

FOR IMMEDIATE RELEASE

26 March 2026

CAPRICORN ENERGY PLC (“Capricorn” or “the Company”)

Full Year Results Announcement for the year ended 31 December 2025

Randy Neely, Chief Executive, Capricorn Energy PLC said:

“2025 was a year of significant operational, strategic and financial progress for Capricorn, marked by a number of milestones across our Egypt operations.

In May we received approval from the Egyptian General Petroleum Corporation (EGPC) to consolidate eight of our existing Egyptian concession agreements into a single, merged concession agreement, unlocking significant fiscal and operational benefits which should allow us to extract additional value from our existing portfolio. The new agreement, anticipated to receive parliamentary ratification in H1 2026, secures access to an additional development lease area and two open exploration areas adjacent to our existing acreage. These additions supported a 20.2 mmboe increase of working interest (WI) 2P reserves (certified at year end), enhancing future development potential. The improved fiscal terms will drive increased investment and cash flow across a range of oil prices and at \$80 per bbl our netback improves from \$18 to \$23 per boe. Furthermore, it includes a 60% increase in gas pricing for incremental volumes from both existing fields and new discoveries.

Operations in Egypt delivered full year production of 20,024 boepd, exceeding the midpoint of 2025 guidance, supported by liquids-rich development drilling and the ongoing waterflood programme in the Badr El Din (BED) concession.

Despite a volatile macroeconomic environment and fluctuating commodity prices, we collected \$217m from Egypt, reducing the Company’s accounts receivable to \$86m.

Capricorn’s progress in 2025 provides a robust platform to build a cash-generative business. A key priority for 2026 will be accelerating development activities in the merged concession area.

Our strategic priorities for the coming year are to maximise value from our Egyptian assets through disciplined investment, prioritise shareholder value, and continue to explore value-accretive opportunities, primarily in Egypt, with a secondary focus in the UK North Sea and the broader MENA region.”

FY 2025 Operational and financial highlights

- Merged concession agreement approved by EGPC in May 2025, with final-stage approval granted by the Egyptian Cabinet in December 2025 and formal ratification expected in H1 2026
- Revenues of \$134m*; with an average oil price of \$68.4/bbl and gas price of \$3.1/mscf
- Production costs of \$39m, equivalent to \$5.4/boe on a WI basis
- 20.2 mmbœ of WI 2P reserves added at year end, contributing to a 277% reserves replacement
- \$77m capex on Egypt producing assets
- Group net cash of \$103m; comprising \$133m cash and \$30m debt
- WI Egypt oil and gas production of 20,024 boepd at the upper end of guidance of 17,000-21,000 boepd, comprising 40% liquids; net entitlement sales volumes 9,701 boepd
- Net cash inflows of \$81m from Egypt operations post-capex, including \$217m cash receipts
- Egyptian receivables position of \$86m with \$1.3m expected credit loss adjustments
- Gross G&A of \$24m**
- Profit of \$19m; profit from continuing operations of \$16m, profit from discontinued operations of \$3m

* Includes \$15m of accrued revenue on merged concession uplift

** Before depreciation and share-based payment charges, and including \$2m of legacy and project costs

2026 Outlook

- Production is guided in the range of 18,000-22,000 boepd, of which 43% is forecast to be liquids
- Capex guidance of \$85-95m
- Operating costs are forecast to be \$5-7/boe
- Formal ratification of the merged concession agreement expected in H1 2026
- Two planned maintenance shutdowns at the BED facility
- A four-rig drilling programme will be maintained through 2026, prioritising the liquids-rich BED area and incorporating the gas prone Bahariya target successfully encountered in 2025
- Exploration drilling will focus on cost-recoverable, near field opportunities around the producing BED area and within the merged concession. All exploration will be funded from Egyptian cash flow
- Payment from Waldorf of around \$4m expected in Q2 2026 dependent on restructuring plan sanction
- Woodside continues to contest Senegal tax claims in Senegal and through international tribunal
- M&A opportunities in Egypt, the UK North Sea and general MENA region to expand and diversify our operations continue to be evaluated

Enquiries to:

Analysts / Investors

Nathan Piper, Commercial Director

Tel: 0131 475 3000

Media

Diana Milford, Corporate Affairs

Tel: 0131 475 3000

Georgia Edmonds / Violet Wilson / Fergus Young, Camarco

Tel: 020 3757 4980

Presentation

The results presentation slides will be available on the website from 09:00 GMT.

Analyst conference call

You can listen to the results presentation by dialling in to a conference call 5–10 minutes prior to 09:00 GMT using the dial-in details below. Analysts who wish to ask a question should use the conference call facility.

Dial-in Details:

United Kingdom (Local): +44 (0)330 551 0200

Access code: Quote 'Capricorn FY25' when prompted by the operator.

Webcast

A live webcast of the presentation including Q&A will be held today at 09:00 GMT for investors and analysts and will be available via our website at www.capricornenergy.com or on https://brrmedia.news/CNE_FY_25. This will be available for playback after the event.

Corporate overview

Capricorn's progress in 2025, most notably the merged concession agreement in Egypt, should establish a robust platform for the Company to deliver scalable growth through a cash-generative business model.

In 2025, Capricorn collected \$217m in Egypt, reducing the Company's accounts receivable to \$86m. These collections enable our Egyptian asset base to support internal development without reliance on external capital. EGPC's commitment to reduce outstanding receivables for companies investing in the country's oil and gas sector by 30 June 2026 is a positive signal for the industry, and we are encouraged by the proactive steps being taken to improve the investment climate in Egypt.

In December 2025, the Egyptian Cabinet approved the merged concession agreement, representing the final step prior to parliamentary approval, with formal ratification expected in H1 2026. Capricorn remains committed to leveraging the new terms to enhance production and reserves.

Overall year end Group net cash was \$103m, comprising \$133m cash and \$30m debt. The Company elected to settle its entire outstanding Senior Debt Facility through an \$18m payment in December 2025. Additionally, the Junior Debt Facility formally amortised by \$10m in Q1 2026, with Capricorn making the scheduled repayment in late December 2025. This leaves an outstanding debt balance of \$30m on 31 December 2025, comprising the Balance Sheet financial liability, less this early settlement. The remaining balance is currently scheduled to amortise over the next three years, subject to potential events of default, however, forecast collections in 2026 could provide an opportunity for early repayment.

Operational overview

The outlook for our Egypt operations significantly improved following a material reduction in receivables and approval by EGPC and the Egyptian Cabinet of the merged concession agreement with enhanced commercial terms and a refreshed primary development term, supporting continued investment for the benefit of all parties.

In H2 2025, Bapetco added an additional rig dedicated to development drilling in BED. Capricorn worked with its operating partner, Cheiron, to design and implement a development plan, including expansion of the waterflood programme. Gas performance since October 2025 was supported by BED15-31 well's performance from the Lower Bahariya formation which is currently targeted for follow-up activity in H1 2026.

Full year production was 20,024 boepd (40% liquids), generating revenues of \$134m at an average realised oil price of \$68.4/bbl and gas price of \$3.1/mscf. Average total production costs were \$5.4 /boe. Net cash generated from Egypt oil and gas production was \$81m, with overall Group net cash of \$103m, comprising \$133m cash and \$30m debt.

Reserves

Capricorn engaged GLJ Ltd. (GLJ) to undertake an independent oil and gas reserves evaluation on the Company's Egypt assets. GLJ undertook a full review of the producing assets and the inventory of new well opportunities to assess total proved developed producing (PDP), total proved (1P), total proved plus probable (2P), and total proved plus probable plus possible (3P) reserves. The reserves were prepared in accordance with the latest SPE Petroleum Resources Management System (PRMS), approved definitions of Reserves and Resources. GLJ based their evaluation on information and data provided by Capricorn and the process incorporates the benefit of the merged concession. The highlights of the year end 2025 reserves report are summarised below:

- Relative to year end 2024, 2025 production reduced net entitlement interest reserves by 3.5 mmboe
- 2P working interest reserves additions in 2025 replaced 277% of production, the major source of revisions being attributable to the merged concession agreement
- 42% of the 2P reserves are categorised as undeveloped with 75 total 2P undeveloped locations
- The net present value (NPV) of future net entitlement revenues, discounted at 15% (NPV15) for the 2P basis is \$365m

Rule 29.6 of the Takeover Code requires that this announcement contains an estimate by the Directors of the amount of any potential tax liability which would arise if the Company's assets were to be sold at the amount of the valuation contained in the GLJ Competent Persons Report and a comment as to the likelihood of any such liability crystallising. The Directors believe that realistic transaction structures exist for such a sale such that it is likely that no tax would be payable. The CPR will be published on the website shortly.

2P Oil & Condensate reserves (mmbo)		2P Natural Gas (bcf) Reserves		Total 2P Reserves Boe (mmboe)	
Net WI	Net Entitlement	Net WI	Net Entitlement	Net WI	Net Entitlement
24.5	13.0	160.6	104.1	53.2	31.6

GLJ oil and condensate price assumptions*

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Realised liquids (USD/bbl)	61.87	68.43	72.46	74.64	76.01	77.58	79.26	80.79	82.41	84.06	85.74

* Based on GLJ's published 2026-01 Brent Crude forecast, net of differential

The competent persons report includes the new terms associated with the consolidation of the eight development concessions held equally with Cheiron. A similar process of concession agreement renegotiation has begun on the nearby Alam El Shawish West block where the Company has 20% working interest. Note this has not been reflected in the year end 2025 reserves position.

Production

WI production in 2025 across the three main concession areas averaged 20,024 boepd (40% liquids) for the year, above the production guidance midpoint of 19,000 boepd, with a 2025 exit rate of 21,003 boepd. Strong production performance was driven by new development wells drilled since July 2025, supplemented by the benefit seen from the waterflood programme in the BED field area. Net cash generated from Egypt oil and gas production was \$81m, with overall Group net cash of \$103m; comprising \$133m cash and \$30m debt.

Capricorn continues to proactively work with the Operator to high grade development opportunities and promote opportunities for production enhancement. The new terms and extension arising from the merged concession agreement allow development activity to return to fields that have seen limited activity in recent years. The joint venture is working to mature well candidates in gas assets such as Obaiyed and Teen whilst seeking development opportunities at the Sitra field, previously impacted by concession expiry.

Exploration

Exploration drilling in 2025 produced encouraging results in the North Um Baraka (NUMB) and South East Horus (SEH) licences where Capricorn is working with the Operator to define future activity. In NUMB, the joint venture is progressing a development lease application following the drilling of NUMB-6. This well is scheduled to be brought online in 2026, with follow-up drilling anticipated from 2027. In SEH, the SEH-6X well results justified progressing to the next exploration phase. On West El Fayoum, the joint venture relinquished the concession.

Senegal tax assessment

Capricorn and Woodside continue to dispute the two assessments raised by the Senegal tax authorities relating to capital gains tax and registration duties on Capricorn's sale of the Sangomar field to Woodside Energy (Woodside). Woodside has filed an action with the High Court of Dakar and a request for arbitration with the International Centre for Settlement of Investment Disputes disputing the tax assessment. No provision has been made in the financial statements at the full year, and we do not expect any award by the international panel until late 2028 or early 2029 at the earliest.

UK North Sea contingent payment

Capricorn announced in December 2025 that it had entered into a lock-up agreement to support Harbour Energy Plc's acquisition of the Waldorf Production group (Waldorf) and will settle its unsecured claims against Waldorf for a payment estimated to be around \$4-5m, based on a methodology agreed between Capricorn and certain of Waldorf's creditors. Completion of the acquisition is subject to regulatory consents and will require the sanction of a further restructuring plan (expected in Q2 2026).

Outlook

With ratification of our merged concession agreement expected in H1 2026, a key priority for the year will be executing development activities across our asset base.

Following ratification, Capricorn and its partner Cheiron will be awarded two additional exploration licences, providing the opportunity for exploration that is complimentary to assets actively under development.

Production guidance in 2026 is 18,000-22,000 boepd, of which 43% is forecast to be liquids, and reflects the expected impact of two planned maintenance shutdowns at our BED facility and uncertainty regarding the timing of a change in the working interest on the North East Abu Gharadig asset related to the withdrawal of Apache. The Company intends to focus on development drilling in BED with a combination of oil producers and water injectors in H1 2026. Well sequencing will be impacted by ratification timing, with several wells to be high graded in a new development lease area at the earliest opportunity.

Capex guidance for 2026 is \$85-95m and the Company will continue to actively manage investment against collections.

The Group maintains a disciplined focus on evaluating value-accretive M&A, primarily in Egypt, with a secondary focus in the UK North Sea and general MENA region to expand and diversify our operations.

We continue to assess geopolitical developments and their potential impact on energy markets as part of our risk management. Recent international events are being monitored carefully, and the Company is prepared to adjust operations if deemed necessary.

Principal risks and uncertainties

Managing the Group's key risks, and associated opportunities is essential to Capricorn's long-term success and sustainability. The Group endeavours to deploy capital with an appropriate, risk-adjusted level of return.

The Group's risk management framework provides a systematic process for the identification and management of the key risks and opportunities which may affect the delivery of the Group's strategic objectives. Key Performance Indicators are set annually to determine the level of risk the Group is willing to accept in the pursuit of these objectives and form a fundamental component of the Group's risk management framework.

Overall responsibility for the system of risk management and internal control and reviewing the effectiveness of such systems rests with the Board. Principal risks, as well as progress against key risk projects, are reviewed at each Board meeting, and at least once a year the Board undertakes a dedicated risk workshop to review the Group's principal risks. This integrated approach to risk management has been and continues to be critical to the delivery of our strategic objectives.

Responding to Changing Risks during 2025

Capricorn has assessed the principal risks and uncertainties at the end of 2025. The principal risks are:

- Volatile oil and gas prices
- Increasing EGPC receivables balance
- Adverse outcome of Senegal legacy arbitration
- Underperformance of Egypt assets
- Failure to replace long-term reserves and resources
- Future challenges and costs as markets transition to net zero
- Lack of adherence to HSSE policies
- Failure to expand and diversify production base

Within the Group's risk assessment framework, emerging risks are considered as part of the identification phase. These are risks that cannot yet be fully assessed, risks that are known but are not likely to have an impact for several years, or risks which are unknown but could have implications for the business moving forward.

Capricorn's concessions in Egypt are the Group's primary revenue-generating assets and any material regional, political or fiscal destabilisation could potentially disrupt or, in the extreme, immobilise the Group's Egyptian operations. Geopolitical volatility in the MENA region escalated significantly in Q1 2026. A prolonged crisis could lead to fiscal challenges in Egypt which could impact Capricorn.

Financial Review

Key production statistics

	Year ended 31 December 2025	Year ended 31 Decemer 2024
Production – net WI share (boepd)	20,024	23,763
Sales volumes – net EI oil (boepd)	3,879	3,847
Sales volume – net EI gas (mscfd)	32,604	32,980
Average price per bbl (\$)	68.4	79.3
Revenue from production (\$m)	134	147
Average production costs per boe (\$)	5.4	4.8

During 2025, liquidity in Capricorn's Egypt business improved significantly with collections of \$217m, leading to a reduction in year end trade receivables to \$86m, and allowing for early repayment of the Senior Debt Facility.

Improved profitability in the Egypt business reflects the revised commercial terms and reserves upgrades associated with the merged concessions, adding to revenue and reducing depletion, and was sufficient to offset costs incurred elsewhere in the Group on overhead and legacy assets.

Results for the year

	Year ended 31 December 2025 \$m	Year ended 31 Decemer 2024 \$m
Profit from the Egypt business operating segment	43	1
Loss from other Group continuing operations	(27)	(13)
Profit from discontinued operations	3	23
Profit after taxation	19	11

Egypt business operating segment results

In Egypt, total revenue was \$134m (2024: \$147m). \$97m (2024: \$112m) was generated on sale of liquids with an average price of \$68.4 per bbl (2024: \$79.3 per bbl) on net entitlement sales volumes of 1,544,200 bbls (2024: 1,408,300 bbls). Gas revenue was \$37m (2024: \$35m) from volumes of 11,900,500 mscf (2024: 12,071,000 mscf) at a contracted rate of \$3.1/mscf (2024: \$2.9/mscf). The revised merged concession agreement will be effective 1 July 2025 and Capricorn have accrued revenue receivable of \$15m in relation to improved for the six months to 31 December 2025, which will be invoiced on formal ratification. Sales volumes and average price disclosed above reflect the revised terms.

With a significant improvement in the closing receivables position, a reduction in expected credit loss provisions against revenue receivable led to a credit of \$7m (2024: charge of \$4m) to the Income Statement.

Cost of sales in the year was \$39m (2024: \$42m), including inventory movements. Production costs increased slightly to \$5.4 per boe (2024: \$4.8 per boe), on working interest production over the year, but remained at the lower end of guidance, while depletion charges were \$51m (2024: \$85m), at a weighted average rate of \$16.7 per boe (2024: \$25.2 per boe) across the concessions, reflecting the additional reserves volumes recorded as a consequence of the revised concession agreement and field life extensions.

Capricorn records other income on additional production that is notionally allocated to the Group to cover tax due on profits from the concessions. This is offset by an equal and opposite tax charge. In the current year, the value of this income and notional tax gross-up is \$1m (2024: \$30m).

Impairment reviews conducted at the year end identified impairment on the AESW concession. This loss of future forecast production reduces the recoverable value of the asset and leads to the impairment charge of \$11m. Immediate drilling activity is focused on the newly merged concessions, with the recoverable value of AESW reducing as a result of deferred development activity and the shorter remaining concession term. Negotiations to improve the concession terms on AESW were initiated in 2025.

Net finance costs in Egypt of \$8m (2024: \$18m), includes loan interest and charges and the total tax credit to Egypt operations for the year is \$21m (2024: charge of \$32m), being the tax gross-up charge of \$1m and a deferred tax credit of \$22m. The tax credit in the current year reflects the increased benefit of costs pools and tax losses available under the merged concession.

Results from other continuing operations

The loss on other continuing operations of \$27m (2024: \$13m) includes unsuccessful exploration costs of \$3m (2024: \$6m) relating to legacy assets in the UK and Mexico. \$2m (2024: \$1m) of administration costs related to business development activities within the UK as Capricorn continued to monitor opportunities to add to the portfolio.

Net finance costs of \$3m (2024: income of \$7m) includes interest earned on cash and cash equivalents offset by finance charges and foreign exchange losses.

Net administration costs, excluding business development costs, were \$19m (2024: \$23m) after including the non-cash items above and after deducting time writing recharges to assets.

Overall, Group gross overhead was \$24m for the year, excluding non-cash charges, such as depreciation, amortisation and share based payments, and inclusive of \$2m of legacy and non-recurring project costs.

Discontinued operations

The Group made a profit from discontinued operations of \$3m (2024: \$23m) during the year following an increase in amounts expected to be recovered in respect of the settlement agreement with Waldorf

Petroleum. In 2024, a \$27m loss on the settlement agreement was offset by the recognition of \$50m Senegal contingent consideration. The \$50m was received in January 2025.

As in prior years, no provision for any possible Senegal tax liability has been recorded. International arbitration will be required to resolve the disputed tax assessment and this is unlikely to be concluded for a number of years.

Net cash inflow for the year

	\$m
Opening net cash as at 1 January 2025	23
Net cash inflow from Egypt operations	170
Development expenditure – Egypt	(76)
Exploration expenditure – Egypt	(13)
Deferred consideration – Egypt	(25)
Senegal contingent consideration receipt – discontinued operations	50
Administration expenses, corporate assets, and office lease costs	(21)
Net finance costs, equity and other movements	(9)
Tax refund	4
Closing net cash as at 31 December 2025	103

Cash and cash equivalent balances at 31 December 2025 of \$133m (2024: \$123m) were offset by borrowings in Egypt of \$30m (2024: \$100m), excluding prepaid facility fees and accrued interest and including a \$10m advance payment of the first scheduled amortisation on the Junior facility.

Cash held outside of Egypt was \$79m (2024: \$78m), while the net cash of the Egypt business was \$24m (2024: net debt of \$54m). Restricted cash balances of \$1m (2024: \$3m) and \$54m (2023: \$46m) exist in the UK and Egypt respectively. Egypt restricted cash may be used to fund operating and development/producing activities across the concessions in Egypt and make principal and interest payments on the remaining loan facility.

2025 saw significant improvement in cash receipts from receivables due to the Egypt business, with \$217m of total receipts being recorded. After operating expenses and investments in exploration and development wells, net proceeds were \$79m. This improved liquidity position allowed Capricorn to fully repay the Senior Loan Facility in the year, ahead of the amortisation schedule. Total loan repayments in the year were \$70m (2024: \$14m), including the \$10m Junior Facility repayment.

The final deferred payment due for the acquisition of the Egypt business of \$25m was settled early in 2025.

Balance Sheet

The Group's net asset position at 31 December 2025 is summarised as follows:

	\$m
Exploration and development assets and goodwill – Egypt	226
Other long-term assets	12
Working capital – non-Egypt	64
Cash and cash equivalents	79
Trade and other receivables and payables, and provisions	(15)
Working capital – Egypt	58
Trade and other receivables and payables, and inventory	44
Net funds, including total loan liabilities and unamortised facility fees	14
Lease liabilities due after one year	(5)
Deferred tax assets	18
Net assets	373

Exploration and Development assets and goodwill

With significant milestones achieved on the merged concessions, Capricorn recommenced drilling activities in 2025 with four rigs active throughout the second half of 2025, taking advantage of the improved fiscal terms.

Additions in Egypt totalled \$76m, \$13m on exploration wells across three concessions and \$63m on development/producing activities with 20 wells spudded in the year, the majority in the BED fields. Two of the exploration wells were unsuccessful while costs of \$3m associated with the third, the successful NUMB-6 exploration well, will be transferred into development/producing assets in 2026. Capricorn will continue to ensure that future drilling commitments are aligned to ongoing cash collections. Regular collections based on monthly invoices during 2025, supplemented by additional bullet payments to clear legacy positions, have provided stability to allow the Group to invest and fulfil its obligations under the revised concession agreement.

After reduced depletion charges and the impairment on AESW, closing oil and gas assets were \$215m, including \$3m of exploration costs (2024: \$211m, no exploration costs).

Goodwill remains unchanged from the prior year end at \$11m and the annual impairment test did not identify any impairment.

Other long-term assets

Non-oil and gas property, plant and equipment and intangible assets at the year end totalled \$12m (2024: \$13m) which includes \$7m (2024: \$7m) relating to unamortised carbon credits and \$4m (2024: \$5m) of leasehold offices held as right-of-use assets. Carbon credits are tested for impairment within the Egypt cash generating unit.

Working capital

Working capital outside of Egypt consists of cash in hand, accounts payable and accruals at head office and accruals and provisions for remaining legacy costs in the UK and Mexico.

Egypt trade receivables at the year end were \$84m (2024: \$175m), a decrease of \$91m (2024: increase of \$6m) across the year, net of expected credit loss adjustments. Net working capital liabilities across the Egypt concessions were \$72m (2024: \$100m). During 2025, Capricorn paid \$10m in additional cash calls towards clearing accounts payable backlogs within the Egypt operating company. A further \$13m was paid in early 2026 to further reduce this backlog.

Net cash in Egypt is retained to meet future operational requirements and debt repayments. Capricorn continue to closely monitor cash flow projections with a view to early settlement of the remaining Junior facility should collections be received as forecast. Clearing the remaining debt will allow distribution of surplus cash back to the Parent.

Tax assets and liabilities

Deferred tax assets of \$18m (2024: \$18m) are recorded across the concessions in Egypt. No deferred tax liabilities are now recorded (2024: \$22m).

Assets and liabilities are calculated on a concession-by-concession basis having regard to availability of future profits when considering the recognition of deferred tax assets. Although tax is paid on the contractors' behalf by EGPC under the Egypt concession agreements, the liability remains with the contractor until the point of settlement, hence the recording of assets and liabilities on the Balance Sheet.

The merged concession agreement consolidates previous individual tax cost pools into one and has greater access to tax losses, resulting in the full derecognition of deferred tax liabilities in the year.

The non-Egypt current tax receivable of \$4m recorded in 2024 was fully received in 2025 and related to the India tax refunds.

Equity movements

Across the year, Capricorn acquired \$2m (2024: \$11m) of its own shares to meet anticipated share awards to current and past employees. \$1m (2024: \$10m) of shares vested in the year.

Capricorn Energy PLC

Financial Statements

For the year ended 31 December 2025

Contents

Group Income Statement
Group Statement of Comprehensive Income
Group Balance Sheet
Group Statement of Cash Flows
Group Statement of Changes in Equity

Section 1 – Basis of preparation

1.1 Accounting policies: basis of preparation
1.2 Going concern

Section 2 – Oil and gas assets and operations

2.1 Gross profit: revenue and cost of sales
2.2 Intangible exploration/appraisal assets
2.3 Property, plant & equipment – development/producing assets

Section 3 – Working capital, financial instruments and long-term liabilities

3.1 Cash and Cash Equivalents
3.2 Loans and borrowings
3.3 Trade and other receivables
3.4 Trade and other payables

Section 4 – Income Statement analysis

4.1 Segmental analysis
4.2 Finance income
4.3 Finance costs
4.4 Earnings per ordinary share

Section 5 – Taxation

5.1 Tax credit/(charge) on (loss)/profit for the year
5.2 Deferred tax asset and liabilities

Section 6 – Discontinued operations

6.1 Profit from discontinued operations
6.2 Cash flow information for discontinued operations

Capricorn Energy PLC

Group Income Statement

For the year ended 31 December 2025

	Note	2025 \$m	2024 \$m
Continuing operations			
Revenue	2.1	134.9	147.8
Other income	2.1	0.9	30.1
Cost of sales	2.1	(39.4)	(41.6)
Depletion	2.3	(50.8)	(85.1)
Gross profit		45.6	51.2
Pre-award costs		(0.2)	–
General exploration costs		0.6	(1.1)
Unsuccessful exploration well costs	2.2	(13.0)	(8.9)
(Impairment)/Reversal of impairment of property, plant & equipment – development/producing assets	2.3	(10.6)	15.7
Expected credit loss adjustment on revenue receivable		7.4	(3.9)
Other operating income		0.8	1.0
Administrative expenses		(24.9)	(23.9)
Operating profit		5.7	30.1
Fair value loss – deferred consideration on business combination		–	(5.2)
Other gains/(losses) through profit or loss		0.3	(0.1)
Finance income	4.2	4.7	9.5
Finance costs	4.3	(15.3)	(20.4)
(Loss)/Profit before tax from continuing operations		(4.6)	13.9
Taxation			
Tax credit/(charge)	5.1	21.1	(26.5)
Profit/(loss) from continuing operations		16.5	(12.6)
Profit from discontinued operations	6.1	2.5	23.2
Profit for the year attributable to equity holders of the Parent		19.0	10.6
Profit/(Loss) per share for profit/(loss) from continuing operations:			
		\$	\$
Profit/(Loss) per ordinary share – basic	4.4	0.24	(0.16)
Profit/(Loss) per ordinary share – diluted	4.4	0.23	(0.16)
Profit per share for profit attributable to equity holders of the Parent:			
Profit per ordinary share – basic	4.4	0.28	0.14
Profit per ordinary share – diluted	4.4	0.26	0.14

Capricorn Energy PLC

Group Statement of Comprehensive Income

For the year ended 31 December 2025

	2025	2024
	\$m	\$m
Profit for the year attributable to equity holders of the Parent	19.0	10.6
Other comprehensive income/(expense) – items that may be recycled to the Income Statement		
Currency translation differences	4.8	(1.2)
Currency translation differences recycled on liquidation of subsidiaries	–	(0.4)
Other comprehensive income/(expense) for the year	4.8	(1.6)
Total comprehensive income for the year attributable to equity holders of the Parent	23.8	9.0
Total comprehensive income from:		
Continuing operations	21.3	(14.2)
Discontinued operations	2.5	23.2
	23.8	9.0

Capricorn Energy PLC

Group Balance Sheet

As at 31 December 2025

	Note	2025 \$m	2024 \$m
Non-current assets			
Intangible exploration/appraisal assets	2.2	3.0	–
Property, plant & equipment – development/producing assets	2.3	212.4	210.8
Goodwill		10.8	10.8
Other property, plant & equipment and intangible assets		12.0	13.0
Deferred tax asset	5.2	18.2	18.3
		256.4	252.9
Current assets			
Cash and cash equivalents		132.7	123.4
Inventory		7.4	8.0
Trade and other receivables	3.3	116.5	231.4
Current tax receivable		–	4.0
		256.6	366.8
Total assets		513.0	619.7
Current liabilities			
Provisions – well abandonment		10.9	0.5
Loans and borrowings	3.2	10.4	26.4
Lease liabilities		1.0	1.0
Deferred consideration on business combinations		–	25.0
Trade and other payables	3.4	82.8	110.6
		105.1	163.5
Non-current liabilities			
Provisions – well abandonment		–	6.8
Loans and borrowings	3.2	30.0	72.9
Lease liabilities		4.6	5.1
Deferred tax liabilities	5.2	–	22.1
		34.6	106.9
Total liabilities		139.7	270.4
Net assets		373.3	349.3
Equity attributable to equity holders of the Parent			
Called-up share capital		7.3	7.3
Share premium		0.9	0.9
Shares held by ESOP/SIP Trusts		(7.6)	(6.7)
Foreign currency translation		(82.5)	(87.3)
Merger and capital reserves		46.2	46.2
Retained earnings		409.0	388.9
Total equity		373.3	349.3

Capricorn Energy PLC

Group Statement of Cash Flows

For the year ended 31 December 2025

	2025 \$m	2024 \$m
Cash flow from operating activities:		
(Loss)/Profit before tax from continuing operations	(4.6)	13.9
Profit from discontinued operations	2.5	23.2
(Loss)/Profit before tax including discontinued operations	(2.1)	37.1
Adjustments for non-cash income and expense and non-operating cash flows:		
Other income – tax entitlement volumes	(0.9)	(30.1)
Unsuccessful exploration well costs	13.0	8.9
Depreciation, depletion and amortisation	52.2	86.8
Impairment/(Reversal of impairment) of property, plant & equipment – development/producing assets	10.6	(15.7)
Expected credit loss adjustment on revenue receivable	(7.4)	3.9
Share-based payments charge	2.2	1.9
Fair value loss – deferred consideration on business combination	–	5.2
Other (gains)/losses through profit or loss	(0.3)	0.1
(Gain)/Loss on disposal of a financial asset – discontinued operations	(2.5)	26.1
Loss on disposal of a subsidiary – discontinued operations	–	0.7
Gain on disposal of oil and gas asset – discontinued operations	–	(50.0)
Finance income	(4.7)	(9.5)
Finance costs	15.3	20.4
Adjustments to operating cash flows for movements in current assets and liabilities:		
Inventory movement	0.6	0.3
Trade and other receivables movement	74.0	(9.1)
Trade and other payables movement	(0.1)	9.1
Net cash flows from operating activities	149.9	86.1
Cash flows from investing activities:		
Expenditure on intangible exploration/appraisal assets	(12.8)	(1.0)
Expenditure on property, plant & equipment – development/producing assets	(76.7)	(39.7)
Expenditure on other property, plant & equipment and intangible assets	–	(0.9)
Deferred consideration received – discontinued operations	–	2.0
Deferred consideration paid on business combination	(25.0)	(25.0)
Proceeds on disposal of financial assets	0.3	3.1
Refund of proceeds on disposed of oil and gas assets – discontinued operations	(0.7)	–
Senegal contingent consideration receipt – discontinued operations	50.0	–
Tax refund received on investing activities	3.8	1.4
Interest received and other finance income	5.3	8.8
Net cash flows used in investing activities	(55.8)	(51.3)
Cash flows from financing activities:		
Repayments of borrowings	(70.1)	(13.5)
Lease payments	(1.3)	(0.9)
Dividends paid	–	(50.1)
Share repurchase	–	(7.3)
Other interest and charges	(11.9)	(14.8)
Proceeds from issue of shares	–	0.2
Cost of shares purchased	(2.0)	(10.9)
Net cash flows used in financing activities	(85.3)	(97.3)
Net increase/(decrease) in cash and cash equivalents	8.8	(62.5)
Opening cash and cash equivalents at beginning of year	123.4	189.5
Foreign exchange differences	0.5	(3.6)
Closing cash and cash equivalents	132.7	123.4

Capricorn Energy PLC

Group Statement of Changes in Equity

For the year ended 31 December 2025

	Equity share capital and share premium \$m	Shares held by ESOP/SIP Trusts \$m	Foreign currency translation \$m	Merger and capital reserves \$m	Retained earnings \$m	Total equity \$m
At 1 January 2024	8.4	(6.3)	(85.7)	45.9	444.2	406.5
Profit for the year	–	–	–	–	10.6	10.6
Currency translation differences	–	–	(1.2)	–	–	(1.2)
Currency translation differences recycled on liquidation of subsidiaries	–	–	(0.4)	–	–	(0.4)
Total comprehensive income	–	–	(1.6)	–	10.6	9.0
Dividends paid	–	–	–	–	(50.1)	(50.1)
Share repurchase	(0.3)	–	–	0.3	(7.3)	(7.3)
Share-based payments	–	–	–	–	1.9	1.9
Exercise of employee share options	0.1	0.1	–	–	–	0.2
Cost of shares purchased	–	(10.9)	–	–	–	(10.9)
Cost of shares vesting	–	10.4	–	–	(10.4)	–
At 31 December 2024	8.2	(6.7)	(87.3)	46.2	388.9	349.3
Profit for the year	–	–	–	–	19.0	19.0
Currency translation differences	–	–	4.8	–	–	4.8
Total comprehensive income	–	–	4.8	–	19.0	23.8
Share-based payments	–	–	–	–	2.2	2.2
Cost of shares purchased	–	(2.0)	–	–	–	(2.0)
Cost of shares vesting	–	1.1	–	–	(1.1)	–
At 31 December 2025	8.2	(7.6)	(82.5)	46.2	409.0	373.3

Section 1 – Basis of preparation

1.1 Material accounting policies

a) Basis of preparation

The Consolidated Financial Statements of Capricorn Energy PLC (“Capricorn” or “the Group”) for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Directors on 25 March 2026. Capricorn is a limited company incorporated and domiciled in the United Kingdom whose shares are publicly traded. The registered office is located at 50 Lothian Road, Edinburgh, Scotland, EH3 9BY. The registered company number is SC226712.

Capricorn prepares its Financial Statements on a historical cost basis, unless accounting standards require an alternate measurement basis. Where there are assets and liabilities calculated on a different basis, this fact is disclosed either in the relevant accounting policy or in the notes to the Financial Statements. The Financial Statements comply with the Companies Act 2006 as applicable to companies using UK-adopted International Financial Reporting Standards (IFRS).

All accounting policies have been applied consistently across all years disclosed.

The Group’s Financial Statements are prepared on a going concern basis.

b) Accounting standards

The Financial Statements of Capricorn has been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. During the year, no new standards or amendments to standards were adopted that had a material impact on Capricorn’s results or Financial Statement disclosures.

The IASB has issued the following standards and amendments which are not yet effective and have not been early adopted by the Group.

IFRS 18 – Presentation and Disclosure in Financial Statements (effective 1 January 2027) replaces IAS 1 and introduces new requirements relating to the presentation of the income statement and enhanced disclosure requirements. The Group is assessing the impact of IFRS 18, which is expected to primarily affect presentation and disclosure.

Amendments to IFRS 9 and IFRS 7 – Financial Instruments (effective 1 January 2026) clarify aspects of classification, derecognition and related disclosures. The amendments are not expected to have a material impact on the Group’s financial statements.

c) Annual report and accounts

Full accounts are due to be made available on the Company’s website in April 2026 and will be available at the Company’s registered office, 50 Lothian Road, Edinburgh, EH3 9BY. The Annual General Meeting is due to be held on Thursday 21 May 2026 at 10am.

Section 1 – Basis of preparation (continued)

1.2 Going concern

The Directors have considered the factors relevant to support a statement of going concern. In assessing whether the going concern assumption is appropriate, the Board considered the Group cash flow forecasts under various scenarios, identifying risks and mitigating factors. The cash flow forecasts assessed for the going concern assessment cover the period to March 2027.

On 11th March 2026, Capricorn confirmed it has received multiple unsolicited non-binding proposals from Alamadiyaf al Masiyyah for Trading LLC, a member of the Cafani Group, regarding a possible all cash offer to acquire the entire issued and to be issued share capital of the Company. At the time of approval of the financial statements, no firm offer has been made. There can be no certainty that any firm offer will be made, nor as to the terms of any such firm offer, or whether the Directors would recommend any offer to shareholders. As a result, this possible offer has not been considered as part of the Directors Going Concern assessment.

As the Directors will not commit to investing further Group funds into the Egypt business, separate cash flow forecasts have been run for Capricorn Egypt, the Egypt asset-holding subsidiary and the remaining Capricorn Energy PLC Group. However, Capricorn Egypt has the forecast financial capacity to settle the outstanding balance on the Junior facility within the going concern period allowing cash flow forecasts to now include remittance of surplus funds from the Egypt business back to the Capricorn Energy PLC Group.

Group cash flow forecasts have been run on base-case, price crash and downside assumptions. Base case assumptions forecast administrative costs and assume a successful outcome in the Senegal tax arbitration. A downside scenario includes an increase to administrative costs and a tax settlement payable in Senegal. The Senegal arbitration process is highly unlikely to conclude within the Going Concern period. Scenarios run currently exclude future returns to shareholders. In the Egypt business, downside assumptions include a return to lower oil prices, with an oil price averaging \$58/bbl until April 2027, and \$60/bbl thereafter through to the end of 2027, a 10% reduction in forecast production from 2026 onward and reductions to collections against outstanding Egypt trade receivables. An oil-price crash scenario assumes a fall in the oil price to \$35/bbl at the end of Q1 2026 with a recovery to \$65/bbl by the end of 2027. In all cases, capital expenditure remains as forecast, though the ability to reduce future spend to match lower revenue receipts is one of several mitigants open to the Company. Sensitivities assuming early repayment of the Junior loan facility have also been run, should post year end events of default be enforced.

Under all scenarios Capricorn continues to operate as a going concern with sufficient cash balances, allowing the Group to meet its current and contracted commitments both within and outside Egypt as and when they fall due for a period of at least 12 months from the date of signing these Financial Statements.

The Board and Audit Committee assessments of risk and mitigants to the Group's operational existence beyond this 12-month period is included in the Viability Statement.

Section 2 – Oil and gas assets and operations

2.1 Gross profit: revenue and cost of sales

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Oil sales	96.8	111.6
Gas sales	37.5	35.2
Revenue from oil and gas sales	134.3	146.8
Royalty income	0.6	1.0
Total revenue	134.9	147.8
Other income – tax entitlement volumes	0.9	30.1
Other income	0.9	30.1
Production costs and inventory movements	(39.4)	(41.6)
Cost of sales	(39.4)	(41.6)
Depletion (note 2.3)	(50.8)	(85.1)
Gross profit	45.6	51.2

Revenue

Capricorn recognised oil and gas revenue on producing concessions in Egypt, based on an entitlement interest. Payment terms are within 30 days from the date of the invoice for oil sales and 45 days from the date of the invoice for gas sales. All sales in the year were domestic sales. Revenue includes \$15.2m of additional income relating to the merged concession agreement, for production from 1 July 2025 to 31 December 2025. This amount remains unbilled, with invoices to be issued following ratification.

Oil and gas revenue in Egypt for the year ended 31 December 2025 was \$134.3m (2024: \$146.8m), from net entitlement production of 3.6 mmboe (2024: 3.6 mmboe) of which ~40% (2024: ~39%) was liquids. Oil sales averaged \$68.4/boe (2024: \$79.3/boe) and with gas sales at \$3.1/mscf (2024: \$2.9/mscf). Other income represents tax paid on Capricorn's behalf by EGPC.

Production costs over the year were \$39.4m (2024: \$41.6m), or \$5.4/boe (2024: \$4.8/boe) (on a working interest (WI) basis), including inventory movements.

Section 2 – Oil and gas assets and operations (continued)

2.2 Intangible exploration/appraisal assets

	Egypt \$m	Other countries \$m	Total \$m
Cost			
At 1 January 2024	2.5	–	2.5
Additions	–	6.4	6.4
Unsuccessful exploration costs	(2.5)	(6.4)	(8.9)
At 31 December 2024	–	–	–
Additions	13.3	2.7	16.0
Unsuccessful exploration costs	(10.3)	(2.7)	(13.0)
At 31 December 2025	3.0	–	3.0
Net book value			
At 31 December 2023	2.5	–	2.5
At 31 December 2024	–	–	–
At 31 December 2025	3.0	–	3.0

Additions to intangible exploration/appraisal assets were funded through cash and working capital, including increased provisions for well abandonment costs.

Egypt

Three exploration wells were completed in Egypt during 2025 on the NUMB, WEF and SEH concessions, with the NUMB-6 and SEH-6X wells producing encouraging results. In NUMB, the joint venture is progressing a development lease application following the drilling of NUMB-6. In SEH, the SEH-6X well, encountered sub-commercial volumes and costs were written off, however the well did establish the extension of an active petroleum system and was considered sufficiently positive to justify progressing to phase 2 on the licence. Unsuccessful exploration costs of \$10.3m (2024: \$2.5m) include the SEH and WEF concessions and directly relate to the two wells drilled.

Other countries

Additions of \$2.7m (2024: \$6.4m) relate to an increase of \$2.7m (2024: \$1.7m) on estimated historic UK well abandonment costs, and \$nil (2024: \$4.7m) of past costs no longer expected to be recovered following the exit of from all remaining licences in Mexico. All additions were immediately written off as unsuccessful exploration costs.

Section 2 – Oil and gas assets and operations (continued)

2.3 Property, plant & equipment – development/producing assets

	Egypt \$m
Cost	
At 1 January 2024	572.2
Additions	62.6
At 31 December 2024	634.8
Additions	63.0
At 31 December 2025	697.8
Accumulated depletion and impairment	
At 1 January 2024	354.6
Depletion charge	85.1
Reversal of impairment	(15.7)
At 31 December 2024	424.0
Depletion charge	50.8
Impairment	10.6
At 31 December 2025	485.4
Net book value	
At 31 December 2023	217.6
At 31 December 2024	210.8
At 31 December 2025	212.4

Egypt

Additions have been funded through cash and working capital wholly within the Egypt business. Capricorn continues to align capital investment in the Egypt assets with cash collections against the outstanding trade receivables balance. Additions in the year predominantly relate to the costs of producing wells drilled. During 2025, 20 wells were spudded, 18 on the BED concessions and two on the AESW concession. All wells were complete by the end of January 2026.

Depletion of \$50.8m (2024: \$85.1m) was charged to the Income Statement based on entitlement interest production during the year. The costs for depletion include future capital costs-to-complete consistent with the life-of-field reserve estimates used in the calculation.

Impairment review

Impairment reviews conducted at the year end identified indicators of impairment on the AESW concession. This loss of future forecast production reduces the recoverable value of the asset and leads to the impairment charge of \$10.6m. Immediate drilling activity is focused on the newly merged concessions, with the recoverable value of AESW reducing as a result of deferred development activity and the shorter remaining concession term. Negotiations to improve the concession terms on AESW were initiated in 2025. Post impairment, the AESW net book value is now \$1.8m. Given the low values, there are no changes to assumptions which would result in a material adjustment to the amounts recorded in the financial statements, therefore no sensitivity analysis has been provided.

No indicators were identified on remaining concessions and these assets were not therefore tested for impairment. They are however included within the Egypt operating segment along with goodwill which is tested annually for impairment and reflects that Capricorn's market capitalisation remains below the net book value of the Group's Balance Sheet.

At 31 December 2024, the Group's development/producing assets in Egypt were reviewed for indicators of impairment or reversal of previous impairments. Following significant progress on the revised concession agreement with EGPC at the year end, the anticipated increased field lives and improved commercial terms were an indicator that previous impairments may be reversed. Impairment tests were conducted across the BED and Obaiyed concessions as a single CGU and resulted in the full reversal of prior year impairment after adjusting for additional notional depletion. Given the significant headroom generated by the increase in fair value under the improved terms, there are no reasonable changes to assumptions that would reduce the reversal of impairment recorded, therefore no sensitivity analysis has been provided. AESW and NEAG concessions were reviewed for indicators of impairment but as no indicator was identified, no impairment tests were performed.

Section 3 – Working capital, financial instruments and long-term liabilities

3.1 Cash and cash equivalents

	At 31 December 2025 \$m	At 31 December 2024 \$m
Cash at bank	19.7	16.2
Money market funds	113.0	107.2
Cash and cash equivalents	132.7	123.4

At 31 December 2025, \$55.3m (2024: \$48.7m) of cash and cash equivalents are restricted and not available for immediate ordinary business use. This includes \$53.6m (2024: \$45.5m) of cash and cash equivalents in Egypt.

3.2 Loans and borrowings

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Reconciliation of opening and closing liabilities to cash flow movements:		
Opening liabilities	99.3	111.8
Loan repayments in the year disclosed in the statement of Cash Flows		
Senior Debt Facility	(60.1)	(13.5)
Junior Debt Facility	(10.0)	–
	(70.1)	(13.5)
Non-cash movements		
Junior Debt Facility payment allocated to prepayments	10.0	–
Accrued debt facility interest	(0.1)	0.1
Amortisation of debt arrangement fees	1.3	0.9
Closing liabilities	40.4	99.3
Amounts due less than one year	10.4	26.4
Amounts due greater than one year	30.0	72.9
Closing liabilities	40.4	99.3

Capricorn Egypt Debt Facilities

In September 2021, Capricorn Egypt entered into a \$325.0m Senior Debt Facility and an \$80.0m Junior Debt Facility jointly with the Operator in Egypt, to finance the acquisition of the Egyptian Western Desert portfolio. The facility commitments are split 50:50 with the Operator. The remaining Senior Debt Facility was repaid in full in 2025 by Capricorn and the Operator, and the Senior Debt Facility was cancelled. The Junior Debt Facility remains active. The maximum drawdown available to Capricorn at 31 December 2025 was \$40.0m (2024: \$40.0m) for the Junior Debt Facility. All drawings in the year were denominated in US dollars. The first amortisation payment on the Junior Debt Facility was due on 5th January 2026, however Capricorn made this repayment in late December 2025. As the liability was not formally extinguished until the due date, the \$10.0m payment is classified as an other asset at the year end.

Interest on the Junior debt drawn is charged at the appropriate SOFR for the currency drawn plus an applicable margin, with additional charges relating to notional marketing fees. The remaining Junior Facility is scheduled to be repaid in 2027 and 2028. Capricorn has provided no guarantee outside the subsidiary holding the Egypt assets. The Junior facility is cross-guaranteed by the Group companies party to the facility, including the Operator. Capricorn has provided no guarantee outside the subsidiary holding the Egypt business. Post year end, events of default exist on the Junior Facility; however, lenders have taken no action to force repayment of the outstanding balance.

Section 3 – Working capital, financial instruments and long-term liabilities (continued)

3.3 Trade and other receivables

	At 31 December 2025 \$m	At 31 December 2024 \$m
Trade receivables	84.4	175.4
Other receivables	21.2	54.1
Prepayments and other assets	10.5	0.8
Joint operation receivables	0.4	1.1
	116.5	231.4

Trade receivables relate to the Group's producing assets in Egypt. Capricorn remain in discussions with EGPC to manage the receivables position and retain the capability to restrict further investment in Egypt to match revenue collections. The significant improvement in collections across 2025 has resulted in a material reduction in the trade receivables balance at the year end. At 31 December 2025, the expected credit loss adjustment offsetting receivables is \$1.3m (2024: \$8.7m), a net credit of \$7.4m (2024: net charge \$3.9m) is to the Income Statement in the year.

Trade receivables are initially recorded at fair value and subsequently measured at amortised cost, net of an allowance for expected credit losses. Revenue is recognised at the point in time where title passes to the customer and payment becomes unconditional. The fair value measurement of revenue for oil and gas sales in Egypt includes adjustments to invoiced quantities for expected entitlement share adjustments.

The other receivables balance of \$21.2m (2024: \$54.1m) includes accrued oil and gas revenue receivable of \$15.2m (2024: \$nil) which will be invoiced on formal ratification of the revised concession agreement, interventure receivables of \$0.6m (2024: \$0.6m), VAT recoverable in the UK of \$0.2m (2024: \$0.1m), money market interest receivable of \$0.4m (2024: \$0.9m) and the earnout settlement receivable of \$4.0m (2024: \$1.5m) (see note 6.1). The 2024 balance also included \$50.0m of further consideration due on the past sale of assets in Senegal (see note 6.1 for details).

Prepayments and other assets at 31 December 2025 include a \$10.0m early repayment on the Junior Debt Facility.

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Reconciliation of opening and closing receivables to operating cash flow movements:		
Opening trade and other receivables	231.4	186.0
Closing trade and other receivables	(116.5)	(231.4)
Decrease/(Increase) in trade and other receivables	114.9	(45.4)
Foreign exchange	3.9	(1.4)
Senegal consideration (received)/receivable	(50.0)	50.0
Decrease in joint operation receivables relating to investing activities	(6.9)	(7.7)
Decrease in other receivables relating to investing activities	(0.6)	(4.4)
Increase in prepayments and other receivables relating to financing activities	10.2	0.3
Trade and other receivables movement on earnout settlement	2.5	(0.5)
Trade and other receivables cash flow movement	74.0	(9.1)

The movements in joint operation receivables relating to investing activities relate to the Group's share of the receivables of joint operations in respect of exploration, appraisal and development activities.

Section 3 – Working capital, financial instruments and long-term liabilities (continued)

3.4 Trade and other payables

	At 31 December 2025 \$m	At 31 December 2024 \$m
Trade payables	0.1	0.1
Other taxation and social security	0.7	0.6
Accruals and other payables	5.9	6.3
Joint operation payables	76.1	103.6
	82.8	110.6

Joint operation payables include \$6.7m (2024: \$13.7m) and \$69.4m (2024: \$89.9m) relating to exploration/appraisal asset and development/producing asset costs respectively. \$72.2m (2024: \$99.6m) relates to the Group's operations in Egypt.

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Reconciliation of opening and closing payables to operating cash flow movements:		
Opening trade and other payables	(110.6)	(82.0)
Closing trade and other payables	82.8	110.6
(Decrease)/Increase in trade and other payables	(27.8)	28.6
Foreign exchange	(0.2)	(0.5)
Decrease/(Increase) in joint operation payables relating to investing activities	27.3	(18.2)
Decrease/(Increase) in accruals and other payables relating to investing activities	0.8	(0.7)
Increase in accruals and other payables relating to financing activities	(0.2)	(0.1)
Trade and other payables cash flow movement	(0.1)	9.1

Movements above for investing activities relate to exploration, appraisal and development activities through the Group's joint operations. Movements relating to production activities are included in amounts through operating cash flows.

Section 4 – Income Statement analysis

4.1 Segmental analysis

The segment results for the year ended 31 December 2025 are as follows:

	Egypt \$m	Other countries \$m	Other Capricorn Energy Group \$m	Total \$m
Continuing operations				
Revenue	134.3	–	0.6	134.9
Other income	0.9	–	–	0.9
Cost of sales	(39.4)	–	–	(39.4)
Depletion	(50.8)	–	–	(50.8)
Gross profit	45.0	–	0.6	45.6
Pre-award costs	–	–	(0.2)	(0.2)
General exploration costs	0.6	–	–	0.6
Unsuccessful exploration well costs	(10.3)	(2.7)	–	(13.0)
Impairment of property, plant & equipment – development/producing assets	(10.6)	–	–	(10.6)
Expected credit loss adjustment on revenue receivable	7.4	–	–	7.4
Other operating income	–	–	0.8	0.8
Depreciation – purchased assets	–	–	(0.2)	(0.2)
Amortisation – right-of-use assets	(0.2)	–	(0.7)	(0.9)
Amortisation of other intangible assets	–	–	(0.3)	(0.3)
Other administrative expenses	(2.7)	(2.3)	(18.5)	(23.5)
Operating profit/(loss)	29.2	(5.0)	(18.5)	5.7
Other gains through profit or loss	–	–	0.3	0.3
Interest income	1.0	–	3.5	4.5
Interest expense	(8.2)	–	–	(8.2)
Other net finance expense	(0.5)	(1.0)	(5.4)	(6.9)
Profit/(Loss) before tax from continuing operations	21.5	(6.0)	(20.1)	(4.6)
Tax credit	21.1	–	–	21.1
Profit/(Loss) for the year from continuing operations	42.6	(6.0)	(20.1)	16.5
Profit from discontinued operations	–	–	2.5	2.5
Profit/(Loss) attributable to equity holders of the Parent	42.6	(6.0)	(17.6)	19.0
Balance as at 31 December 2025:				
Capital expenditure	62.6	–	–	62.6
Total assets	415.1	7.0	90.9	513.0
Total liabilities	113.8	15.7	10.2	139.7
Non-current assets	226.5	–	11.7	238.2

Revenue in the Egypt segment contains revenue generated from eight concessions in the Western Desert, onshore The Arab Republic of Egypt. 95.1% (\$113.3m) of revenue related to sales to a single customer.

All transactions between segments are carried out on an arm's length basis.

Section 4 – Income Statement analysis (continued)

4.1 Segmental analysis (continued)

The segment results for the year ended 31 December 2024 are as follows:

	Egypt \$m	Other countries (restated) \$m	Other Capricorn Energy Group \$m	Total \$m
Continuing operations				
Revenue	146.8	–	1.0	147.8
Other income	30.1	–	–	30.1
Cost of sales	(41.6)	–	–	(41.6)
Depletion	(85.1)	–	–	(85.1)
Gross profit	50.2	–	1.0	51.2
General exploration costs	(1.1)	–	–	(1.1)
Unsuccessful exploration well costs	(2.5)	(6.4)	–	(8.9)
Impairment reversal of property, plant & equipment – development/producing assets	15.7	–	–	15.7
Expected credit loss adjustment on revenue receivable	(3.9)	–	–	(3.9)
Other operating income	–	–	1.0	1.0
Depreciation – purchased assets	–	–	(0.1)	(0.1)
Amortisation – right-of-use assets	(0.3)	–	(0.7)	(1.0)
Amortisation of other intangible assets	–	(0.1)	(0.5)	(0.6)
Other administrative expenses	(2.6)	(0.8)	(18.8)	(22.2)
Operating profit/(loss)	55.5	(7.3)	(18.1)	30.1
Fair value loss – deferred consideration	(5.2)	–	–	(5.2)
Other losses through profit or loss	–	–	(0.1)	(0.1)
Interest income	1.8	0.1	7.1	9.0
Interest expense	(13.7)	–	(0.4)	(14.1)
Other net finance (expense)/income	(5.6)	(1.3)	1.1	(5.8)
Profit/(Loss) before tax from continuing operations	32.8	(8.5)	(10.4)	13.9
Tax (charge)/credit	(31.9)	–	5.4	(26.5)
Profit/(Loss) for the year from continuing operations	0.9	(8.5)	(5.0)	(12.6)
Profit from discontinued operations	–	–	23.2	23.2
Profit/(Loss) attributable to equity holders of the Parent	0.9	(8.5)	18.2	10.6
Balance as at 31 December:				
Capital expenditure	62.6	–	0.9	63.5
Total assets	469.5	9.1	141.1	619.7
Total liabilities	246.9	11.8	11.7	270.4
Non-current assets	221.8	–	12.8	234.6

Revenue in the Egypt segment contains revenue generated from eight concessions in the Western Desert, onshore The Arab Republic of Egypt. 94.0% (\$138.0m) of revenue related to sales to a single customer.

All transactions between segments are carried out on an arm's length basis.

Section 4 – Income Statement analysis (continued)

4.2 Finance income

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Bank and other interest receivable	4.5	8.5
Other finance income	0.2	0.6
Exchange gain recycled from Other Comprehensive Income	–	0.4
	4.7	9.5

4.3 Finance cost

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Loan interest	8.2	12.8
Facility fees amortisation	1.9	0.9
Other interest and finance charges and unwind of discount	3.8	2.8
Exchange loss	1.4	3.9
	15.3	20.4

Loan interest of \$8.2m (2023: \$12.8m) was charged on the Egypt Junior and Senior Debt Facilities.

4.5 Earnings per ordinary share

Basic and diluted earnings per share are calculated using the following measures of profit :

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Profit/(Loss) and diluted profit/(loss) after taxation from continuing operations	16.5	(12.6)
Profit and diluted profit attributable to equity holders of the Parent	19.0	10.6

The following reflects the share data used in the basic and diluted earnings per share computations:

	Number of shares 2025 '000	Number of shares 2024 '000
Weighted average number of shares	70,558	79,557
Less weighted average shares held by ESOP and SIP Trusts	(1,964)	(1,310)
Basic weighted average number of shares	68,594	78,247
Potentially dilutive effect of shares issuable under employee share plans:		
LTIP awards	2,731	–
Unapproved plans	205	–
Deferred bonus plan	172	–
Diluted weighted average number of shares	71,702	78,247
Potentially issuable shares not included above:		
LTIP awards	4,009	–
Number potentially issuable shares	4,009	–

Section 5 – Taxation

5.1 Tax credit/(charge) on (loss)/profit for the year

Analysis of tax credit/(charge) on (loss)/profit for the year

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Current tax charge:		
Overseas corporation tax charge – Egypt	(0.9)	(30.1)
Overseas corporation tax credit – India	–	5.4
Total current tax charge on (loss)/profit	(0.9)	(24.7)
Deferred tax credit/(charge):		
Deferred tax credit/(charge) on intangible/tangible assets – Egypt	22.0	(1.8)
Deferred tax credit/(charge) on (loss)/profit	22.0	(1.8)
Total deferred tax credit/(charge) on (loss)/profit	21.1	(26.5)

The current tax charge in Egypt of \$0.9m (2024: \$30.1m) is settled by EGPC on the Group's behalf.

Factors affecting the tax credit/(charge) for the year

A reconciliation of the income tax credit/(charge) applicable to the (loss)/profit before income tax to the UK statutory rate of income tax is as follows:

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Loss/(Profit) before tax from continuing operations	4.6	(13.9)
Loss/(Profit) before tax multiplied by the UK statutory rate of corporation tax of 25% (2024: 25%)	1.1	(3.5)
Effect of:		
Special tax rates and reliefs applying to oil and gas activities in the UK	0.5	2.1
Special tax rates and reliefs applying to oil and gas activities in Egypt	8.1	(5.1)
Temporary differences not recognised	4.3	(7.1)
Permanent items non-deductible	(3.7)	(18.3)
India tax refund not subject to tax	–	5.4
Egypt tax losses	10.8	–
Total tax credit/(charge) on (loss)/profit	21.1	(26.5)

The reconciliation shown above has been based on the average UK statutory rate of corporation tax for 2025 of 25% (2024: 25%).

The applicable UK statutory corporation tax rate applying to North Sea oil and gas activities is currently 40% (2024: 40%). The temporary Energy (Oil and Gas) Profits Levy was increased to 38% on profits arising after 1 November 2024 (substantively enacted November 2024).

Section 5 – Taxation (continued)

5.2 Deferred tax assets and liabilities

Reconciliation of movement in deferred tax assets/(liabilities):

	Temporary difference in respect of non-current assets \$m	Losses \$m	Total \$m
Deferred tax asset			
At 1 January 2024	4.3	3.3	7.6
Deferred tax credit through the Income Statement	13.2	(2.5)	10.7
At 31 December 2024	17.5	0.8	18.3
Deferred tax charge through the Income Statement	(7.0)	6.9	(0.1)
At 31 December 2025	10.5	7.7	18.2
Deferred tax liabilities			
At 1 January 2024	(9.6)	–	(9.6)
Deferred tax charge through the Income Statement	(12.5)	–	(12.5)
At 31 December 2024	(22.1)	–	(22.1)
Deferred tax credit through the Income Statement	22.1	–	22.1
At 31 December 2025	–	–	–

Deferred tax assets/(liabilities) in Egypt:

	At 31 December 2025 \$m	At 31 December 2024 \$m
Assets	18.2	18.3
Liabilities	–	(22.1)
	18.2	(3.8)

Recognised deferred tax assets Egypt

Deferred tax assets of \$10.5m (2024: \$17.5m) are recognised in respect of Egypt oil and gas non-current assets temporary differences of \$25.9m (2024: \$43.2m) and Egypt tax losses of \$7.7m (2024: \$0.8m) on concessions where future profits are expected to be available to recover the value of the assets.

At the balance sheet date the Group has \$41.7m (2024: \$69.5m) of temporary differences in respect of Egypt non-current assets and \$0.7m (2024: \$38.9m) of Egypt tax losses, which can be offset against future oil and gas profits in Egypt. No deferred tax asset is recognised in respect of these temporary differences as it is not considered probable that these amounts will be utilised in future periods.

Deferred tax liabilities Egypt

No deferred deferred tax liabilities are now recognised related to Egypt oil and gas non-current assets (2024: \$22.1m recognised across five concessions in respect of taxable temporary differences of \$54.5m). This reflects the impact of the merged concession agreement.

Section 5 – Taxation (continued)

5.2 Deferred tax assets and liabilities (continued)

Unrecognised deferred tax assets

No deferred tax asset has been recognised on the following as it is not considered probable that it will be utilised in future periods:

	At 31 December 2025 \$m	At 31 December 2024 \$m
UK RFCT trading losses	254.3	254.7
UK SCT loss	251.9	250.8
UK other ring fence temporary differences	629.1	629.3
UK excess management expenses	464.2	450.9
UK non-trade deficits	100.6	93.2
UK temporary differences on share-based payments	34.0	34.0
Egypt fixed asset temporary differences	17.2	11.8
Egypt ring fence corporation tax trading losses	–	35.6

Section 6 – Discontinued operations

6.1 Profit from discontinued operations

Settlement of earnout consideration due

On 2 November 2021, Capricorn completed the sale of its interests in the UK Catcher and Kraken producing assets to Waldorf Production Limited (“Waldorf”).

On 18 December 2023, Capricorn entered into a settlement agreement with Waldorf for the full and final settlement of the remaining earnout consideration due. Under the agreement, Capricorn received an initial payment of \$48.0m in December 2023, with a further \$2.0m received at the end of Q1 2024. An additional payment of \$22.5m was due in early January 2025 and Capricorn were also due to receive a non-operated asset in the UK North Sea. However, due to financial difficulties impacting Waldorf, the \$22.5m has not been received and instead written down to an estimated recoverable value of \$1.5m at 31 December 2024. The transfer of the asset did also not complete and the related long-term receivable was fully impaired in 2024. The Group recorded a combined loss on the settlement of the earnout of \$26.1m in 2024.

During 2025, Capricorn's legal team have been actively pursuing Waldorf for additional recovery of sums due a revised settlement offer has been tabled, expected to be worth \$4.0m to Capricorn and the receivable has been increased to reflect this expected recovery. Capricorn's legal costs have also been met by Waldorf.

Senegal deferred consideration

In January 2025, Capricorn received a further \$50.0m consideration relating to the disposal of oil and gas assets in Senegal in 2021. This consideration was dependant on several conditions being met, including the date of first oil and an average oil price above set levels, and these were all achieved by the end 2024.

A breakdown of the total profit from discontinued operations is as follows:

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Operating profit		
Gain on disposal of oil and gas assets	–	50.0
Loss on disposal of a subsidiary	–	(0.7)
Profit/(Loss) on disposal of a financial asset	2.5	(26.1)
Profit before tax from discontinued operations	2.5	23.2
Tax charge	–	–
Profit after tax from discontinued operations	2.5	23.2
	2025	2024
	\$	\$
Earning per share for profit after tax from discontinued operations		
Profit per ordinary share – basic	0.04	0.30
Profit per ordinary share – diluted	0.03	0.30

Section 6 – Discontinued operations (continued)

6.2 Cash flow information for discontinued operations

	Year ended 31 December 2025 \$m	Year ended 31 December 2024 \$m
Net cash flows from investing activities	49.3	2.0
Net increase in cash and cash equivalents	49.3	2.0

In 2025, the Company received a contingent payment of \$50.0m related to Senegal and refunded \$0.7m of proceeds from the disposal of oil and gas assets in Norway. In 2024, \$2.0m was received under the earnout settlement agreement (see note 6.1).

6.3 Discontinued operations – Senegal contingent liability

On 14 November 2024, Capricorn received notification that Woodside Energy (“Woodside”) had received a notice from the Senegalese Tax Authority. The notice from the Senegalese Tax Authority states that:

- Senegalese registration duty (XOF 14.1bn) should have been paid on the transfer (in December 2020) by Capricorn to Woodside of its PSC interests offshore Senegal; and
- Senegalese real estate capital gains tax (XOF 9.1bn) should have been withheld by Woodside from the price paid to Capricorn in respect of the sale of those PSC interests.

Under the terms of the sale agreement between Capricorn and Woodside, Capricorn is responsible for any registration duty and for any capital gains tax arising in connection with the sale of the PSC interests.

Capricorn’s analysis remains that no Senegalese registration duty or capital gains tax is payable, based on analysis at the time of the transaction. Capricorn will continue to vigorously defend its position on this matter, including exercising rights under the sale agreement to participate in the defence of any such claim. Woodside has filed an action with the High Court of Dakar and a request for arbitration with the International Centre of Investment Disputes disputing the tax assessment.

At the balance sheet date Capricorn estimate of the exposure under the registration duty claim has decreased to \$25.7m with penalties and interest no longer attached to the registration duty claim.

Glossary

2P	Proved plus probable reserves, denotes best estimate scenario
bbl	Barrels of oil
boe	Barrels of oil equivalent
boepd	Barrels of oil equivalent per day
G&A	General and administrative expenses
m	Million
MENA	Middle East and North Africa
mmbo	Million barrels of oil
mmboe	Million barrels of oil equivalent
mscf	Thousand standard cubic feet
WI	Working interest

About Capricorn Energy PLC

Capricorn is a cash flow-focused energy producer, with an attractive portfolio of onshore exploration, development and production assets in the Egyptian Western Desert.

For further information, visit www.capricornenergy.com.