



**Kosmos Energy GTA Holdings
Audited Annual Financial Statements
December 31, 2025**

**Report of the Board of Directors
For the year ended December 31, 2025**

Management hereby presents and approves their report and the audited consolidated financial statements of Kosmos Energy GTA Holdings for the year ended December 31, 2025.



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Report of Independent Auditors

To the Shareholders of Kosmos Energy GTA Holdings

Opinion

We have audited the consolidated financial statements of Kosmos Energy GTA Holdings (the Company), which comprise the consolidated balance sheet as of December 31, 2025, and the related consolidated statement of operations and cash flows for the year then ended, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the

aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Ernst + Young LLP

April 30, 2026

Kosmos Energy GTA Holdings
Consolidated Balance Sheet
(In thousands, except share data)

	December 31, 2025
Assets	
Current assets:	
Cash and cash equivalents	\$ 32,299
Receivables	21,347
Inventories	2,450
Prepaid expenses and other	75
Total current assets	56,171
Property and equipment, net	1,907,393
Other assets:	
Long-term receivables	437,101
Total assets	\$ 2,400,665
 Liabilities and stockholders' equity	
Current liabilities:	
Accounts payable	\$ 24,617
Related party payable	18,338
Accrued liabilities	3,764
Total current liabilities	46,719
Long-term liabilities:	
Related party note payable	313,001
Asset retirement obligations	17,139
Total long-term liabilities	330,140
Stockholders' equity:	
Common shares, par value \$1.00; 50,000 shares authorized; 1 share issued at December 31, 2025	-
Additional paid-in capital	2,436,726
Retained earnings (accumulated deficit)	(412,920)
Total stockholders' equity	2,023,806
Total liabilities and stockholders' equity	\$ 2,400,665

See accompanying notes.

Kosmos Energy GTA Holdings
Consolidated Statement of Operations
(In thousands)

	Twelve Months Ended December 31, 2025
Revenues and other income:	
Oil and gas revenue	\$ 117,197
Total revenues and other income	117,197
Costs and expenses:	
Oil and gas production	237,577
Exploration expenses	149,139
General and administrative	5,910
General and administrative - related party	2,868
Depletion, depreciation and amortization	67,134
Interest and other financing costs, net	(34,572)
Interest and other financing costs, net - related party	23,000
Other expenses, net	3,168
Total costs and expenses	454,224
(Loss) before income taxes	\$ (337,027)
Income tax expense	-
Net (loss)	\$ (337,027)

See accompanying notes.

Kosmos Energy GTA Holdings
Consolidated Statement of Cash Flows
(In thousands)

	Twelve Months Ended December 31, 2025
Operating activities	
(Loss) before income taxes	\$ (337,027)
Adjustments to reconcile income (loss) to net cash (used in) operating activities:	
Depletion, depreciation and amortization (including deferred financing costs)	67,134
Unsuccessful well costs and leasehold impairments	143,675
Other	(10,047)
Changes in assets and liabilities:	
Decrease in receivables	13,195
Decrease in inventories and prepaid expenses	11,192
Increase due to/from related party	3,977
(Decrease) in accounts payable and accrued liabilities	(110,403)
Net cash (used in) operating activities	(218,304)
Investing activities	
Oil and gas assets	(67,146)
Notes receivable and other investing activities	(75,331)
Net cash (used in) investing activities	(142,477)
Financing activities	
Borrowings under related party note	305,500
Payments on related party note	(7,500)
Capital contributions from parent company	69,935
Net cash provided by financing activities	367,935
Net increase in cash, cash equivalents and restricted cash	7,154
Cash, cash equivalents and restricted cash at beginning of period	25,145
Cash, cash equivalents and restricted cash at end of period	\$ 32,299

See accompanying notes.

Kosmos Energy GTA Holdings

Notes to Consolidated Financial Statements

1. Organization

Kosmos Energy GTA Holdings (the “Company” or “KEGTAH”) is a limited liability company incorporated in the Cayman Islands in November 2025. The Company is a wholly owned subsidiary within our ultimate parent’s (Kosmos Energy Ltd. (“KEL”)) consolidated group. The purpose of the Company is to hold KEL’s interests related to and located in Mauritania and Senegal, including the Greater Tortue Ahmeyim (“GTA”) natural gas development, an offshore liquefied natural gas (“LNG”) project located offshore Mauritania and Senegal. As a holding company, all management operations are conducted through an affiliate company wholly-owned by KEL. The terms “Kosmos,” the “Company,” “we,” “our,” “ours,” and similar terms refer to KEGTAH and its wholly-owned subsidiaries, unless the context indicates otherwise.

The Company’s activities are focused on the exploration, development, production and sale of natural gas and LNG. Substantially all of our long-lived assets and all of our product sales are related to operations Mauritania and Senegal.

The Greater Tortue Ahmeyim Field, discovered by the Tortue-1 well in May 2015 (in Mauritania Block C8) and by the Guembeul-1 well in January 2016 (in the Senegal Saint-Louis Offshore Profond Block) covers an area within both the C8 and Saint-Louis Offshore Profond Blocks. BP Mauritania and BP Senegal are co-Unit Operator and allocate responsibilities for the initial development of the Greater Tortue Ahmeyim Field. Kosmos’ interest in the Greater Tortue Ahmeyim Unit is 26.8% in Mauritania and 26.7% in Senegal and is subject to redetermination of the participating interests pursuant to the terms of the GTA UUOA. In February 2019, Mauritania and Senegal each issued an exploitation authorization for the Greater Tortue Ahmeyim Unit area covered by the GTA UUOA granting the partnership the right to develop and produce gas for an initial period of twenty-five years in Senegal, or 2044, and thirty years in Mauritania, or 2049. The exploitation authorizations may be extended by up to twenty years in Senegal and up to ten years in Mauritania.

The Greater Tortue Ahmeyim Phase 1 project is designed to produce gas from a deepwater subsea system to a mid-water FPSO, which processes the gas to make it liquefaction ready, and sends the gas through a pipeline to a FLNG facility. The FLNG facility is protected behind a nearshore hub (which serves as a breakwater and LNG terminal) and is located on the Mauritania and Senegal maritime border. The FLNG facility for Phase 1 is designed to produce at a nameplate capacity of approximately 2.7 million tons per annum.

First gas production from the subsea system was achieved on December 31, 2024. First LNG was achieved in February 2025 and the first gross LNG cargo was successfully exported in April 2025. Eighteen and a half gross LNG cargos and one condensate cargo were lifted in 2025. The Gimi FLNG vessel Commercial Operations Date was achieved in the second quarter of 2025 with successful ramp-up to the daily contracted sales volume level under the Tortue Phase 1 SPA, equivalent to approximately 2.45 million tonnes per annum. Additionally, the Gimi FLNG vessel operated at nameplate capacity in December 2025, reaching a peak production rate of approximately 3.0 million tonnes per annum. Further phases of GTA are expected to increase production through the full utilization of the existing infrastructure.

2. Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and are presented in U.S. dollars. All amounts are stated in thousands, unless otherwise indicated.

The consolidated financial statements include the accounts of Kosmos Energy GTA Holdings and its wholly-owned subsidiaries. They also include the Company’s share of the undivided interest in certain assets, liabilities, revenues and expenses. All intercompany transactions have been eliminated.

Investments in companies that are partially owned by the Company are integral to the Company's operations. The other parties, who also have an equity interest in these companies, are independent third parties that share in the business results according to their ownership. Kosmos does not invest in these companies in order to remove liabilities from its balance sheet.

Subsequent events have been evaluated through April 30, 2026, the date the Company's financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosures of contingent assets and liabilities. These estimates could change materially if different information or assumptions were used. We base our assumptions and estimates on historical experience and other sources that we believe to be reasonable at the time. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents includes demand deposits and funds invested in highly liquid instruments with original maturities of three months or less at the date of purchase.

Receivables

Our receivables consist of oil and gas sales, related party and other receivables. Receivables are stated at amounts due, net of any allowances for doubtful accounts. As required by ASU 2016-13, "Measurement of Credit Losses on Financial Instruments", we determine our allowance based on historical experience, current conditions and reasonable and supportable forecasts by considering the length of time past due, future net revenues of the debtor's ownership interest in oil and natural gas properties we operate, and the owner's ability to pay its obligation, among other things. We had no allowance for doubtful accounts as of December 31, 2025.

Inventories

Inventories primarily consisted of \$2.4 million of hydrocarbons as of December 31, 2025. Hydrocarbon inventory is carried at the lower of cost, using the weighted average cost method, or net realizable value. Hydrocarbon inventory costs include expenditures and other charges incurred in bringing the inventory to its existing condition. Selling expenses and general and administrative expenses are reported as period costs and excluded from inventory costs.

Exploration and Development Costs

The Company follows the successful efforts method of accounting for its oil and gas properties. Acquisition costs for proved and unproved properties are capitalized when incurred. Costs of unproved properties are transferred to proved properties when a determination that proved reserves have been found. Exploration costs, including geological and geophysical costs and costs of carrying unproved properties, are expensed as incurred. Exploratory drilling costs are capitalized when incurred. If exploratory wells are determined to be commercially unsuccessful or dry holes, the applicable costs are expensed and recorded in exploration expense on the consolidated statement of operations. Costs incurred to drill and equip development wells, including unsuccessful development wells, are capitalized. Costs incurred to operate and maintain wells and equipment and to lift oil and natural gas to the surface are expensed as oil and gas production expense.

The Company evaluates unproved property periodically for impairment. The impairment assessment considers results of exploration activities, commodity price outlooks, planned future sales or expiration of all or a portion of such projects. If it is determined that future appraisal drilling or development activities are unlikely to occur, the associated capitalized costs are recorded as exploration expense in the consolidated statement of operations.

Depletion, Depreciation and Amortization

Proved properties and support equipment and facilities are depleted using the unit-of-production method based on estimated proved oil and gas reserves. Capitalized exploratory drilling costs that result in a discovery of proved reserves and development costs are depleted using the unit-of-production method based on estimated proved developed oil and gas reserves for the related field.

Depreciation and amortization of other property is computed using the straight-line method over the assets' estimated useful lives (not to exceed the lease term for leasehold improvements), ranging from one to eight years.

	<u>Years Depreciated</u>
Leasehold improvements	1 to 8
Office furniture, fixtures and computer equipment	3 to 7

Amortization of deferred financing costs is computed using the straight-line method over the life of the related debt.

Capitalized Interest

Interest costs from external borrowings are capitalized on major projects with an expected construction period of one year or longer. Capitalized interest is added to the cost of the underlying asset and is depleted on the unit-of-production method in the same manner as the underlying assets.

Asset Retirement Obligations

The Company accounts for asset retirement obligations as required by ASC 410 — Asset Retirement and Environmental Obligations. Under these standards, the fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. If a reasonable estimate of fair value cannot be made in the period the asset retirement obligation is incurred, the liability is recognized when a reasonable estimate of fair value can be made. If a tangible long-lived asset with an existing asset retirement obligation is acquired, a liability for that obligation is recognized at the asset's acquisition or in service date. In addition, a liability for the fair value of a conditional asset retirement obligation is recorded if the fair value of the liability can be reasonably estimated. We capitalize the asset retirement costs by increasing the carrying amount of the related long-lived asset by the same amount as the liability. We record increases in the discounted abandonment liability resulting from the passage of time in depletion, depreciation and amortization in the consolidated statement of operations. Estimating the future restoration and removal costs requires management to make estimates and judgments because most of the removal obligations are many years in the future and the regulations in some countries that we operate often have vague descriptions of what constitutes removal. Additionally, asset removal technologies and costs are constantly changing, as are regulatory, political, environmental, safety and public relations considerations.

Inherent in the present value calculation are numerous assumptions and judgments including the ultimate settlement amounts, inflation factors, credit adjusted discount rates, timing of settlement and changes in the legal, regulatory, environmental and political environments. To the extent future revisions to these assumptions impact the present value of the existing asset retirement obligations, a corresponding adjustment is made to the oil and gas property balance.

Impairment of Long-lived Assets

We review our long-lived assets for impairment when changes in circumstances indicate that the carrying amount of an asset may not be recoverable. ASC 360 — Property, Plant and Equipment requires an impairment loss to be recognized if the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. That assessment shall be based on the carrying amount of the asset at the date it is tested for recoverability, whether in use or under development. Assets to be disposed of and assets not expected to provide any future service potential to us are recorded at the lower of carrying amount or fair value. Oil and gas properties are grouped in accordance with ASC 932 — Extractive Activities-Oil and Gas. The basis for grouping is a reasonable aggregation of properties typically by field or by logical grouping of assets with significant shared infrastructure.

For long-lived assets whereby the carrying value exceeds the estimated future undiscounted cash flows, the carrying amount is reduced to fair value. Fair value is generally estimated using the income approach described in the ASC 820 — Fair Value Measurement. If applicable, we utilize prices and other relevant information generated by market transactions involving assets and liabilities that are identical or comparable to the item being measured as the basis for determining fair value. The expected future cash flows used for impairment reviews and related fair value measurements are typically based on judgmental assessments of future production, pricing estimates, capital and operating costs, market-based weighted average cost of capital, and risk adjustment factors applied to reserves. These assumptions are applied to develop future cash flow projections that are then discounted to estimated fair value, using a market-based weighted-average cost of capital.

We believe the assumptions used in our analysis to test for impairment are appropriate and result in a reasonable estimate of future cash flows and fair value. Kosmos has consistently used an average of third-party industry forecasts to determine our pricing assumptions. Where unproved reserves exist, an appropriately risk-adjusted amount of these reserves may be included in the evaluation.

Estimates of Proved Oil and Gas Reserves

Reserve quantities and the related estimates of future net cash flows affect our periodic calculations of depletion and assessment of impairment of our oil and natural gas properties. Proved oil and gas reserves are the estimated quantities of crude oil, natural gas and natural gas liquids that geological and engineering data demonstrate with reasonable certainty to be recoverable in future periods from known reservoirs under existing economic and operating conditions. Proved reserve quantities and future cash flows are estimated by independent petroleum engineering consultants and prepared in accordance with guidelines established by the SEC and the FASB. The accuracy of these reserve estimates is a function of:

- the engineering and geological interpretation of available data;
- estimates of the amount and timing of future operating cost, production taxes, development cost and workover cost;
- the accuracy of various mandated economic assumptions; and
- the judgments of the persons preparing the estimates.

Revenue Recognition

We recognize revenues on the volumes of hydrocarbons sold to a purchaser. The volumes sold may be more or less than the volumes to which we are entitled based on our ownership interest in the property. These differences result in a condition known in the industry as a production imbalance. A receivable or liability is recognized only to the extent that we have an imbalance on a specific property greater than the expected remaining proved reserves on such property. As of December 31, 2025, we had no oil and gas imbalances recorded in our consolidated financial statements.

Our oil and gas revenues are recognized when hydrocarbons have been sold to a purchaser at a fixed or determinable price, title has transferred and collection is probable. Certain revenues are based on contracts with provisional pricing and quantity optionality which contain a derivative that is separated from the host contract for accounting purposes. The host contract is the receivable from sales at the spot price on the date of sale. The derivative, which is not designated as a hedge, is marked to market through oil and gas revenue each period until the final settlement occurs, which generally is limited to the month of or month after the sale.

Oil and gas revenue is composed of the following:

	Year Ended December 31, 2025
	(In thousands)
Revenues from contracts with customers	\$ 116,800
Provisional sales contracts	397
Oil and gas revenue	<u>\$ 117,197</u>

Income Taxes

The Company accounts for income taxes as required by ASC 740 — Income Taxes. Under this method, deferred income taxes are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized. On a quarterly basis, management evaluates the need for and adequacy of valuation allowances based on the expected realizability of the deferred tax assets and adjusts the amount of such allowances, if necessary.

We recognize tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained upon examination by the tax authorities, based on the technical merits of the position. Accordingly, we measure tax benefits from such positions based on the most likely outcome to be realized.

Foreign Currency Translation

The U.S. dollar is the functional currency for all of the Company's material foreign operations. Foreign currency transaction gains and losses and adjustments resulting from translating monetary assets and liabilities denominated in foreign currencies are included in other expenses. Cash balances held in foreign currencies are not significant, and as such, the effect of exchange rate changes is not material to any reporting period.

Concentration of Credit Risk

Our revenue can be materially affected by current economic conditions and the price of oil and natural gas. The economic disruption resulting from Russia's continued war in Ukraine, ongoing instability in the Middle East and Latin America, a potential global recession, inflationary pressures and other varying macroeconomic conditions could materially impact the Company's business in future periods. Any potential disruption will depend on the duration and intensity of these events, which are highly uncertain and cannot be predicted at this time.

In Mauritania and Senegal, we sell our entitlement share of LNG production from the Greater Tortue Ahmeyim Field free on board ("FOB") under the Tortue Phase 1 SPA with BP Gas Marketing ("BPGM"), a subsidiary of BP International Ltd., which was signed in February 2020. The annual contract quantity under the Tortue Phase 1 SPA is 127,951,000 MMBtu (the "ACQ") which is equivalent to approximately 2.45 million tonnes per annum, subject to limited downward adjustment by the sellers. The sales price for LNG under the Tortue Phase 1 SPA is set as a percentage of a crude oil price benchmark for the ACQ volumes (the "ACQ Sales Price"). The Tortue Phase 1 SPA has an initial term through the end of 2033, which can be extended by a further ten years at the sellers' option. As provided under the GTA UUOA and the C8 and Saint-Louis Offshore Profound petroleum contracts, we are entitled to lift and sell our share of condensate production from the Greater Tortue Ahmeyim Field. Condensate cargos are typically sold to purchasers with the sale taking place offshore Mauritania and Senegal on the spot market. LNG volumes in excess of the annual contract quantity of 2.45 mtpa associated with existing infrastructure are also sold to BPGM.

All of our oil and gas sales for the year ended December 31, 2025 were to BPGM under the Greater Tortue Ahmeyim Agreement for a Long-Term Sale and Purchase of LNG (Tortue Phase 1 SPA).

Recent Accounting Standards

Recently Adopted

In December 2023, the FASB issued ASU 2023-09, "Improvements to Income Tax Disclosures (Topic 740)." The amendments focus on income tax disclosures around effective tax rates and cash income taxes paid. The amendments in the ASU are effective for annual periods beginning after December 15, 2024 and were adopted on a retrospective basis for all periods presented in the financial statements. See Note 8 — Income Taxes.

Not Yet Adopted

In November 2024, FASB issued ASU 2024-03, “Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses”. The amendments in ASU 2024-03 require more detailed disclosures about specified categories of costs and expenses included in certain expense captions presented on the face of the income statement. This ASU is effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company is currently assessing the impact of this standard on its financial statement disclosures.

In November 2024, the FASB issued ASU 2024-04, “Debt - Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments.” The amendments in ASU 2024-04 clarify the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion. The amendments in the ASU are effective for annual periods beginning after December 15, 2025. Early adoption is permitted, however, we do not plan to early adopt ASU 2024-04. The Company is currently assessing the impact this standard will have on its consolidated financial statements.

3. Receivables

Receivables consisted of the following:

	<u>December 31, 2025</u>
	<u>(In thousands)</u>
Joint interest billings, net	\$ 71
Oil and gas sales	14,846
Other current receivables	<u>6,430</u>
Total receivables	\$ 21,347
<hr/>	
Long-term receivables	<u>\$ 437,101</u>

Long-term receivables

In February 2019, Kosmos and BP signed Carry Advance Agreements with the national oil companies of Mauritania and Senegal obligating us to finance a portion of the respective national oil companies’ share of certain development and production costs incurred for the GTA Phase 1 project through the Commercial Operations Date of the Gimi FLNG vessel. The Commercial Operations Date was achieved in June 2025 following the successful ramp-up to the daily contracted sales volume level under the Tortue Phase 1 SPA, equivalent to approximately 2.45 million tonnes per annum. As of December 31, 2025, the principal balance due from the national oil companies was \$355.5 million, which is classified as Long-term receivables in our consolidated balance sheet. As of December 31, 2025, accrued interest on the balance due from the national oil companies was \$81.6 million, which is classified as Long-term receivables in our consolidated balance sheet. Interest income on the long-term notes receivable was \$25.0 million for the year ended December 31, 2025.

4. Property and Equipment

Property and equipment is stated at cost and consisted of the following:

	<u>December 31, 2025</u> (In thousands)
Oil and gas properties:	
Proved properties	\$ 1,972,219
Unproved properties	680
Total oil and gas properties	1,972,899
Accumulated depletion	(65,551)
Oil and gas properties, net	1,907,348
Other property	917
Accumulated depreciation	(872)
Other property, net	45
Property and equipment, net	<u>\$ 1,907,393</u>

We recorded depletion expense of \$65.6 million and depreciation expense of \$61.7 thousand in our consolidated statement of operations for the year ended December 31, 2025.

Additions to our proved properties during the year ended December 31, 2025 primarily related to development costs associated with the first phase of the GTA development. Additionally, the current phase of the Cayar Offshore Profound Block exploration license is set to expire in July 2026. Accordingly, during the year ended December 31, 2025, we wrote off \$143.7 million of unproved property costs associated with the Yakaar and Teranga discoveries to exploration expense in our consolidated statement of operations.

5. Debt

In January 2026, the Company issued \$350.0 million of 11.250% senior secured bonds due 2031 in the Nordic market (the “GTA Nordic bonds”). In February 2026, Kosmos used a portion of the net proceeds from the offering to fund the repurchase of an aggregate principal amount of \$182.5 million of the 7.750% Senior Notes pursuant to the Company’s cash tender offer announced on January 12, 2025 and to make a voluntary early principal repayment of \$100.0 million on outstanding borrowings under the Facility, with the remaining proceeds to be used for future retirements of the 7.750% Senior Notes due 2027.

The GTA Nordic bonds mature in January 2031. Interest is payable semi-annually in arrears each July 29 and January 29, commencing on July 29, 2026. The GTA Nordic bonds were issued by Kosmos Energy GTA Holdings, a wholly-owned subsidiary of Kosmos Energy Ltd., and are fully and unconditionally guaranteed by the Company and the Company’s wholly-owned subsidiaries, Kosmos Energy Tortue Finance, Kosmos Energy Senegal, Kosmos Energy Investments Senegal Limited and Kosmos Energy Mauritania. The GTA Nordic bonds are also guaranteed on an unsecured basis by certain of the Company’s subsidiaries that also guarantee the Company’s existing senior unsecured notes.

At any time prior to July 29, 2028, the Company may, on any one or more occasions, redeem all or part of the GTA Nordic bonds at a redemption price equal to 100%, plus any accrued and unpaid interest, and plus a “make-whole” premium. On and after July 29, 2028, the Company may redeem all or part of the GTA Nordic bonds at the following redemption prices (expressed as a percentage of principal amount), plus accrued and unpaid interest, if any, on the notes redeemed:

Year	Percentage
July 29, 2028 to, but not including, July 29, 2029	105.625 %
July 29, 2029 to, but not including, January 29, 2030	103.375 %
January 29, 2030 and thereafter	100.000 %

If the Company’s shares are no longer listed on the New York Stock Exchange or upon the occurrence of a change of control event, as defined in the Bond Terms for the GTA Nordic bonds, each Nordic bondholder shall have a right to require that the Company repurchase all or some of the GTA Nordic bonds held by that Nordic bondholder (a “Put Option”) at a repurchase price equal to 101% of the principal amount, plus accrued and unpaid interest to, but excluding, the date of repurchase. If more than 90% of the outstanding GTA Nordic bonds have been repurchased as a result of the exercise of the Put Option, the Company will be entitled to repurchase all the remaining GTA Nordic bonds at a price equal to 101% of the principal amount.

The Bond Terms governing the GTA Nordic bonds restrict the ability of Kosmos Energy GTA Holdings, Kosmos Energy Tortue Finance, Kosmos Energy Senegal, Kosmos Energy Investments Senegal Limited and Kosmos Energy Mauritania to, among other things: incur or guarantee additional indebtedness, create liens, sell assets, enter into transactions with affiliates, or effect certain consolidations, mergers or amalgamations.

The Bond Terms governing the GTA Nordic bonds also require Kosmos Energy GTA Holdings to maintain certain financial covenants including:

- Minimum Liquidity (as defined in the Bond Terms) of not less than \$17.5 million or 5% of the outstanding GTA Nordic bonds, whichever is greater; and
- an Asset Coverage Ratio (as defined in the Bond Terms) of at least 1.25x.

6. Related Party Transactions

In 2025, the Company entered into a note payable agreement with related party Kosmos Energy Delaware Holdings, LLC (“KEDH”), a wholly owned subsidiary of KEL, and received proceeds totaling \$305.5 million. The related party note payable is due the earlier of i) demand for payment by KEDH and ii) the final maturity date of March 31, 2035. Interest accrues at a commercial interest rate as indicated by annual transfer pricing study, which was 10% for 2025. Interest expense on the related party note payable for the year ended December 31, 2025 totaled \$23.0 million, with cash payments for interest totaling \$8.0 million and \$15.0 million added to the note payable principal balance to KEDH at December 31, 2025. As of December 31, 2025, outstanding borrowings under the related party note payable totaled \$313.0 million. There were no additional outstanding related party notes payable as of December 31, 2025. Additional borrowings on other related party notes payable during the year ended December 31, 2025 totaled \$7.5 million with repayments on other related party notes payable for the year ended December 31, 2025 totaling \$7.5 million. The related party note payable agreement with Kosmos Energy Delaware Holdings was settled in January 2026.

The Company also maintains related party payables with KEL and its’ wholly-owned subsidiaries related to services performed by Kosmos Energy LLC, on behalf of KEGTAH, including advances and management and support services provided by the related party affiliates. As of December 31, 2025, amounts due were \$18.3 million.

7. Asset Retirement Obligations

The following table summarizes the changes in the Company’s asset retirement obligations:

	December 31, 2025
	(In thousands)
Asset retirement obligations:	
Beginning asset retirement obligations	\$ 15,618
Liabilities incurred during period	-
Liabilities settled during period	-
Revisions in estimated retirement obligations	-
Accretion expense	1,521
Ending asset retirement obligations	<u>\$ 17,139</u>

The asset retirement obligations reflect the estimated present value of the amount of dismantlement, removal, site reclamation, and similar activities associated with our oil and gas properties. The Company utilizes current cost experience to estimate the expected cash outflows for retirement obligations. The Company estimates the ultimate productive life of the properties, a risk-adjusted discount rate, and an inflation factor in order to determine the current present value of this obligation. To the extent future revisions to these assumptions impact the present value of the existing asset retirement obligation, a corresponding adjustment is made to the oil and gas property balance. The asset retirement obligations as of December 31, 2025 are related to the Greater Tortue Ahmeyim Phase 1 development project in Mauritania and Senegal.

8. Income Taxes

In accordance with ASC 740 — Income Taxes, we provide for income taxes based on the laws and rates in effect in the countries in which our operations are conducted. The relationship between our pre-tax income or loss from continuing operations and our income tax expense or benefit varies from period to period as a result of various factors which include changes in total pre-tax income or loss, the jurisdictions in which our income (loss) is earned and the tax laws in those jurisdictions.

Our reconciliation of income tax expense (benefit) computed by applying our statutory rate and the reported effective tax rate on income or (loss) from continuing operations is as follows. The reconciliation has been prepared in accordance with the disclosure requirements of “ASU 2023-09, Income Taxes” Improvements to income tax disclosures and ASC 740-10-50-12 to apply the U.S. statutory rate given the 0% tax rate in the Cayman Islands.

	December 31, 2025	
	Amount	Percentage
(In thousands, except percentages)		
Profit before taxes	\$ (337,027)	
United States federal tax rate	21%	
Tax at United States federal tax	(70,776)	21%
Mauritania		
Foreign operations taxed at a different rate	(5,632)	2%
Change in Valuation Allowance	17,321	(5%)
Other	8,025	(2%)
Senegal		
Foreign operations taxed at a different rate	(11,453)	3%
Change in Valuation Allowance	39,317	(12%)
Other	3,169	1%
Cayman Islands		
Foreign operations taxed at a different rate	20,029	(6%)
Total tax expense	\$ -	0%

Other foreign jurisdictions have a 0% effective tax rate because they reside in countries with minimal activity, a 0% statutory rate, or we have incurred losses in those countries and have full valuation allowances against the corresponding net deferred tax assets.

Deferred tax assets and liabilities, which are computed on the estimated income tax effect of temporary differences between financial and tax bases in assets and liabilities, are determined using the tax rates expected to be in effect when taxes are actually paid or recovered. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The tax effects of significant temporary differences giving rise to deferred tax assets and liabilities are as follows:

	December 31, 2025
	(In thousands)
Deferred tax assets:	
Foreign capitalized operating expenses	\$ 215,863
Foreign net operating losses	142,623
Asset retirement obligation and other	434
Total deferred tax assets	358,920
Valuation allowance	(270,008)
Total deferred tax assets, net	88,489
Deferred tax liabilities:	
Depletion, depreciation and amortization related to property and equipment	(48,418)
Other deferred tax liabilities	(40,494)
Total deferred tax liabilities	(88,489)
Net deferred tax liability	\$ -

The Company is open to tax examinations in the in the United Kingdom for income tax years 2022 through 2024, in Senegal for income tax years 2021 through 2024, and in Mauritania from 2022 through 2024.

As of December 31, 2025, the Company had no material uncertain tax positions. The Company's policy is to recognize potential interest and penalties related to income tax matters in income tax expense.

The Company had no cash taxes paid (net of refunds) during the year ended December 31, 2025.

9. Commitments and Contingencies

From time to time, we are involved in litigation, regulatory examinations and administrative proceedings primarily arising in the ordinary course of our business in jurisdictions in which we do business. Although the outcome of these matters cannot be predicted with certainty, management believes that the likelihood of an unfavorable outcome having a material impact is neither reasonably possible nor probable of occurring.

Performance Obligations

Once the Tortue Phase 1 SPA Commercial Operations Date was achieved in February 2026, we have a commitment to our buyer under the Tortue Phase 1 SPA, BP Gas Marketing Limited, to deliver our proportionate share of a minimum annual contract quantity of LNG of 127,951,000 MMBtu, which is equivalent to approximately 2.45 million tonnes per annum, subject to certain downward adjustments by the sellers. Under certain circumstances, in the event the annual quantities provided are lower than the minimum annual contract quantity, Kosmos may be obligated to credit or pay a portion of the Contract Price to BP Gas Marketing Limited for the shortfall volumes.

10. Stockholders' Equity

The following table summarizes the changes in the Company's stockholders' equity as of and during the year ended December 31, 2025:

	Additional Paid-in Capital	Accumulated Deficit	Total
Balance as of December 31, 2024	\$ 2,366,791	\$ (75,893)	\$ 2,290,898
Capital contributions from parent company	69,935	-	69,935
Net loss	-	(337,027)	(337,027)
Balance as of December 31, 2025	\$ 2,436,726	\$ (412,920)	\$ 2,023,806