losses)		34	(115)
Impairment of financial instruments		(1)	(2)
Other financial income and expenses		19	(2)
FINANCIAL RESULT	19	**(163)**	**(121)**
Net income from investment accounted for using the equity method [1]	12	315	73
NET INCOME / (LOSS) BEFORE TAX		**1,200**	**1,011**
Income tax	20	(716)	(433)
CONSOLIDATED NET INCOME / (LOSS) FOR THE PERIOD		**484**	**578**

[1] Net of taxes.

	Note	USD/share	
EARNINGS PER SHARE ATTRIBUTABLE TO THE PARENT	21		
Basic		**186.15**	**222.31**
Diluted		**186.15**	**222.31**

Repsol E&P, S.à r.l. and investees comprising the Repsol Upstream Group
Statement of recognized income and expense for the interim periods ended June 30, 2026 and June 30, 2025

	$ Million	
	06/30/2026	06/30/2025
CONSOLIDATED NET INCOME / (LOSS) FOR THE PERIOD	**484**	**578**
Due to actuarial gains and losses	(10)	(1)
OTHER COMPREHENSIVE INCOME/ (LOSS). ITEMS NOT RECLASSIFIABLE TO NET INCOME	(10)	(1)
Cash flow hedges:	**(28)**	**(38)**
Valuation gains / (losses)	(15)	(36)
Amounts transferred to the income statement	10	(2)
Investments accounted for using the equity method [1]	(23)	-
Translation differences:	**1**	**16**
Valuation gains / (losses)	1	16
Tax effect	**1**	**11**
OTHER COMPREHENSIVE INCOME / (LOSS). ITEMS RECLASSIFIABLE TO NET INCOME	(26)	(11)
TOTAL COMPREHENSIVE INCOME / (LOSS)	**(36)**	**(12)**
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	**448**	**566**

[1] Net of taxes

Repsol E&P, S.à r.l. and investees comprising the Repsol Upstream Group
Statement of changes in equity for the interim periods ended June 30, 2026 and June 30, 2025

	Equity attributable to the parent and other equity instrument holders				
	Shareholders' equity				
$ Million	Share Capital	Share premium and reserves	Net income for the year attributable to the parent	Other cumulative comprehensive income	**Equity**
Closing balance at 12/31/2024	**3**	**5,794**	**(523)**	**(27)**	**5,247**
Total recognized income/(expenses)	**-**	**-**	**578**	**(12)**	**566**
Transactions with partners or owners:					
Dividends and shareholder remuneration (see Note 5)	-	(530)	-	-	**(530)**
Other changes in equity:					
Transfers between equity-line items	-	(523)	523	-	**-**
Other changes	-	(1)	-	-	**(1)**
Closing balance at 06/30/2025	**3**	**4,740**	**578**	**(39)**	**5,282**
Total recognized income/(expenses)	**-**	**6**	**395**	**38**	**439**
Transactions with partners or owners:					
Dividends and shareholder remuneration (see Note 5)	-	(420)	-	-	**(420)**
Other changes in equity:					
Other changes	-	(1)	-	-	**(1)**
Closing balance at 12/31/2025	**3**	**4,325**	**973**	**(1)**	**5,300**
Total recognized income/(expenses)	**-**	**(10)**	**484**	**(26)**	**448**
Transactions with partners or owners:					
Dividends and shareholder remuneration (see Note 5)	-	(350)	-	-	**(350)**
Other changes in equity:					
Transfers between equity-line items	-	973	(973)	-	**-**
Other changes	-	3	-	1	**4**
Closing balance at 06/30/2026	**3**	**4,941**	**484**	**(26)**	**5,402**

Repsol E&P, S.à r.l. and investees comprising the Repsol Upstream Group
Statement of cash flows for the interim periods ended June 30, 2026 and June 30, 2025

	Note	$ Million 06/30/2026	06/30/2025
Income before tax		**1,200**	**1,011**
Adjustments to income:		**566**	**661**
Amortization and depreciation of non-current assets		566	561
Operating provisions and impairment charges		25	96
Other (net)		(25)	4
Changes in working capital:		**(100)**	**(263)**
Other cash flows from operating activities:		**(140)**	**(443)**
Dividends received		460	37
Income tax refunded / (paid)		(559)	(337)
Other proceeds from / (payments for) operating activities		(41)	(143)
CASH FLOWS FROM OPERATING ACTIVITIES	22	**1,526**	**966**
Payments for investments:		**(1,261)**	**(1,061)**
Group companies, associates and loans to investees		(6)	(4)
Property, plant and equipment, intangible assets and others		(819)	(1,057)
Other financial assets		(436)	-
Proceeds from divestments:		**311**	**305**
Group companies, associates and loans to investees		292	73
Property, plant and equipment, intangible assets and others		19	232
Other cash flows from investing activities		**32**	**4**
CASH FLOWS FROM INVESTMENT ACTIVITIES	22	**(918)**	**(752)**
Proceeds from and (payments for) financial liability instruments:		**(64)**	**415**
Issuance		-	425
Redemption		(64)	(10)
Payments on shareholder remuneration and other equity instruments		**(350)**	**(530)**
Other cash flows from financing activities:		**(256)**	**(255)**
Interest paid		(184)	(182)
Payments for financing activities		(72)	(73)
CASH FLOWS FROM FINANCING ACTIVITIES	22	**(670)**	**(370)**
EXCHANGE RATE FLUCTUATIONS EFFECT		**-**	**(4)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	22	**(62)**	**(160)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**181**	**358**
CASH AND CASH EQUIVALENTS AT END OF PERIOD:		**119**	**198**
Cash and banks		116	180
Other financial assets		3	18

GENERAL INFORMATION

(1) About these Financial Statements

These interim condensed consolidated Financial Statements of Repsol E&P S.à r.l. and its investees (hereinafter, "the interim consolidated Financial Statements"), which together form the Upstream Group (hereinafter "the Upstream Group", "the Group", "Repsol Upstream Group"), present a true and fair view of the financial position and equity as of June 30, 2026, as well as of the Group's consolidated results, changes in equity, and consolidated cash flows for the six-month period ended on that date. These interim consolidated Financial Statements, have been approved by the Board of Managers of the Company on July 28, 2026.

In accordance with IAS 34 - *Interim Financial Reporting*, the interim consolidated Financial Statements are prepared solely with the intention of updating the content of the latest published consolidated Financial Statements, focusing on new activities, events, and circumstances that have occurred during the first six months of the financial year and that are significant, while avoiding duplication of the information published in the previous year's consolidated Financial Statements. For a proper understanding of the information included in these interim Financial Statements — and given that they do not include the information required in a complete set of financial statements prepared in accordance with EU-IFRS — they should be read in conjunction with Repsol Upstream Group's 2025 consolidated Financial Statements, which were approved by the General Shareholders' Meeting of Repsol E&P, S.à r.l. (hereinafter "the Company") held on February 26, 2026.

(2) About Repsol Upstream Group

2.1 Parent Company

The corporate name of the parent company of the Upstream Group that prepares and files these interim consolidated Financial Statements is Repsol E&P S.à r.l.

Repsol E&P S.à r.l. is a limited liability company (société à responsabilité limité), incorporated on August 4, 2022, under the laws of the Grand Duchy of Luxembourg, having its registered office located at 11 Rue Aldringen, Pl. 1ª L-1118, Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Companies Register (Registre de commerce et des sociétés Luxembourg), company registration number B270286.

Repsol, S.A. through its participation in Repsol Upstream B.V. is the controlling entity of Repsol Upstream Group, holding 75% of the shares ofy6 the Company. The remaining 25% of shares are held by Breakwater Energy Holdings S.à r.l., a wholly owned subsidiary of EIG.

2.2 Repsol Upstream Group

Repsol Upstream Group is a group of companies with the purpose of sharpening the focus of Repsol Upstream as a group delivering efficient, resilient, gas-weighted operations and with a focus on but not limited to the United States, United Kingdom, Norway, Peru, Libya and Brazil. Upstream business includes, inter alia, hydrocarbon exploration, development and production activities worldwide including ancillary activities such as the provision of services in respect of such activities, transfer, processing and treatment of hydrocarbons, the storage, transportation, sale and marketing of hydrocarbons and the ownership and operation of plants and facilities (hereinafter, "Exploration and Production", "Upstream" or "E&P").

Appendix IA to the consolidated Financial Statements for the year ended December 31, 2025, provides a detailed list of the entities comprising the Repsol Upstream Group that were included within the scope of consolidation as of that date.

Appendix I to these interim consolidated Financial Statements presents the changes in the Group's composition that have occurred during the first six months of 2026.

(3) Criteria for the preparation of these Financial Statements

3.1 General principles

The interim consolidated Financial Statements have been prepared based on the accounting records of the investee companies comprising the Upstream Group in accordance with the IFRS Accounting Standards as adopted by the European Union (IFRS-EU) as of June 30, 2026, and specifically, in accordance with the requirements set out in International Accounting Standard (IAS) 34 - *Interim Financial Reporting*, as well as other provisions of the applicable regulatory framework.

The Repsol Upstream Group prepares its interim consolidated Financial Statements including its investments in all its subsidiaries, joint arrangements, and associates, and presents them in millions of dollars, unless otherwise stated.

3.2 Comparative information

During the first six months of 2026, the accounting policies described in the Upstream Group's 2025 consolidated Financial Statements remain in effect for new accounting standards and amendments applied from January 1, 2026 in Note 3.3..

3.3 New standards issued for mandatory application in future years

The new developments in the accounting standards applied by the Upstream Group as of January 1, 2026[1] did not have a significant impact given their nature and scope. Below is a breakdown of the standards and their amendments issued by the IASB and of future mandatory application:

Adopted by the European Union	**Date of first application**
IFRS 18 — Presentation and disclosure in financial statements	January 1, 2027

Pending adoption by the European Union (1)	**Date of first application**
IFRS 19 - Subsidiaries without public accountability	January 1, 2027
Amendments to IFRS 19 - Subsidiaries without public accountability	January 1, 2027
Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Translation into a Hyperinflationary Presentation Currency"	January 1, 2027
Amendments to IAS 28 - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures'	January 1, 2027
IFRS 20 - Regulatory Assets and Regulatory Liabilities	January 1, 2029

(1) In addition to the amendments presented in this Note, the IASB issued the Amendments to IFRS 10 and IAS 28, "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture," without a mandatory effective date, pending completion of its "Equity Method" project and a decision regarding these amendments.

Regarding the regulatory changes adopted by the EU, the Group has not identified any significant impact on the consolidated financial statements, either due to their nature or their scope.

The Group is analyzing the potential impacts that regulatory changes pending adoption by the European Union may have on the consolidated financial statements. No significant effects have been identified to date. Nevertheless, the future application of IFRS 18 'Presentation and Disclosure in Financial Statements' is noteworthy. Although this standard will not have an impact on the consolidated result, total cash flows, or the Group's financial position, it will introduce new presentation criteria—primarily affecting the income statement and the statement of cash flows, and to a lesser extent the statement of financial position. In addition, it will establish new disclosure requirements, as well as new aggregation and disaggregation criteria, both in the primary financial statements and in the notes. Preliminarily, the main impacts identified relate to the introduction of three categories for the presentation of income and expenses (operating, investing, and financing), together with the resulting new mandatory subtotals, including "*Operating Profit or (Loss)*" and "*Profit or (Loss) before financing and income tax*". Further impacts are expected in the presentation of certain items in the income statement—most notably the presentation of foreign exchange differences within each category based on the nature of the underlying item—as well as in the statement of cash flows, including the classification of dividends received within investing cash flows and the use of *operating profit or (loss)* as the new starting point for the preparation of the statement of cash flows. As of the date of authorization for issue of these Financial Statements, the Group is still assessing the impacts arising from the application of this standard.

3.4 Accounting estimates and judgements

The preparation of interim consolidated Financial Statements in accordance with applicable accounting principles makes it necessary to make judgments and estimates that affect the recognition and valuation of assets and liabilities, income and expenses for the period, and the breakdown of the contingent assets and liabilities. The actual results could differ significantly depending on the estimates made.

These estimates are made based on the best information available, as described in Note 3.5 "Accounting Estimates and Judgements" of the Upstream Group's 2025 consolidated Financial Statements. During the first six months of 2026, there have been no significant changes to the estimates and judgements described in the aforementioned consolidated Financial Statements.

[1] As from January 1, 2026, the Group applied, without any significant impact, the standards adopted by the European Union: "Amendments to IFRS 9 and IFRS 7 - Nature-dependent Electricity Contracts"; "Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments"; and "Annual Improvements to IFRS Accounting Standards - Volume 11" (affecting IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows).

CAPITAL STRUCTURE AND FINANCIAL RESOURCES

(4) Financial structure

The determination of the target financial structure considers a leverage ratio that ensures the Group's financial stability, defined as the relationship between Net debt and Capital employed.

The calculation of these ratios at June 30, 2026 and December 31, 2025, are as follows:

Financial structure	$ Million	
	06/30/2026	12/31/2025
Equity	5,402	5,300
Net financial debt	6,671	7,092
Capital employed	12,073	12,392
Leverage ratio (%)	**55.3%**	**57.2%**

(5) Equity

Equity	$ Million	
	06/30/2026	12/31/2025
Shareholders' equity:	**5,428**	**5,301**
Share capital	3	3
Share premium and Reserves:	4,941	4,325
Share premium	10,077	10,427
Retained earnings and other reserves	(5,136)	(6,102)
Net income for the period attributable to the parent	484	973
Other cumulative comprehensive income	**(26)**	**(1)**
Hedging transactions	(4)	22
Translation differences	(22)	(23)
TOTAL EQUITY	**5,402**	**5,300**

5.1 Share capital

The share capital of Repsol E&P S.à r.l. at June 30, 2026 and December 31, 2025 is represented by 2,600,000 shares of USD 1.00 par value each, fully subscribed and paid up.

As of June 30, 2026 and December 31, 2025, Repsol Upstream B.V. holds 1,950,000 shares, representing 75%, and EIG holds 650,000 shares, representing the remaining 25% of the subscribed capital of the Company.

5.2 Dividends and shareholder remuneration

There were no dividends declared either in the first six months of 2026 nor in 2025.

In the first half of 2026, the Board of Managers of Repsol E&P, S.à r.l. approved two share premium repayments for a total amount of USD 350 million (2025: USD 530 million). As of June 30, 2026 and December 31, 2025, the share premium account amounts to USD 10,077 million and USD 10,427 million, respectively.

The movements on the "Share premium" item during the year and the balances are as follows:

Share premium and similar premiums	$ Million		
	Share premium	Contributions to account 115 [1]	Total
As at December 31, 2025	10,270	157	10,427
Reductions for the year	(350)	-	(350)
As at June 30, 2026	9,920	157	10,077

[1] Share premium account 115: Contributions by a shareholder to the equity without issuance of shares.

(6) Financial resources

6.1 Financial liabilities

The breakdown of the current and non-current financial liabilities included under the headings of the balance sheet is as follows:

Financial liabilities	$ Million	
	06/30/2026	**12/31/2025**
Non-current liabilities:		
Non-current financial liabilities	7,725	7,784
Current liabilities:		
Current financial liabilities	346	277
Current trade derivatives [1]	9	11
TOTAL	**8,080**	**8,072**

[1] Recognized under "Current financial liabilities" on the balance sheet.

The detail of these financial liabilities at June 30, 2026 and December 31, 2025, is provided below:

Financial liabilities	June 30, 2026 and December 31, 2025							
	At fair value through profit or loss		At amortized cost		**Total**		Fair value [1]	
$ Million	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Loans	-	-	4,988	5,005	**4,988**	**5,005**	5,355	5,388
Bonds	-	-	2,488	2,486	**2,488**	**2,486**	2,561	2,542
Lease liabilities	-	-	143	177	**143**	**177**	n/a	n/a
Bank borrowings	-	-	106	116	**106**	**116**	128	120
Non-current	**-**	**-**	**7,725**	**7,784**	**7,725**	**7,784**		
Loans	-	-	161	92	**161**	**92**	161	92
Bonds	-	-	40	40	**40**	**40**	40	40
Lease liabilities	-	-	124	125	**124**	**125**	n/a	n/a
Bank borrowings	-	-	21	20	**21**	**20**	21	20
Derivatives	9	11	-	-	**9**	**11**	-	-
Current	**9**	**11**	**346**	**277**	**355**	**288**		
TOTAL	**9**	**11**	**8,071**	**8,061**	**8,080**	**8,072**		

[1] The fair value levels are Level 2 for loans, bonds and bank borrowings. For more information on the valuation techniques and key variables used, see Note 6.2 of the consolidated Financial Statements for the year ended December 31, 2025.

6.2 Fair value of financial liabilities

The financial liabilities recognized in the financial statements at fair value though profit or loss, for an amount of USD 9 million in 2026 and USD 11 million in 2025, are classified in Level 2.

During the first semester of 2026 there have been no transfers between levels of hierarchy in financial instruments.

6.3 Loans

This heading reflects the loans granted by Repsol affiliates and loans from joint ventures, that are not eliminated in the consolidation process.

The breakdown of the loans, all of them denominated in US dollars, outstanding at June 30, 2026, is provided below:

$ Million

Borrower	Lender	Loan principal	Starting date	Maturity date	Interest rate at 06/30/2026
Repsol Exploración Inversiones, S.L.	Repsol Europe Finance, S.à r.l.	3,200	12/01/2022	12/01/2029	5.46 %
FEHI Holding, S.à r.l.	Neo Resources UK, LTD [2]	1,144	07/29/2025	-	5.70 %
Repsol Holdings Upstream USA, Inc.	Repsol Europe Finance, S.à r.l.	552	12/01/2022	12/01/2029	5.46 %
FEHI Holding, S.à r.l.	BP Trinidad & Tobago, LLC [1]	93	11/21/2022	-	3.71 %
Total due and payable after more than one year		**4,988**			
FEHI Holding, S.à r.l.	Neo Resources UK, LTD [2]	161	07/29/2025	-	5.70 %
Total due and payable within one year		**161**			
TOTAL		**5,149**			

[1] No contractual maturity date and repayment is not expected within the operating cycle.

[2] The loan represents approximately 40% of the decommissioning obligations contributed within the NEO NEXT merger and the maturity matching the timing of the decommissioning provisions. Short term portion is the expected amount to be paid in 2026 related to these decommissioning liabilities.

The interest rates on the loans granted to Repsol Exploración Inversiones, S.L., Repsol Holdings Upstream USA, Inc. and FEHI Holding, S.á.r.l. are fixed, while the other rates are variable.

6.4 Bonds

There were no significant changes during the six-month period ended 30 June 2026. Movements during the period primarily related to the accrual of interest on existing bonds and the payment of interest in accordance with contractual terms. The terms, maturities and carrying amounts remain substantially unchanged from those disclosed in the most recent annual consolidated financial statements.

The detail as of the reporting date is as follows:

$ Million

ISIN	Price	Nominal amount [1]	Accrued interest payable	Date of issue	Maturity	Annual fixed coupon %
US76026AAA51	100 %	500	7	09/16/2025	09/16/2028	4.805 %
US76026AAB35	100 %	1,000	15	09/16/2025	09/16/2030	5.204 %
US76026AAC18	100 %	1,000	18	09/16/2025	09/16/2035	5.976 %
		2,500	40			

[1] Transaction costs amounted to USD 15 million.

6.5 Other borrowings

There were no significant changes during the six-month period ended 30 June 2026. Movements during the period primarily related to repayment of capital for an amount of USD 10 million, the accrual of interest and payment of interest in accordance with contractual terms. The terms and maturities remain substantially unchanged from those disclosed in the most recent annual consolidated financial statements.

(7) Financial assets

The breakdown of the current and non-current financial assets included under the headings of the balance sheet is as follows:

Financial assets	$ Million	
	06/30/2026	12/31/2025
Non-current assets:		
Non-current financial assets	448	388
Non-current trade derivatives (1)	3	1
Current assets:		
Other current financial assets	843	411
Current trade derivatives (2)	15	22
Cash and cash equivalents	119	181
TOTAL	**1,428**	**1,003**

(1) Recognized under "Other non-current assets" on the balance sheet.

(2) Recognized under "Trade and other receivables" (see Note 16) in "Other receivables".

The detail of these assets at June 30, 2026 and December 31, 2025, is as follows:

Fair value of financial assets	June 30, 2026 and December 31, 2025									
	At fair value through profit or loss		At fair value through other comprehensive income		At amortized cost		**Total**		Fair value (1)	
$ Million	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Derivatives	-	-	3	1	-	-	3	1	-	-
Loans (2)	-	-	-	-	448	388	448	388	458	462
Non-current	**-**	**-**	**3**	**1**	**448**	**388**	**451**	**389**		
Derivatives	1	5	15	22	-	-	16	27	-	-
Loans (2)	-	-	-	-	842	406	842	406	842	406
Cash and cash equivalents (3)	-	-	-	-	119	181	119	181	119	181
Current	1	5	15	22	961	587	977	614		
TOTAL	**1**	**5**	**18**	**23**	**1,409**	**975**	**1,428**	**1,003**		

(1)The fair value level for loans is Level 2. For more information on the valuation techniques and key variables used, see Note 6.2 of the consolidated Financial Statements for the year ended December 31, 2025.

(2)Includes loans and deposits with related entities, mainly Repsol Europe Finance, S.à r.l. for an amount of USD 599 million and BPRY Caribbean Ventures, LLC (BPRY) for an amount of USD 691 million (see Note 23).

(3) Includes at June 30, 2026 "Cash and banks" for USD 116 million and "Other financial assets" for USD 3 million. At December 31, 2025 includes USD 166 millions and USD 15 millions, respectively.

7.1 Fair value of financial assets

The classification of the financial assets recognized in the financial statements based on the methodology for calculating their fair value, is as follows:

Fair value of financial assets	June 30, 2026 and December 31, 2025					
	Level 1		Level 2		Total	
$ Million	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
At FV through profit or loss	1	-	-	5	1	5
At FV through other comprehensive income	18	23	-	-	18	23
TOTAL	**19**	**23**	**-**	**5**	**19**	**28**

No financial instruments were transferred between hierarchy levels in June 30, 2026 and December 31, 2025.

(8) Accounting hedges

The Upstream Group has derivatives to hedge exposure to changes in cash flow in its transactions due to natural gas and crude oil price changes. Cash flows from the sale of gas and crude oil are hedged through collars.

The changes relating to hedging instruments at June 30, 2026 and June 30, 2025 recognized under "Other cumulative comprehensive income" are detailed below and are mainly due to the change in fair value:

Hedging instruments	**06/30/2026**	**06/30/2025**
$ Million	Cash flow hedges	
Balance at January 1	**22**	**11**
Gains/(Losses) for measurement allocated to other comprehensive income	(15)	(36)
Gains/(Losses) recognized under equity method	(23)	-
Amounts transferred to the income statement	10	(2)
Translation differences	1	11
Tax effect	1	(1)
Others	-	-
Balance at closing of the period	**(4)**	**(17)**

(9) Financial risks

As described in Note 9 of the Upstream Group's 2025 consolidated Financial Statements, the Group's activities involve various types of financial risks: market, liquidity, and credit risk. The following is an update of this information as of June 30, 2026.

9.1 Market risk

<u>Exchange rate risk</u>

The Group's income is exposed to fluctuations in the exchange rates of the currencies in which it transacts, with the Euro and the Norwegian krone generating the greatest level of exposure.

The exchange rates at June 30, 2026 and December 31, 2025, were as follows:

Exchange rate	**June 30, 2026**		**December 31, 2025**		**June 30, 2025**	
	Closing rate	Accumulated average rate	Closing rate	Accumulated average rate	Closing rate	Accumulated average rate
Euro (€)	0.88	0.86	0.85	0.89	0.85	0.92
Norwegian krone (NOK)	9.92	9.57	10.07	10.39	10.09	10.69

The sensitivity of net income to exchange rate risk, as a result of the effect on the financial assets and liabilities held by the Upstream Group at June 30, 2026 and December 31, 2025 due to the appreciation or depreciation of the dollar against the different currencies, is illustrated below:

- Dollar sensitivity against Euro:

Exchange rate sensitivity	Appreciation (+) / depreciation (-) in exchange rate	**$ Million**	
		06/30/2026	**12/31/2025**
Effect on net income before tax	10%	(3.9)	-
	(10)%	3.9	-

- Dollar sensitivity against Norwegian krone:

Exchange rate sensitivity	Appreciation (+) / depreciation (-) in exchange rate	$ Million	
		06/30/2026	12/31/2025
Effect on net income before tax	10%	0.3	(0.5)
	(10)%	-0.3	0.4

Interest rate risk

The Group's results are exposed to changes in interest rates in the markets in which it operates. At the beginning of 2026, the international consensus expected the Federal Reserve (Fed) to continue the cycle of cuts that began in the second half of 2025. However, the combination of rising energy prices and a stronger labor market has led the Fed to maintain its position, with the market now anticipating higher interest rates for a longer period. Meanwhile, the European Central Bank (ECB) raised the official deposit rate by 25 basis points to 2.25% at its June meeting.

The sensitivity of net income as a result of the effect of fluctuations in interest rates on the financial assets and liabilities held by the Group at June 30, 2026 and December 31, 2025 is shown in the following table:

Interest rate sensitivity	Increase (+) / decrease (-) in interest rates (basis points)	$ Million	
		06/30/2026	12/31/2025
Effect on net income before tax	50 b.p	5.9	4.4
	-50 b.p	(5.9)	(4.4)

Commodity price risk

At June 30, 2026 a 10% increase or decrease in commodity prices would have resulted approximately in the following changes in net income and in equity as a result of changes in value of the financial derivatives:

Commodities sensitivity	Increase (+) / decrease (-) in commodity prices	$ Million	
		06/30/2026	12/31/2025
Effect on equity	10%	(14.0)	(27.0)
	(10)%	17.0	28.0

NOTE: A +/-50% change in commodity prices would have an estimated impact of USD 72 and USD 120 million on equity, respectively.

The sensitivity of the derivatives to decreases in commodity prices partially offsets the adverse exposure of Upstream Group physical operations inherent to its activity.

9.2 Liquidity risk

At June 30, 2026 liquidity stood at USD 119 million.

In an international context marked by geopolitical tensions and high volatility, Repsol Upstream Group within the framework of its financial policy, has maintained the availability of funds to meet its commitments and support the development of its business plans.

As of the date of authorization for issue of these interim consolidated financial statements, the Group was not in breach of any financial covenant or other obligation that could result in the early repayment of its borrowings. Furthermore, there have been no significant changes in the maturity profile of the Group's financial liabilities since December 31, 2025.

9.3 Credit risk[2]

The Group updated its credit risk management model using economic forecasts for the main countries where it operates, without this having a significant impact on the Group's financial statements as a result of the change in the payment behavior of its debtors.

[2] The credit risk information included in this section does not include the credit risk of investees or joint ventures, the impact of which is recognized under *"Net income from investments accounted for using the equity method"* (mainly Petroquiriquire and Cardón IV as a result of their activity in Venezuela, see Note 12).

For information regarding credit risk related to financial instruments associated with operations in Venezuela, see Note 20.3 of the Upstream Group's 2025 consolidated Financial Statements, which is updated in Note 18.1 of this document.

The Group's exposure to credit risk, according to the type of financial instrument together with the impairment recognized at June 30, 2026 for each of them, is broken down as follows:

Credit Risk	Gross balance	Average impairment	Impairment	Net balance 06/30/2026	Net balance 12/31/2025
Current financial assets and Cash	962	- %	-	962	592
Non-current financial assets	448	- %	-	448	388
Other current and non-current assets [1]	3,677	(71)%	(2,625)	1,052	1,084
Trade and other receivables [1]	973	(2)%	(19)	954	649

[1]The impairment allowances included in 'Other current and non-current assets' and 'Trade and other receivables' at June 30, 2026 relate mainly to non-current receivables associated with Venezuela. During the period, a net impairment reversal of USD 2 million was recognized.

Trade and other receivables

The trade receivables are shown on the balance sheet at June 30, 2026 and December 31, 2025, net of provisions for impairment, for an amount of USD 954 million and USD 649 million, respectively. The following table shows the age of the trade receivables net of impairment (including expected loss):

Maturities of trade and other receivables	**06/30/2026**			**12/31/2025**
$ Million	Debt	Impairment	Balance	Balance
Unmatured debt	969	(9)	960	555
Matured debt 0-30 days	1	(1)	-	29
Matured debt 31-180 days	2	(2)	-	13
Matured debt over 180 days	1	(7)	(6)	52
TOTAL	**973**	**(19)**	**954**	**649**

The Upstream Group credit risk on trade receivables is not significantly concentrated as it is spread out among various customers and counterparties, with the exception of Petróleos de Venezuela, S.A. (PDVSA) debts, which have been already analyzed and impairment charges recognized at June 30, 2026 (see Note 18). In relation to Venezuela, it should be noted that PDVSA's debts with joint ventures and investees are reflected in "Investments accounted for using the equity method" (Petroquiriquire, S.A. and Cardón IV, S.A., see Note 12).

As a general rule, the Group establishes a bank guarantee issued by financial institutions as the most suitable instrument of protection from credit risk. In some cases, the Group has contracted credit insurance policies whereby this partially transfers to third parties the credit risk related to the business activity of some of their customers in part of their business.

As part of its business activities, the Group has guarantees extended by third parties amounting to USD 11,274 million at June 30, 2026, and USD 10,467 million at December 31, 2025.

NON-CURRENT ASSETS AND LIABILITIES

(10) Intangible assets

The main categories of intangible assets (goodwill, exploration permits, computer software, etc.) at June 30, 2026 and December 31, 2025, are as follows:

		Other intangible assets			
$ Million	**Goodwill**	Exploration permits	Computer software	Others	**Total**
Net cost at January 1, 2025	**24**	267	76	12	**379**
Gross cost	**275**	1,149	261	107	**1,792**
Depreciation and impairment	**(256)**	(907)	(187)	(97)	**(1,447)**
Net cost at December 31, 2025	**19**	242	74	10	**345**
Gross cost	**272**	923	250	26	**1,471**
Depreciation and impairment	**(253)**	(612)	(184)	(16)	**(1,065)**
Net cost at June 30, 2026 (1)	**19**	311	66	10	**406**

The main variance compared to December 31, 2025 reflects the addition of new exploration licenses (primarily in the U.S.) and the amortization for the period.

The decrease in gross cost and depreciation and impairment during the semester is mainly due to the sale of assets of Repsol Exploración, S.A.U. and its investees (see also Note 17.4).

(11) Property, plant and equipment

The main categories of property, plant and equipment at June 30, 2026 and December 31, 2025 are as follows:

$ Million	Investments in areas with reserves	Investments in exploration	Other PPE	Total
Net cost at January 1, 2025	**9,868**	**351**	**1,875**	**12,094**
Gross cost	25,275	1,214	2,473	28,962
Depreciation and impairment	(15,989)	(1,151)	(353)	(17,493)
Net cost at December 31, 2025	**9,286**	**63**	**2,120**	**11,469**
Gross cost	26,366	838	1,032	28,236
Depreciation and impairment	(15,579)	(748)	(314)	(16,641)
Net cost at June 30, 2026	**10,787**	**90**	**718**	**11,595**

The most significant change in property, plant and equipment during the period was the commencement of production in Alaska (First Oil), which resulted in the transfer of USD 1,542 million from Other Property, Plant and Equipment to Investments in Areas with Reserves.

The decrease in gross cost and depreciation and impairment, for a total amount of USD 8 million during the semester is due to the sale of assets of Repsol Exploración, S.A.U. and its investees (see also Note 17.4).

Additionally, during the first six months of 2026 the Group invested USD 602 million primarily in producing and/or development assets located in Alaska, Eagle Ford, Marcellus and the Gulf of America, with borrowing costs of USD 74 million capitalized, mainly in relation to the Alaska development.

(12) Investments accounted for using the equity method

This heading includes investments that qualify as joint ventures under IFRS Accounting Standards and investments in associates, which are accounted for using the equity method. The Group's most significant investments are described in Note 12 of the Upstream Group's 2025 consolidated Financial Statements. The balance as of June 30, 2026 is detailed below:

Carrying amount of the investment	$ Million	
	06/30/2026	12/31/2025
Joint ventures	2,689	2,607
Associates	85	73
TOTAL	**2,774**	**2,680**

The changes in this heading during the period were as follows:

Investments accounted for using the equity method	$ Million	
	06/30/2026	30/06/2025
Balance as of December 31	**2,680**	**2,081**
Net investments	5	4
Changes in scope of consolidation	-	1
Net income from investments accounted for using the equity method	315	73
Dividends declared (1)	(626)	(54)
Reclassifications and other movements	400	(66)
Balance as of June 30	**2,774**	**2,039**

(1) Dividends declared in 2026 by NEO NEXT+, Cardón IV, S.A., Repsol Sinopec Brasil, S.A. and YPFB Andina, S.A. In 2025 by Repsol Sinopec Brasil, S.A., YPFB Andina, S.A. and Sierracol Energy Arauca, LLC.

In 2026, "*Reclassifications and other movements*" includes the closing (in March) of the transaction agreed in December 2025 between Neo Next Energy Limited and TotalEnergies to merge their offshore oil and gas businesses in the United Kingdom. The result of the transaction is NEO NEXT+, a company held by HitecVision (28.875%), TotalEnergies (47.5%), and the Group (23.625%). This transaction did not have any significant impact on the Group's financial statements. At December 31, 2025, a portion of the investment in Neo Next had been classified as held for sale in anticipation of the reduction in the Group's ownership interest upon completion of the transaction.

At June 30, 2026, the transaction with NEO Energy Group Limited (NEO UK) through which the entire interest in Repsol Resources UK Limited (RRUK) was transferred to NEO NEXT was finalized for accounting purposes, once the twelve-month period from the acquisition elapsed, without any significant changes in the consideration transferred or the allocation made by the Group (which in turn was compared with that of an independent valuer without significant differences between the two). For more information, see Note 12 of the 2025 consolidated Financial Statements.

The higher net income generated in 2026 (USD 315 million) compared to the same period of 2025 (USD 73 million) is predominantly due to higher crude oil prices and to changes in the consolidation scope, i.e. integration of NEO NEXT+ joint venture.

(13) Other non-current assets and liabilities

The variation in "Other non-current assets" during the first six months of 2026 mainly reflects movements related to the Alaska Petroleum Tax, including the reclassification of amounts expected to be recovered within the next 12 months following the start of production in Alaska (see Note 16) and the recognition of tax credit receivables associated with eligible investments.

"Other non-current liabilities" mainly include amounts related to the net present value of future payments due to an acquisition of oil & gas field in Peru.

(14) Current and non-current provisions

The decrease of USD 76 million during the first semester is mainly explained by the payments of decommissioning liabilities for a total USD 37 million (in the United States and Spain).

In June 2026, Repsol E&P, S.à r.l. sold its interest in Repsol Exploración, S.A.U. (REXSA) to another Repsol affiliate, as part of the Group's ongoing portfolio optimization and corporate simplification initiatives. As part of the transaction, the Group retained certain customary obligations and certain asset decommissioning obligations under the sale and purchase agreement.

CURRENT ASSETS AND LIABILITIES

(15) Non-current assets held for sale and associated liabilities

During the first half of 2026, the following transaction was completed: the merger of the UK Joint Venture Neo Next with the businesses of TotalEnergies in the North Sea through the creation of Neo Next+ (see Note 12). Divested assets and liabilities were classified as non-current assets and liabilities held for sale at December 31, 2025.

(16) Other current assets and liabilities

The balance of "Trade and other receivables" increased significantly in relation to the balance as of December 31, 2025 (USD 305 million). This variation is mainly explained by:

- the expected recovery of the Alaska Petroleum Tax balance (USD 123 million) within the next twelve months following the commencement of production in Alaska, resulting in its reclassification from "Other non-current assets" to "Trade and other receivables" (see Note 13),
- and higher sales predominantly in Libya, Norway and Peru..

The balance of *"Trade and other payables"* decreased significantly in relation to the balance as of December 31, 2025 (USD 218 million). This variation is mainly explained by the partial cancellation of the outstanding payable, following the dividend distribution by Cardón IV, S.A (see Note 12).

INCOME

(17) Operating income

The following outlines the most significant variations observed during the period in the line items of the income statement.

17.1 Sales and income from services rendered

In the period ended June 2026, higher crude oil prices contributed to increased sales, particularly in the United States, Libya and Norway. This was partially offset by the absence of contributions from the United Kingdom and Indonesia following the United Kingdom's reclassification as a joint venture (see Note 12) and the disposal of Indonesia in 2025.

Geographic information	$ Million	
	06/30/2026	**06/30/2025**
United States	1,144	922
Libya	676	499
Peru	377	377
United Kingdom	—	379
Norway	322	292
Indonesia	—	124
Others (1)	124	103
TOTAL	**2,643**	**2,696**

(1) Countries included are individually not representative.

The breakdown of ordinary revenues by product type is as follows:

Income by product type	$ Million	
	06/30/2026	06/30/2025
Crude Oil	1,518	1,455
Gas [(1)]	1,125	1,241
TOTAL	**2,643**	**2,696**

[(1)] Correspond mainly to natural gas and condensates and liquefied natural gas.

17.2 Procurements

This heading includes the following items:

Procurements	$ Million	
	06/30/2026	06/30/2025
Purchases	(99)	(43)
Changes in the inventories (raw materials and goods held for sale)	18	(2)
TOTAL	**(81)**	**(45)**

Comparing the first semester of 2026 with the same period of 2025, procurements increased mainly due to higher crude oil purchase activity and prices, particularly in Peru, and overlifting positions in Norway and Libya.

17.3 Personnel expenses

Personnel expenses decreased compared with the first half of 2025, mainly attributable to changes in the consolidation scope, i.e. reclassification of NEO NEXT+ as joint venture (see Note 12).

17.4 Gains / (Losses) on disposal of assets

In June 2026, Repsol E&P, S.à r.l. completed the sale of its interest in Repsol Exploración, S.A.U. (REXSA) to a Repsol affiliate as part of the Group's preparation for a potential liquidity event and perimeter optimization process. The transaction was aligned with the Group's strategic plan and broader portfolio-management priorities, including the simplification of the Group's corporate structure, disciplined capital allocation and the focus on core, higher-value businesses.

Prior to the transaction, a series of internal restructuring steps were executed to transfer selected businesses and investments outside the REXSA perimeter, resulting in the disposal of the remaining legacy REXSA structure. The transaction represented a further step in the simplification and the preparation of the E&P business for future strategic initiatives.

The disposal resulted in the recognition of a loss on disposal of USD 135 million. The final purchase consideration remains subject to the customary post-closing price adjustment mechanisms established in the sale and purchase agreement.

17.5 Other operating income / expenses

"Other operating income / (expenses)" includes, among others:

Other operating income / (expenses)	$ Million	
	06/30/2026	06/30/2025
Other operating income (1)	**87**	**178**
Income from services rendered and others	16	44
Others	71	134
Other operating expenses:	**(589)**	**(797)**
Operator expenses	(158)	(103)
Services of independent professionals	(25)	(57)
Leases (2)	(10)	(11)
Taxes (3)	(167)	(152)
Taxes on production	*(109)*	*(98)*
Other	*(58)*	*(54)*
Repair and upkeep (4)	(16)	(50)
Use of CO_2 allowances	(3)	(35)
Others (5)	(210)	(389)
TOTAL	**(502)**	**(619)**

(1)Includes, among others, income from services rendered and other E&P income.

(2)Expenses for leases of machinery and tools.

(3)Other taxes than income tax: taxes on hydrocarbon production and other local taxes.

(4)Repair and upkeep expenses related to maintenance activities.

(5)Includes, among other items, E&P operating expenses such as engineering costs, well intervention costs, gas gathering and processing fees, insurance, and research and development expenses.

The main variance in comparison with the first half of 2025 is primarily driven by lower other operating income, mainly due to lower services rendered. This was partially offset by lower other operating expenses, mainly explained by the absence of operating costs in the United Kingdom following its reclassification as a joint venture (see note 12) and the disposal of Indonesia, as well as partially higher operator costs in the United States.

(18) Risk

18.1 Geopolitical risks

The information in this section updates the content of Note 20.3 of the 2025 Consolidated Financial Statements.

Uncertainty in the global geopolitical context

As of the date of publication of these Interim Financial Statements, there is a high degree of uncertainty regarding developments in the geopolitical context.

- Geopolitical and energy context. The first half of 2026 has been marked by exceptional volatility in international energy markets as a result of a succession of geopolitical events that have significantly altered both the supply outlook and global demand expectations. The trend in the price of oil has reflected an environment characterized by high risk premiums, supply disruptions, changes in market governance and growing uncertainty regarding the stability of the global energy system. The crisis in the region that began at the end of February 2026 substantially increased the risk to energy flows from the Persian Gulf. Restrictions on transit through the Strait of Hormuz —through which about one-fifth of the world's maritime oil trade is transported under normal conditions— and attacks on energy infrastructure, petrochemical facilities and strategic assets increased fears of prolonged supply disruptions. The extension of the conflict to other regional actors, including attacks by Iranian-allied groups in different parts of the Middle East and threats to critical transport and production infrastructure, reinforced the perception of vulnerability of the international energy system. As a result, the market included a high geopolitical premium, causing sharp swings in crude oil and product prices and a significant increase in implied volatility in the financial energy markets. However, as the second quarter progressed, various temporary ceasefire agreements began to be reached and diplomatic de-escalation mechanisms were achieved, which partially reduced the perception of immediate risk. These agreements allowed for more moderate market prices compared to the peaks recorded during episodes of greater tension. In mid-June, some terms of an agreement between the US and Iran were announced, supported by both sides, the detail of which still leaves doubts regarding implementation. The initial market reaction has been a reduction in the risk premium, but the degree of uncertainty is still high. Beyond its direct impact on energy markets, the conflict is generating second-round effects on transport costs, fertilizers, logistics chains and inflation expectations. Against this backdrop, the duration of geopolitical tensions, the evolution of hydrocarbon exports from the region, and the stability of the main maritime routes continue to be determining factors for global economic activity and for the behavior of commodity markets. In addition to this scenario, the conflict between Russia and Ukraine is ongoing, which in 2026 shifted part of its focus to Ukrainian attacks on the Russian refining system and other strategic energy infrastructure. These actions have increased uncertainty regarding the availability of petroleum products, especially in Europe, reinforcing market volatility and the risk of further disruptions in fuel supply chains.

- Inflation and monetary policy. The impact of the conflict in the Middle East on energy prices, and the measures taken by governments in response to the situation, is affecting the evolution of inflation. The conflict in the Middle East has therefore interrupted the monetary easing process planned at the beginning of the year and has forced many central banks to adopt a more cautious stance, especially in the case of the ECB, which already raised the official deposit rate by 25 bps at its meeting on June 11. Against this backdrop, there is a risk that interest rates will remain higher for longer than anticipated, especially if higher energy costs end up being passed on to wages, inflation expectations or final prices. This could maintain relatively tight financial conditions, increase financing costs and increase volatility in the fixed income and currency markets.
- Risks to financial stability. Financial markets continue to be highly sensitive to both the evolution of the conflict in the Middle East and the investment cycle associated with artificial intelligence. While corporate earnings growth continues to support valuations in certain technology segments, an eventual economic slowdown, earnings deterioration, or a prolonged increase in interest rates could lead to episodes of correction and widening of credit spreads.

These events have generated substantial volatility in the global financial and energy markets that have affected the Company's business activities and results. It is difficult to predict to what extent and for how long this volatility will affect future outcomes, or whether there will be a recessionary phase of the global economic cycle.

Venezuela

The Group's total equity exposure[3] in Venezuela on June 30, 2026 amounted to USD -66 million (2025: USD -117 million), which includes mainly the investment in Cardón IV and Petroquiriquire, S.A.:

Equity exposure		2026			2025
$ Million	**Note**	Debt/ Investment	Impairment	Balance	Balance
Other non-current assets [(1)]	13	3,115	(2,625)	490	490
Investments accounted for using the equity method [(2)]	12, 14	(536)	-	(536)	(451)
Other [(3)]		(20)	-	(20)	(156)
TOTAL		**2,559**	**(2,625)**	**(66)**	**(117)**

(1) Mainly includes trade accounts receivable from PDVSA. It also includes accounts receivable for late payment interest of USD 528 million (2025: USD 528 million), for which provisions have been recognized for the full amount.

(2) Cardón IV, S.A. (50%), Petroquiriquire, S.A. (40%) and Petrocarabobo, S.A. (11%). These amounts include accounts receivable from PDVSA for a net amount of USD 400 million (USD 1,521 million of gross debt and USD -1,121 million in provisions, including accounts receivable for late payment interest of USD 482 million, for which provisions have been recognized for the full amount.)
At June 30, 2026 a provision for risks and expenses was recognized corresponding to the negative value of the investments in Cardón IV, S.A. , Petroquiriquire and Petrocarabobo, for an amount of USD 15 million (2025: nil), 514 million (2025: 571 million) and USD 8 million (2025: USD 68 million), respectively, to cover obligations arising from the Group's interests in these entities (see Note 14.1). The negative equity of Petroquiriquire, S.A. includes the financing received from a Repsol affiliate for an amount of USD 472 million, net of provisions, corresponding to the credit facility signed by Petroquiriquire, S.A., the Repsol affiliate and Petróleos de Venezuela, S.A. (PDVSA) in October 2016.

(3) Includes accounts payable to investees.

In total, the accounts receivable (including late payment interest on commercial debt for which provisions have been recognized) correspond to trade receivables from PDVSA amounting to USD 4,636 million (provisions of USD 3,746 million).

The average net production in Venezuela in the first half of the year reached 71.4 thousand barrels of oil equivalent per day (70.5 thousands of barrels of oil equivalent per day during the same period of 2025).

In 2026, the Venezuelan currency sharply depreciated against the U.S. dollar (Bs/USD 623,022 compared to Bs/USD 354,493 at December 31, 2025). The devaluation of the bolivar has not had a significant impact on the Group's financial statements, since the functional currency of most of its subsidiaries in the country is the U.S. dollar.[4] GDP[5] increased by 0.5% in 2026 and inflation remains very high at 544% as of June 30, 2026 (475%[6] at December 31, 2025).

In January and February 2026, the OFAC issued a number of general licenses authorizing operations in Venezuela's hydrocarbons sector, including those involving the Government of Venezuela, PDVSA, or any entity in which PDVSA owns, directly or indirectly, a 50% or greater interest.

3 Equity exposure relates to the value on the Group's balance sheet of net consolidated assets exposed to own risks of the countries reported.
4 The functional currency of Quiriquire Gas is the bolivar (the net book value of the investment is zero, so any effect derived from the conversion to USD is not significant).
5 Source: International Monetary Fund estimate.
6 Values according to the Central Bank of Venezuela (BCV) for 2026 and 2025.

As of the date of these consolidated Financial Statements, the following licenses have been issued: (i) "General License 46", subsequently replaced by "General License 46A", which authorizes the marketing of Venezuelan crude oil and petroleum products by "established U.S. entities"; (ii) "General License 47", which authorizes the necessary transactions related to US-origin diluents in Venezuela; (iii) "General License 48", which authorizes the provision from the United States of goods, technology, software or services for the exploration, production and maintenance of facilities; (iv) "General License 30B", which authorizes the operation and use of ports and airports in Venezuela; (v) "General License 49", which authorizes negotiating and entering into contingent contracts for new investments (including due diligence processes), contingent upon separate authorization from the OFAC; and (vi) "General License 50", subsequently replaced by "General License 50A" and later by "General License 50B", which authorizes activities in the oil and gas sector in Venezuela for the entities and subsidiaries included in its appendix, where Repsol is expressly listed.

In March 2026, the "Agreement to Guarantee the Supply of Natural Gas and the Sustainability of the concession operator Cardón IV, S.A." was signed between the Ministry of the People's Power of Hydrocarbons, PDVSA Petróleo, S.A., PDVSA Gas, S.A., and Cardón IV, S.A. (50% owned by the Group and Eni), with the aim of ensuring the continuity and stability of the supply of natural gas in Venezuela in 2026. This agreement has a term of 12 months (effective from January 1, 2026), with the possibility of being extended for an additional term.

In April, an agreement was signed with the Venezuelan Ministry of Hydrocarbons and PDVSA, with the aim of resuming control of operations in Petroquiriquire (60% PDVSA and 40% the Group), increasing production (by 50% in 12 months and tripling it in three years), guaranteeing future payment mechanisms, and strengthening the operational framework of activities in the country, under the Framework Agreement signed in 2023. This Framework Agreement provides the mechanism to extend the term of the Petroquiriquire field concessions, and the Tomoporo and La Ceiba fields have been included.

In June, the Group signed a memorandum of understanding with the Venezuelan Ministry of Hydrocarbons and PDVSA to analyze the possibility of developing a new area, known as Horcón, located southeast of Lake Maracaibo. The agreement also stated the intention to further analyze gas opportunities on the coast.

In June, a state of emergency was declared after two major earthquakes and numerous aftershocks hit the country, however, the infrastructure associated with the Group's assets did not suffer significant damage.

In July, the following were published in the Official Gazette: (i) Decree No. 5,381, which issues the Regulations of the Organic Hydrocarbons Law; and (ii) Resolution No. 024/2026 of the Ministry of the People's Power of Hydrocarbons, which establishes the rules for determining, declaring and paying royalties and the integrated hydrocarbons tax. These instruments implement the regulatory and fiscal framework provided for in the reform of the Organic Hydrocarbons Law published in January, incorporating provisions on the economic and financial equilibrium of the projects and other regulatory aspects applicable to the industry. As of the date of authorization for issue of these Financial Statements, the Group is still assessing the impacts arising from the application of this rule.

One shipment was received during this half of the year, resulting in actual collections and a corresponding reduction in the credit risk associated with recent invoicing. However, regulatory restrictions and geopolitical uncertainty persist. Given that instability and uncertainty continue in the country, the risk scenarios projected at the end of 2025 remain unchanged. During the period and following the events described above, the Group has recognized provisions for impairment of PDVSA's assets and accounts receivable (with an impact on income before tax of USD 1 million), as well as the value of investments accounted for using the equity method (with an impact on income of USD -154 million).

Against this backdrop, the Group continues to closely monitor the country's political and institutional developments, maintaining direct contact with the US and Venezuelan administrations, in an effort to align the scope of the Group's authorized activities in Venezuela with the objective of contributing to the country's energy development, while adopting the necessary measures in full compliance with the applicable international sanctions regulations.

Bolivia

The Group's equity exposure in Bolivia at June 30, 2026 amounted to USD 399 million (2025: USD 430 million), comprising mainly the value of productive assets - property, plant and equipment and value of the investment using the equity method - at that date.

Average net production in Bolivia in the first half of the year reached 28.7 thousand barrels of oil equivalent per day (29.5 thousand barrels of oil equivalent per day during the same period of 2025).

During the first half of 2026, social pressure and protests (mainly by carriers, traders and the health sector) have continued due to the shortage of dollars, uncertainty in the supply of fuel, and inflation of food and other goods. Cumulative inflation from January to May 2026 is 2.62% compared to 9.95% for the same period in 2025.

Since the new government took office in November 2025, announcements and messages have generated expectations of measures aimed at fiscal stabilization, liquidity recovery and normalization of the exchange rate system. In this regard, the national government has issued several Supreme Decrees that, among other macroeconomic adjustment measures, have led to the partial reduction of the subsidy on liquid fuel prices in the domestic market (liquid fuels and compressed natural gas (CNG), and the implementation of a flexible exchange rate system aimed at preserving the stability of the national currency, contributing to inflation control, the proper functioning of the financial system and the balance of the external sector. These decrees contributed to a reduction in country risk and a unification of the exchange rate, reflecting a relative improvement in economic expectations.

In June, the Ministry of Economy and Finance issued Ministerial Resolution 245 establishing a "flexible exchange rate system" under the responsibility of the Central Bank of Bolivia (BCB). Subsequently, the BCB issued Board Resolution 88/2026 approving the Foreign Exchange Operations Regulations, which was applicable immediately as of its publication.

Although political and economic instability has remained during the first half of the year, there has been a limited improvement in market conditions, mainly attributable to the partial removal of the subsidy for liquid hydrocarbons and compressed natural gas (CNG), which has contributed to reducing some distortions, without yet implying a complete structural adjustment. Against this backdrop, the Group's operations have not been significantly affected.

18.2 Disputes

At June 30, 2026 and December 31, 2025, the Group balance sheet includes provisions for litigation in the ordinary course of its activities totaling USD 4 million (2025: USD 5 million).

At June 30, 2026, the most significant legal or arbitration proceedings and their status as of the date of authorization for issue of these consolidated Financial Statements is summarized below. For tax litigation risks, see Note 20.

Indemnity Claim by Shell

During the first half of 2026, Shell amended its claim in the ongoing indemnity proceedings against Paladin Resources Limited and Woodside Energy Ltd to include the Offshore Petroleum Levy for 2024 and 2025, increasing the total amount claimed to AUD 170.4 million. In addition, the Court established a timetable for the submission of evidence. The proceedings remain at an early stage and management continues to assess the likelihood of an adverse outcome as non-probable.

(19) Financial result

Financial Result	$ Million	
	06/30/2026	**06/30/2025**
Finance income	36	38
Finance expenses	(217)	(172)
Net interest [1]	**(181)**	**(134)**
By interest rate	(7)	(8)
By exchange rate	(27)	140
Change in fair value of financial instruments [2]	**(34)**	**132**
Exchange gains / (losses) [3]	**34**	**(115)**
Impairment of financial instruments [4]	**(1)**	**(2)**
Accretion expenses	(46)	(101)
Interest on leases [5]	(12)	(15)
Other	(5)	(3)
Other finance income and expenses	**(63)**	**(119)**
Borrowing cost capitalized	**82**	**117**
FINANCIAL RESULT	**(163)**	**(121)**

(1) Includes interest income from financial instruments valued at amortized cost.
(2) Includes the results from the valuation and settlement of derivative financial instruments (see Note 9).
(3) Includes the exchange gains and losses generated by the valuation and settlement of monetary items in foreign currency.
(4) Includes impairment losses on loans granted to investments accounted for using the equity method in Venezuela (see Note 7)
(5) Corresponds to the financial discounting of lease liabilities.

The financial result is lower than in the same semester of 2025, mainly due to higher net interest expenses and lower capitalization of project-based interest, which have been partially compensated by lower accretion expenses.

(20) Income tax

Accrued Expense for Income Tax

To estimate the income tax expense accrued during interim periods, the estimated annual effective tax rate is used. However, tax effects arising from non-recurring events or unique transactions occurring during the period are recognized in full in that same period.

The income tax expense so calculated may be subject to revision in subsequent periods as a result of changes in the estimates made.

The effective tax rate applicable to the result before taxes and before the result of companies accounted for using the equity method was -60% in the first half of 2026, corresponding to an income tax expense of USD 716 million. In the first half of 2025, the effective tax rate applicable to that result was -43%, corresponding to an income tax expense of USD 433 million.

The variation in income tax expense between the first half of 2026 and the first half of 2025, amounting to USD -282 million, is mainly attributable to the recognition of lower deferred tax assets related to the Spanish tax deductibility of losses arising from the liquidation of foreign subsidiaries. The variation also reflects the negative impact associated with the devaluation of the Bolivian currency, following the implementation in that country of a flexible exchange rate system, which reduced the USD-denominated amount of future tax depreciation. It is further explained by the absence, in the first half of 2026, of the positive impact from the 2025 divestment in Colombia, which was subject to a reduced tax rate, and by the loss arising from the monetization of tax credits carried out in 2025.

Deferred Taxes

The net deferred tax liability increased by USD 573 million with respect to the prior year-end, mainly as a result of the decrease in deferred tax assets following the sale of Repsol Exploración, S.A.U. and its investees, together with the increase in the valuation allowance recognized on deferred tax assets related to the Spanish tax deductibility of losses arising from the liquidation of foreign subsidiaries.

Government and legal proceedings with tax implications

The following updates the information contained in Note 22.5 of the 2025 Consolidated Annual Accounts of the Upstream Group, with the following developments:

- Brazil. Regarding the claim filed against the tax assessment arising from the 2020 tax audit report concerning the transfer pricing adjustment applied to the contracting of drilling and extraction platforms by Repsol Sinopec Brasil S.A., a favorable administrative decision has been issued at first instance. This decision has been appealed by the tax authorities.

(21) Earnings per share

The earnings per share at June 30, 2026 and December 31, 2025 are detailed below:

Earnings per share	06/30/2026	06/30/2025
Net income attributed to the parent ($ Million)	484	578
Weighted average number of shares outstanding (million of shares)	2.60	2.60
Basic and diluted earnings per share (dollar/share)	**186.15**	**222.31**

CASH FLOWS

(22) Cash flows

	$ Million	
	06/30/2026	**06/30/2025**
Cash flows from operating activities	1,526	966
Cash flows from investing activities	(918)	(752)
Cash flows from financing activities	(670)	(370)
Exchange rate fluctuations effect	-	(4)
Net increase / (decrease) in cash and cash equivalents	**(62)**	**(160)**
Cash and cash equivalents at beginning of period	181	358
Cash and cash equivalents at end of period	119	198

During the first semester of 2026, the cash flows from operating activities amounted to USD 1,526 million, compared to USD 966 million in the first half of 2025. The increase in the cash flows from operating activities is mainly explained by higher crude oil prices and the increase of dividends received from investees.

In the period, cash flows from investing activities reflects a net outflow of USD 918 million. This outflow is explained mainly by:

- payments for investments in "Property, plant and equipment, intangible assets and others" amounted to USD 819 million), of which USD 705 million reflect the development activities mainly in Alaska, Eagle Ford, Gulf of America and Marcellus, while USD 114 million mainly attributable to an increase in the tax collection rights in the U.S. (Alaska Petroleum Tax);
- payments for investments in "Other financial assets" reflects the increase of the deposit with Repsol Europe Finance S.à r.l., and
- proceeds from divestments in "Group companies and associates" (USD 284 million) mainly reflect the sale of the Group's interest in Repsol Exploración, S.A.U. (see Note 17.4).

Cash flows from financing activities amounted to an outflow of USD 670 million in the first half of 2026, compared to an outflow of USD 370 million in the same period of 2025. The higher net outflow primarily reflects lower proceeds from financing activities, partially offset by a reduction in distributions to shareholders.

OTHER DISCLOSURES

(23) Related party transactions

The Upstream Group carries out transactions with related parties on an arm's length basis. The transactions performed by Repsol E&P, S.à r.l. with its Group companies and those performed by the Group companies among themselves form part of the Group's ordinary course of business in terms of their purpose and conditions.

The main variances in Income and expenses recognized at June 30, 2026 and June 30, 2025 with related parties are predominantly concentrated in Joint ventures as follows:

Revenue and expenses *$ Million*	06/30/2026				06/30/2025			
	People, companies or entities within the Group	Significant share-holders	Other related parties	**Total**	People, companies or entities within the Group	Significant share-holders	Other related parties	**Total**
Financial expenses	38	2	106	**146**	2	2	179	**183**
Services received	1	60	73	**134**	1	54	12	**67**
Purchase of goods	-	-	10	**10**	-	-	6	**6**
R & D expenses	-	2	-	**2**	-	3	-	**3**
Other expenses [1]	(1)	3	-	**2**	142	7	1	**150**
TOTAL EXPENSES	**38**	**67**	**189**	**294**	**144**	**66**	**198**	**408**
Financial income	31	-	4	**35**	32	-	-	**32**
Sale of goods [2]	-	-	1,507	**1,507**	-	-	1,060	**1,060**
Other revenue	12	7	10	**29**	2	6	33	**41**
TOTAL REVENUE	**43**	**7**	**1,521**	**1,571**	**34**	**6**	**1,093**	**1,133**

(1) Includes mainly provisions for credit risks on trade and other receivables and financial instruments (see Note 9.3 and Note 18.2).
(2) Includes mainly sales of natural gas to Repsol Energy North América Corporation.

The main variances in Balances recognized at June 30, 2026 and June 30, 2025 with related parties are mainly concentrated in Other related parties as follows:

Closing Balances *$ Million*	06/30/2026				06/30/2025			
	People, companies or entities within the Group	Significant share-holders	Other related parties	**Total**	People, companies or entities within the Group	Significant share-holders	Other related parties	**Total**
Trade and other receivables	37	94	345	**476**	52	120	191	**363**
Loans and credit facilities granted	691	-	599	**1,290**	602	-	423	**1,025**
Other receivables	**-**		**2**	**2**				
TOTAL BALANCES RECEIVABLE	**728**	**94**	**946**	**1,768**	**654**	**120**	**614**	**1,388**
Suppliers and trade payables	70	31	29	**130**	299	73	-	**372**
Loans and credit facilities received [1]	1,398	-	3,752	**5,150**	3	-	6,300	**6,303**
Other payment obligations	1	-	-	**1**	-	-	6	**6**
TOTAL BALANCES PAYABLE	**1,469**	**31**	**3,781**	**5,281**	**302**	**73**	**6,306**	**6,681**

(1 For more information on these balances, see Note 6.3.

The main variance in the first semester of 2026 is due to the increase of the deposit held with Repsol Europe Finance S.à r.l. (increase of USD 436 million in comparison to December 31, 2025).

(24) Subsequent events

In relation to the events that took place in Venezuela during the second half of the year and up to the date of authorization for issue of these Interim Financial Statements, see Note 18.1.

APPENDIX

Appendix I: Changes in the scope of consolidation.

The main changes in the Group's composition during the first six months of 2026 are as follows:

a) Business combinations, other acquisitions and increases of interest in subsidiaries, joint ventures and/or investments in associates:

						06/30/2026	
						%	
Name	**Parent company**	**Country**	**Description**	**Date**	**Consolidation method [1]**	**% Voting rights acquired**	**% Total voting rights after acquisition [2]**
Repsol E&P Petroquiriquire, S.A.U.	Repsol E&P Latam, S.L.U.	Spain	Incorporation	June	F.C.	100.00	100.00
Repsol E&P Petrocarabobo, S.A.U.	Repsol E&P Latam, S.L.U.	Venezuela	Incorporation	June	F.C.	100.00	100.00

[1] Method of consolidation:
F.C.: Full consolidation
E.M.: Equity method. Joint Ventures are identified as "JV".
[2] Percentage corresponding to the sum of direct shareholdings of Group companies in the entity.

b) Reduction of interest in subsidiaries, joint ventures and/or investments in associates and other similar transactions:

						06/30/2026	
						%	
Name	**Parent company**	**Country**	**Description**	**Date**	**Consolidation method [1]**	**% Voting rights disposed of or derecognized**	**% Total voting rights after disposal [2]**
Neo Next + Energy, Limited [3]	Talisman Colombia Holdco Limited	United Kingdom	Share reduction	March	E.M.	21.37	23.63
Repsol Exploración South East Jambi, BV	Repsol Exploración, S.A.U.	Netherlands	Dissolution	April	F.C.	100.00	0.00
Talisman East Jabung, BV	Repsol Exploración, S.A.U.	Netherlands	Dissolution	April	F.C.	100.00	0.00
Repsol Exploración, S.A.U.	Repsol E&P S.à r.l.	Spain	Disposal	June	F.C.	100.00	0.00
Repsol Investigaciones Petrolíferas, SA	Repsol Exploración, S.A.U.	Spain	Disposal	June	F.C.	100.00	0.00
Repsol Exploración Tobago, SA	Repsol Exploración, S.A.U.	Spain	Disposal	June	F.C.	100.00	0.00
Repsol Venezuela, SA	Repsol Exploración, S.A.U.	Venezuela	Disposal	June	F.C.	100.00	0.00
Repsol Exploración Guyana, SA	Repsol Exploración, S.A.U.	Spain	Disposal	June	F.C.	100.00	0.00
Repsol Exploración South Sakakemang, SL	Repsol Exploración, S.A.U.	Spain	Disposal	June	F.C.	100.00	0.00
Talisman Asia, Ltd	Repsol Exploración, S.A.U.	Canada	Disposal	June	F.C.	100.00	0.00
Repsol Colombia Oil & Gas Limited	Repsol Exploración, S.A.U.	Canada	Disposal	June	F.C.	100.00	0.00
Talisman Jambi Merang, Ltd	Repsol Exploración, S.A.U.	United Kingdom	Disposal	June	F.C.	100.00	0.00
Talisman Sageri, Ltd	Repsol Exploración, S.A.U.	Canada	Disposal	June	F.C.	100.00	0.00
Repsol Andaman, BV	Repsol Exploración, S.A.U.	Netherlands	Disposal	June	F.C.	100.00	0.00
Repsol Oil&Gas Australasia Pty, Ltd	Repsol Exploración, S.A.U.	Australia	Disposal	June	F.C.	100.00	0.00
Repsol Exploración Murzuq, SA	Repsol Exploración, S.A.U.	Spain	Disposal	June	F.C.	100.00	0.00
Repsol OCP de Ecuador, SA	Repsol Exploración, S.A.U.	Spain	Disposal	June	F.C.	100.00	0.00

[1] Method of consolidation:
F.C.: Full consolidation
E.M.: Equity method
[2] Percentage corresponding to the sum of direct shareholdings of Group companies in the entity.
[3] This company was formerly known as Neo Next Energy, Ltd. The change took place in March 2026.