25 August 2026

Gulf Keystone Petroleum Ltd. (LSE & OSE: GKP)
(“Gulf Keystone”, “GKP”, “the Group” or “the Company”)

2026 Half Year Results Announcement

Gulf Keystone, a leading independent operator and producer in the Kurdistan Region of Iraq, today announces its results for the half year ended 30 June 2026.

Jon Harris, Gulf Keystone’s Chief Executive Officer, said:

“GKP’s operational and financial performance in the first half of 2026 demonstrated the resilience of our business, our people and the Shaikan Field through a period of significant regional disruption. Our priority throughout has been the safety of our workforce while decisive action to reduce expenditures has enabled us to minimise cash outflow, maintain a robust, debt-free balance sheet and pay a $12.5 million dividend to shareholders.

We are pleased to have recently restarted production and exports following the extension of the tripartite interim export agreements, with volumes continuing to ramp up to prior levels. Despite the security issues in 2026 impacting production, the interim export agreements have worked effectively, with improved remuneration relative to local sales and consistent payments without delay following crude liftings.

Looking ahead to the remainder of the year, our focus is on maintaining stable production and exports, progressing the PF-2 water handling project and securing full PSC entitlement for past and present export sales at international prices. The latter would bolster cash flow generation, supporting our decision today to announce a semi-annual dividend of $10 million, and provide the foundations for a return to production growth in 2027. I would like to thank our staff, shareholders and wider stakeholders for their continued support.”

Highlights to 30 June 2026 and post reporting period

Operational

- Gross average production of 14,600 bopd in H1 2026 (H1 2025: 44,100 bopd) reflects impact of precautionary shut-in between 28 February and 23 June 2026 due to regional security issues
    - After gross production had restarted on 24 June 2026 and successfully ramped up to over 45,000 bopd, a second precautionary shut-in took place between 19 July and 15 August 2026
- Shaikan Field production restarted on 16 August 2026, with gross volumes currently approaching 40,000 bopd
    - The production ramp-up is ongoing, with well activities underway to bring incremental volumes online and return to prior production levels soon
- Majority of work programme suspended during shut-ins to reduce costs and preserve liquidity, with only safety critical or strategic projects proceeding
    - Installation of water handling facilities at PF-2 remains on track for start-up in Q1 2027, targeting incremental production growth, increased facility capacity and reduced reservoir risk
- Assets and workforce protected, with zero Lost Time Incidents for over three and a half years

Financial

- Resilient financial performance in H1 2026, with cost reductions enabling the Company to minimise the free cash outflow in the period to $(2.0) million (H1 2025 free cash flow: $24.6 million)
- Revenue based on entitlement invoices, a non-IFRS measure, of $82.8 million in H1 2026 was broadly flat relative to the prior period (H1 2025: $83.1 million)
    - Average realised price of $83.5/bbl (H1 2025: $27.8/bbl) for H1 2026 export sales, representing a $8.8/bbl discount to Dated Brent
    - Cash receipts for H1 2026 export sales equated to approximately $30/bbl as per the interim export agreements, with the differential to the reported realised price accruing as a top-up receivable
- Adjusted EBITDA of $51.7 million in H1 2026 (H1 2025: $41.1 million), with reduced production resulting from the temporary shut-in more than offset by higher realised prices and lower operating costs

    - 25% decrease in operating costs to $20.2 million in H1 2026 (H1 2025: $26.9 million), reflecting the production shut-in and the prompt implementation of cost reduction measures
    - 6% reduction in other G&A expenses to $4.3 million (H1 2025: $4.6 million)
- Net capital expenditure of $18.3 million (H1 2025: $18.1 million) reflecting investment in safety critical facility upgrades, well workovers and the ongoing construction of PF-2 water handling facilities
    - Almost half of the expenditure in the period took place prior to the production shut-in on 28 February 2026 and actions taken by the Company to suspend or slow down the majority of capital projects
- $12.5 million semi-annual dividend paid to shareholders in April 2026
- Robust, debt free balance sheet, with cash of $63.5 million as at 24 August 2026

Outlook

- Gulf Keystone is focused on completing the ongoing ramp-up of production to prior levels and maintaining stable export sales, subject to the security environment
- Assuming stable production and export sales, the Company will continue to progress the PF-2 water handling project, safety critical facilities upgrades and selective, low-cost production optimisation initiatives
- The Company is focused on achieving full PSC entitlement for export sales at international prices:
    - The tripartite interim export agreements between the International Oil Companies ("IOCs"), Federal Government of Iraq ("FGI") and Kurdistan Regional Government ("KRG") have been extended for six months to the end of January 2027 to enable the negotiation of longer-term agreements for export sales at international prices
    - Following the completion of the independent consultant's review of IOC invoices and contractual entitlements, the Company is working to secure additional liftings and associated top-up payments to reconcile export sales since September 2025 to international prices
    - The Company is seeking the commencement of additional liftings in Q3 2026
- In parallel, the Company is engaging with Kurdistan's Ministry of Natural Resources ("MNR") regarding a revised Shaikan Field Development Plan ("FDP") and preparing for a potential return to field development and drilling in 2027, subject to receiving full PSC entitlement for export sales

Shareholder distributions

- The Board has carefully considered the Company's operating environment and outlook, current cash balance, ability to reduce expenditures and progress towards achieving full PSC entitlement for its export sales
- Consequently, the Board has decided to declare an interim dividend of $10 million, equivalent to $0.046 per Common Share
- The dividend will be paid on 28 September 2026, based on a record date of 11 September 2026 and ex-dividend date of 10 September 2026

Investor & analyst presentation

GKP's management team will be hosting a presentation for investors and analysts at 10:00am (BST) today via live audio webcast:

https://b.link/GKP_HY26

Sell-side analysts are requested to join the meeting via the dial-in details provided to them separately and ask questions verbally. Investors are encouraged to pre-submit written questions via the webcast registration page, with the opportunity to submit questions live during the presentation.

A recording of the presentation will be made available on GKP's website.

Disclosure regulation:

This announcement contains information which is considered to be inside information pursuant to the UK Market Abuse Regulation ("UK MAR") and the EU Market Abuse Regulation ("EU MAR") and is subject to the disclosure requirements pursuant to UK MAR, EU MAR article 17 and section 5-12 of the Norwegian Securities Trading Act. This stock exchange announcement was published on behalf of Gulf Keystone by Aaron Clark, Head of Investor Relations and Corporate Communications of Gulf Keystone, at the date and time as set out above.

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Notes to Editors:

Gulf Keystone Petroleum Ltd. (LSE & OSE: GKP) is a leading independent operator and producer in the Kurdistan Region of Iraq. Further information on Gulf Keystone is available on its website: www.gulfkeystone.com

Disclaimer

This announcement contains certain forward-looking statements that are subject to the risks and uncertainties associated with the oil & gas exploration and production business. These statements are made by the Company and its Directors in good faith based on the information available to them up to the time of their approval of this announcement but such statements should be treated with caution due to inherent risks and uncertainties, including both economic and business factors and/or factors beyond the Company's control or within the Company's control where, for example, the Company decides on a change of plan or strategy. This announcement has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. This announcement should not be relied on by any other party or for any other purpose.

CEO review

GKP's performance in the first half of 2026 was impacted by the precautionary shut-in of production for much of the period due to the deterioration in the regional security environment. By taking decisive action, we have been able to protect our assets and workforce, minimise cash outflow and pay a $12.5 million dividend to shareholders. The Shaikan Field has responded well to the recent restart in production and we are now focused on achieving full PSC entitlement for export sales at international prices and a return to production growth and shareholder value creation.

The safety of our staff and contractors has been our number one priority through the recent period of turbulence. Following the beginning of the conflict between the U.S. and Iran at the end of February 2026, we immediately took measures to protect our people by shutting in production operations and removing personnel from site, with only critical maintenance continuing. There have been zero Lost Time Incidents in 2026 year to date, extending our track record without an LTI to over three and a half years. We remain focused on safe operations following the recent restart of production and activity in the Shaikan Field.

Gross average production in the first half of 2026 was 14,600 bopd, a 67% decrease relative to the prior period (H1 2025: 44,100 bopd) due to the shut-in of the Shaikan Field for nearly four months between 28 February and 23 June 2026. Gross production prior to the shut-in had averaged 41,303 bopd from the beginning of 2026, with volumes exceeding 44,000 bopd on several days towards the end of February 2026 reflecting the completion of well workovers and interventions. Following the production restart on 24 June 2026, gross volumes were ramped up to above 40,000 bopd in under two weeks and had exceeded 45,000 bopd prior to the second precautionary shut-in on 19 July 2026.

Our response to the production interruptions has been to swiftly moderate expenditures while maintaining the ability to quickly restart production at full capacity. Almost all capital projects have been slowed down or suspended since the initial shut-in, with only safety critical or highly strategic projects proceeding.

We have continued to progress the PF-2 water handling project in the first half of 2026, with engineering work completed earlier this month, and have maintained the targeted start-up schedule of Q1 2027. Once operational, the water handling facilities are expected to unlock an estimated 4,000-8,000 bopd of incremental gross production above the anticipated field baseline from existing constrained wells while reducing downside risk to reservoir recovery. The facilities will add additional wet oil processing capacity of around 17,000 bopd to the Shaikan Field's existing dry oil processing capacity of around 60,000 bopd.

We were pleased to promptly restart production on 16 August 2026 upon the signing of the tripartite export agreement extension. The Shaikan Field has again responded well, with gross volumes currently approaching 40,000 bopd. Well activities are underway to bring incremental volumes online and return to prior production levels soon.

The production restart has been enabled by a number of factors. First, the security environment in-country has remained relatively quiet following the recent de-escalation between the U.S. and Iran and the FGI's provision of security guarantees to Kurdistan IOCs. Second, the ITP agreement between Iraq and Türkiye was extended earlier this month for one year, with negotiations ongoing regarding a new agreement beyond July 2027. Finally, the tripartite interim export agreements between the IOCs, FGI and KRG have been extended for six months to the end of January 2027 to enable the negotiation of longer-term agreements for export sales at international prices.

We are also pleased to report that the independent consultant's review of IOC invoices and contractual entitlements for Q4 2025 production has recently been completed. GKP and other IOCs now expect to receive full PSC entitlement for export sales. The Company is working with SOMO and the KRG to secure additional liftings and associated payments to reconcile export sales since September 2025 to international prices. See the "Financial review" section for further detail.

Achieving full PSC entitlement for export sales at international prices would provide strong foundations for a return to field development. In anticipation, the Company has been discussing an updated Shaikan Field Development Plan ("FDP") with the MNR. The FDP is similar to the version under execution prior to the ITP closure in March 2023 and suspension of activity. The Company is targeting an increase of the production plateau from the Jurassic reservoir to 85,000 bopd gross; a test of the Triassic reservoir of up to 10,000 bopd gross with an appraisal of the Cretaceous accumulation and; the implementation of a Gas Management Plan ("GMP") aiming to eliminate routine gas flaring associated with oil production, a requirement of the Shaikan PSC. We will provide further updates as we firm up our plans.

Looking ahead to the remainder of 2026, we are focused on completing the ongoing ramp-up of production to prior levels and maintaining stable export sales, subject to the security environment. Assuming stable production and export sales, the Company will continue to progress the PF-2 water handling project, safety critical facilities upgrades and selective, low-cost production optimisation initiatives, while laying the foundations for a potential return to field development and drilling in 2027.

Despite the security issues in 2026 impacting production, the interim export agreements have worked as expected, with improved remuneration relative to local sales and consistent payments without delay following crude liftings. Good progress has also been made towards achieving full PSC entitlement for export sales at international prices, which would bolster cash flow generation and provide us with the conditions to unlock significant growth and value from the Shaikan Field. We are excited about the future and would like to thank all GKP shareholders for their continued support.

Jon Harris
Chief Executive Officer

24 August 2026

Financial review

Key financial highlights

		Six months ended 30 June 2026	Six months ended 30 June 2025	Year ended 31 December 2025
Gross average production(1)	bopd	**14,600**	44,100	41,560
Dated Brent(2)	$/bbl	**92.3**	71.9	69.1
Realised price(1)(3)	$/bbl	**83.5**	27.8	33.9
Discount to Dated Brent	$/bbl	**8.8**	44.1	35.2
Revenue (invoiced for the period)(1)(4)	$m	**82.8**	83.1	193.1
Revenue (IFRS)(5)	$m	**57.8**	83.1	164.8
Operating costs	$m	**20.2**	26.9	52.6
Gross operating costs per barrel(1)	$/bbl	**9.6**	4.2	4.3
Other general and administrative expenses	$m	**4.3**	4.6	9.3
Share option expense	$m	**2.4**	4.4	7.0
Adjusted EBITDA(1)(6)	$m	**51.7**	41.1	111.4
Profit/(loss) after tax	$m	**12.9**	(7.2)	15.1
Basic earnings/(loss) per share	cents	**5.9**	(3.3)	7.0
Revenue receipts	$m	**49.6**	78.2	122.4
Net capital expenditure(1)(7)	$m	**18.3**	18.1	38.8
Free cash flow(1)	$m	**(2.0)**	24.6	29.1
Dividends	$m	**12.5**	25	50
Cash and cash equivalents	$m	**61.1**	99.0	78.2

(1) Represents either a non-financial or non-IFRS measure which are explained in the summary of non-IFRS measures where applicable.
(2) Simple average Dated Brent price; provided as a comparator for realised price.
(3) Realised prices for 2026 export sales reflect the full value of entitlement invoices at international prices with adjustments for quality and transportation costs. Cash received for 2026 export sales equated to $30/bbl. 2025 realised prices reflect local sales from 1 January to 26 September 2025 and export sales from 27 September to 31 December 2025.
(4) Revenue (invoiced for the period) is a non-IFRS measure reflecting the full value of local and export sales entitlement invoices. See note 4 in the financial statements for further details.
(5) Revenue (IFRS) reflects ‘Revenue (invoiced for the period)’ adjusted for the effective recovery of past receivables.
(6) Adjusted EBITDA is based on ‘Revenue (invoiced for the period)’.
(7) 2025 net capital expenditure includes a $5.4 million non-cash charge associated with the capitalisation of drilling inventory previously classified as held for sale.

Gulf Keystone delivered a resilient financial performance in the first half of 2026. Swift action to reduce capital expenditures and costs following the production shut-in enabled us to minimise the free cash outflow in the period, maintain a robust balance sheet and pay a semi-annual dividend of $12.5 million to shareholders in April 2026. With the recent restart of production and progress towards achieving full PSC entitlement for export sales at international prices, the Board has decided to declare a semi-annual dividend of $10 million for payment in September 2026 as we also firm up plans for investment in profitable growth.

Adjusted EBITDA

Adjusted EBITDA of $51.7 million in H1 2026 was 26% higher relative to the prior period (H1 2025: $41.1 million) as reduced production resulting from the temporary shut-in of the Shaikan Field was more than offset by lower associated operating costs and higher realised prices reflected in entitlement invoices for export sales.

Revenue based on entitlement invoices issued in 2026, a non-IFRS measure, of $82.8 million was broadly flat relative to the prior period (H1 2025: $83.1 million). Higher average realised prices of $83.5/bbl (H1 2025: $27.8/bbl) reflected in entitlement invoices for export sales largely offset the 67% decrease in gross average production to 14,600 bopd (H1 2025: 44,100 bopd) due to the shut-in of the Shaikan Field from 28 February to 23 June 2026.

Revenue on an IFRS basis in H1 2026 was $57.8 million (H1 2025: $83.1 million) which reflects an adjustment for the effective recovery of the cost oil portion of past receivables (see “Net entitlement” section below). The Group is restricted from reporting a total receivable balance in excess of the unrecovered cost oil balance (or ‘Cost Pool’) and therefore cannot recognise revenue under IFRS beyond this point. See note 4 in the financial statements for further details.

Under the interim export agreements signed in September 2025, crude pricing is linked to Dated Brent around cargo lifting windows as opposed to average monthly Brent pricing in the month of production. Realised prices for Shaikan Field crude reflect a differential to Dated Brent for the Kirkuk blend official selling price ("the Kirkuk blend OSP") as determined by the Iraqi State Organization for Marketing of Oil ("SOMO"), with further adjustments for quality and transportation costs.

The average realised price of $83.5/bbl reflected in entitlement invoices for export sales in H1 2026 represented a discount to Dated Brent of $8.8/bbl, a significant improvement relative to the discount to Dated Brent in H1 2025 for local sales of $44.1/bbl. The discount was also lower than the discount to Dated Brent of $13.4/bbl reflected in entitlement invoices for export sales in 2025, as previously reported.

The improvement in discount to Dated Brent in H1 2026 primarily reflects higher demand for the Kirkuk blend during the period, resulting in some liftings of Kurdistan crude selling at a netback price which included a premium for the Kirkuk blend OSP. Adjustments for quality and transportation were broadly stable. It remains relatively early in the new export process to provide long-term guidance regarding the discount to Dated Brent, given the limited number of cargo liftings to date, the recent volatility in the Kirkuk blend OSP and the implementation of the independent consultant's review.

In the first two months of 2026, gross Opex per barrel was relatively stable at $4.4/bbl compared to the prior period (H1 2025: $4.2/bbl). Following the shut-in of production operations on 28 February 2026 due to the security environment, the Company moved swiftly to reduce costs and expenditures while maintaining the ability to quickly restart production at full capacity. Operating costs in the first half of 2026 were $20.2 million, 25% lower relative to the prior period (H1 2025: $26.9 million) reflecting the production shut-in and the prompt implementation of cost reduction measures.

Other G&A expenses reduced 6% to $4.3 million (H1 2025: $4.6 million), reflecting reduced staff costs and depreciation charges in the period partially offset by non-recurring fees related to the dual listing of the Company's shares on Euronext Growth Oslo, which was completed in February 2026. The retail offer was multiple times oversubscribed and we were pleased to welcome approximately 700 new shareholders.

Share option expense was $2.4 million in H1 2026 (H1 2025: $4.4 million), reflecting the vesting in April 2026 of a reduced number of awards associated with the 2023 LTIP relative to the vesting of the 2022 LTIP award in 2025.

Cash flows

Revenue receipts in H1 2026 were $49.6 million, reflecting cash received in the period for export sales. Revenue receipts were 36% lower relative to the prior year period (H1 2025: $78.2 million), primarily due to the impact of the production shut-in.

Under the interim export agreements, the Company has been receiving approximately $30/bbl in cash for its net entitlement of export sales. Payments have been consistent and without delay, received no later than 30 days after each crude lifting allocated to the IOC's nominated trader at the Ceyhan oil terminal in Türkiye. Since the restart of exports in September 2025, crude liftings have typically occurred around one month following the month of production, resulting in a timing difference of around two months between production and payment for Shaikan Field sales. Due to the production shut-in from 28 February 2026, liftings for February 2026 production were delayed to April and June 2026, with payments received within 30 days of the liftings.

As at 30 June 2026, the Company had accrued a receivable for interim volumes of $11.7 million net to GKP (post Capacity Building Payment ("CBP")) reflecting outstanding payments for production in February 2026 and between 23-30 June 2026 following the restart. An amount of $11.2 million net to GKP was paid in July and August 2026.

The Company has also accrued a top-up receivable for export sales to date under the interim agreements to account for the differential between realised prices for cash received (approximately $30/bbl) and the expected reconciliation to international prices, reflected in the realised prices for invoiced revenue, following the anticipated implementation of the independent consultant's review. This additional receivable totalled $31.3 million net to GKP (post CBP) at year end 2025 and has since increased to $79.6 million net to GKP (post CBP) as at 30 June 2026, reflecting the Company's net entitlement of export sales during the period.

The Company's continued expectation is that this top-up receivable, as well as increases accrued for export sales going forward under the interim export agreements, will be paid in the form of additional allocated liftings of crude and associated payments. The estimated payment timing and value of the receivable are subject to the implementation of the independent consultant's review. The consultant's final report has been submitted to the FGI and the Company is seeking the commencement of additional liftings in Q3 2026.

Net capital expenditure in H1 2026 was $18.3 million (H1 2025: $18.1 million) reflecting investment in safety critical facility upgrades, well workovers and the ongoing construction of water handling facilities for installation at PF-2. Almost half of the expenditure in the period took place prior to the production shut-in on 28 February 2026. Subsequently, the Company moved quickly to slow down or suspend almost all capital projects, with the exception of safety critical or highly strategic work, such as the installation of water handling facilities at PF-2.

The Company's decisive action to reduce capital expenditures and costs following the production shut-in helped to minimise the free cash outflow in the period to $(2.0) million (H1 2025 free cash flow: $24.6 million).

Following careful consideration of the Company's liquidity needs, outlook and ability to moderate capital expenditures and costs during the production shut-in, the Board decided in March 2026 to declare an interim dividend of $12.5 million which was paid on 27 April 2026.

The Company's cash balance was $61.1 million as at 30 June 2026 with no debt. The reduction relative to the 31 December 2025 cash balance of $78.2 million primarily reflects the free cash outflow, dividend payment and share purchases in the period amounting to $3.6 million to satisfy the vesting of the 2023 LTIP award. Cash outflows were offset by $1.0 million of interest income and $0.9 million of placing proceeds net of fees associated with the Euronext Growth Oslo dual listing share raise.

The Company's cash balance as at 24 August 2026 was $63.5 million, primarily reflecting payments received for production during February and June 2026, offset by ongoing capital expenditures and costs.

Net entitlement

GKP's net entitlement of Shaikan Field sales was approximately 36% in H1 2026 for amounts invoiced during the period. The level of net entitlement reflects the Company's monthly cost oil and profit oil entitlements, determined by the Cost Pool and R-factor. Definition of key PSC terms can be found in the Glossary at the end of this report.

As at 30 June 2026, there was $149.9 million of unrecovered cost oil for the Shaikan Contractor ($119.9 million net to GKP) in the Cost Pool, which includes capex and opex incurred while production was shut-in during the period. The R-factor, calculated as cumulative Contractor revenue receipts of $2,649 million divided by cumulative Contractor costs of $2,126 million, was 1.25 as at 30 June 2026. Both the Cost Pool and the R-factor are subject to potential cost audit by the KRG.

As the Cost Pool is reported on a cash receipt basis, it includes the cost oil portion of the outstanding October 2022 to March 2023 export sales receivable balance, as previously reported. The Company's net entitlement in H1 2026 reflected the continued effective recovery of $25.0 million of cost oil owed to GKP from the 2022-2023 receivable balance, reducing the overall receivable balance to $97.8 million net to GKP (comprising $67.1 million cost oil and $30.7 million profit oil net to GKP post CBP) as at 30 June 2026.

The repayment of the 2022-2023 receivable balance is a component of the Company's ongoing commercial negotiations with the MNR. These include the settlement of other KRG-related assets and liabilities and the agreement of a formal amendment to the Shaikan PSC to reflect current invoicing terms, outstanding since 2017. The negotiations continue to progress but no agreement has been reached as at the date of this report.

Should the negotiations conclude, a settlement may result in a lower Cost Pool and higher R-factor relative to the current reported levels, as well as potential material adjustments to the specific assets and liabilities on the Company's balance sheet. See notes 12, 13 and 15 in the financial statements for further details. In the absence of a settlement, the Company expects to continue to invoice for crude sales based on the reported Cost Pool and R-factor as at 30 June 2026.

Outlook

Looking ahead to the remainder of 2026, the Company will retain its focus on disciplined capital expenditure and strict cost control as it proceeds, subject to stable production and exports, with key initiatives to enhance production and facility safety. Should the security environment deteriorate again, we retain significant flexibility to moderate expenditures and preserve cash.

Gulf Keystone remains committed to returning excess cash to shareholders via semi-annual dividend payments and opportunistic share buybacks. The Board has carefully considered the Company's operating environment and outlook, current cash balance, ability to reduce expenditures and progress towards achieving full PSC entitlement for its export sales. Consequently, the Board has decided to declare an interim dividend of $10 million, equivalent to $0.046 per Common Share. The dividend will be paid on 28 September 2026, based on a record date of 11 September 2026 and ex-dividend date of 10 September 2026.

Gabriel Papineau-Legris
Chief Financial Officer

24 August 2026

Principal risks & uncertainties

The Board determines and reviews the key risks for the Group on a regular basis. The principal risks, and how the Group seeks to mitigate them, for the second half of the year are largely consistent with those detailed in the management of principal risks and uncertainties section of the 2025 Annual Report and Accounts. The principal risks are listed below:

Strategic	Operational	Financial
Export route availability	Security	Commodity prices
Political, social and economic instability	Health, safety and environment (“HSE”) risks	Oil revenue payment mechanism
Stakeholder misalignment	Gas flaring	Liquidity and funding capability
Disputes regarding title or exploration and production rights	Reserves	
Business conduct and anti-corruption	Field delivery risk	
Risk of economic sanctions impacting the Group		
Climate change		
Organisation and talent		
Cyber security		

Responsibility statement

The Directors confirm that to the best of their knowledge:

a) the condensed set of financial statements has been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting, as issued by the International Accounting Standards Board;
b) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events and their impact during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
c) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

By order of the Board

Jon Harris
Chief Executive Officer

24 August 2026

INDEPENDENT REVIEW REPORT TO GULF KEYSTONE PETROLEUM LIMITED

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2026 is not prepared, in all material respects, in accordance with International Accounting Standard 34: Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

We have been engaged by Gulf Keystone Petroleum Limited (the 'Company') to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2026 which comprise of the following:

- Condensed consolidated income statement;
- Condensed consolidated statement of comprehensive income;
- Condensed consolidated balance sheet;
- Condensed consolidated statement of changes in equity;
- Condensed consolidated cash flow statement; and
- The related explanatory notes

Basis for conclusion

We conducted our review in accordance with the International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with the International Financial Reporting Standards as issued by the IASB. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting as issued by the IASB.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.
This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410, however future events or conditions may cause the Group to cease to continue as a going concern.

Responsibilities of directors

The directors are responsible for preparing the half-yearly financial report in accordance with the International Accounting Standard 34: Interim Financial Reporting and Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP
Chartered Accountants
London, UK
24 August 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Non-IFRS measures

The Group uses certain measures to assess the financial performance of its business. Some of these measures exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with International Financial Reporting Standards ("IFRS"), or are calculated using financial measures that are not calculated in accordance with IFRS. As a result, these measures are termed "non-IFRS measures" and include financial measures such as gross operating costs and non-financial measures such as gross production.

The Group uses such measures to measure and monitor operating performance and liquidity, in presentations to the Board and as a basis for strategic planning and forecasting. The Directors believe that these and similar measures are used widely by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity.

The non-IFRS measures may not be comparable to other similarly titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Group's operating results as reported under IFRS. An explanation of the relevance of each of the non-IFRS measures and a description of how they are calculated is set out below. Additionally, a reconciliation of the non-IFRS measures to the most directly comparable measures calculated and presented in accordance with IFRS and a discussion of their limitations is set out below, where applicable. The Group does not regard these non-IFRS measures as a substitute for, or superior to, measures that are equivalent to financial measures that are calculated or presented in accordance with IFRS.

Gross operating costs per barrel

Gross operating costs are divided by gross production to arrive at operating costs per barrel.

	Six months ended 30 June 2026	Six months ended 30 June 2025	Year ended 31 December 2025
Gross production (MMstb)	**2.6**	8.0	15.2
Gross operating costs ($ million) (1)	**25.3**	33.6	65.8
Gross operating costs per barrel ($ per bbl)	**9.6**	4.2	4.3

(1) Gross operating costs equate to operating costs (see note 5 to the financial statements) adjusted for the Group's 80% working interest in the Shaikan Field.

Adjusted EBITDA

Adjusted EBITDA is a useful indicator of the Group's profitability and excludes the impact of the costs noted below.

	Six months ended 30 June 2026 $ million	Six months ended 30 June 2025 $ million	Year ended 31 December 2025 $ million
Profit/(loss) after tax	**12.9**	(7.2)	15.1
Finance costs	**1.0**	1.0	2.0
Finance income	**(1.0)**	(1.1)	(2.7)
Tax charge/(credit)	**0.1**	(0.2)	(0.5)
Depreciation of oil and gas assets	**15.4**	41.2	77.3
Depreciation of other PPE assets and amortisation of intangibles	**0.5**	1.2	2.0
(Decrease)/increase of ECL provision on trade receivables	**(2.3)**	8.9	(7.6)
Reversal of provision against inventory held for resale	**-**	(2.6)	(2.6)
Adjusted EBITDA (including IFRS revenue)	**26.6**	41.1	83.1
Effective recovery of past receivables (1)	**25.0**	-	28.3
Adjusted EBITDA (including non-IFRS revenue invoiced)	**51.7**	41.1	111.4

(1) Non-IFRS revenue includes exports as invoiced and explained further in note 4 to the financial statements.

Net capital expenditure

Net capital expenditure is the value of the Group's additions to oil and gas assets excluding the change in value of the decommissioning asset or any asset impairment.

	Six months ended 30 June 2026 $ million	Six months ended 30 June 2025 $ million	Year ended 31 December 2025 $ million
Net capital expenditure	**18.3**	18.1	38.8

Free cash flow

Free cash flow represents the Group's cash flows, before any dividends and share buybacks including related fees.

	Six months ended 30 June 2026 $ million	Six months ended 30 June 2025 $ million	Year ended 31 December 2025 $ million
Net cash generated from operating activities	**19.3**	38.3	63.1
Net cash used in investing activities	**(21.1)**	(13.5)	(33.6)
Payment of leases	**(0.2)**	(0.2)	(0.4)
Free cash flow	**(2.0)**	24.6	29.1

Condensed consolidated income statement

For the six months ended 30 June 2026

	Notes	**Six months ended 30 June 2026 Unaudited $'000**	Six months ended 30 June 2025 Unaudited $'000	Year ended 31 December 2025 Audited $'000
Non-IFRS measure				
Revenue invoiced for the period		**82,811**	83,144	193,093
Effective recovery of past receivables		**(25,049)**	-	(28,280)
Revenue		**57,762**	83,144	164,813
Revenue	4	**57,762**	83,144	164,813
Cost of sales	5	**(41,230)**	(71,172)	(141,089)
Decrease/(increase) of expected credit loss provision on trade receivables	12	**2,258**	(8,911)	7,558
Gross profit		**18,790**	3,061	31,282
Other general and administrative expenses	6	**(4,317)**	(4,593)	(9,313)
Share option related expense	7	**(2,388)**	(4,435)	(6,959)
Profit/(loss) from operations		**12,085**	(5,967)	15,010
Finance income		**1,050**	1,124	2,740
Finance costs		**(1,038)**	(970)	(1,976)
Foreign exchange gains/(losses)		**859**	(1,651)	(1,108)
Profit/(loss) before tax		**12,956**	(7,464)	14,666
Tax (charge)/credit		**(54)**	250	468
Profit/(loss) after tax		**12,902**	(7,214)	15,134
Earnings per share (cents)				
Basic	8	**5.93**	(3.32)	6.97
Diluted	8	**5.69**	(3.32)	6.68

Condensed consolidated statement of comprehensive income
For the six months ended 30 June 2026

	Six months ended 30 June 2026 Unaudited $'000	Six months ended 30 June 2025 Unaudited $'000	Year ended 31 December 2025 Audited $'000
Profit/(loss) after tax for the period	**12,902**	(7,214)	15,134
Items that may be reclassified subsequently to profit or loss:			
Exchange (loss)/gain on translation of foreign operations	**(346)**	2,289	1,781
Total comprehensive income/(loss) for the period	**12,556**	(4,925)	16,915

Condensed consolidated balance sheet
As at 30 June 2026

	Notes	**30 June 2026 Unaudited $'000**	31 December 2025 Audited $'000
Non-current assets			
Trade receivables	12	**45,258**	84,007
Intangible assets		**171**	260
Property, plant and equipment	10	**349,393**	349,404
Deferred tax asset		**1,290**	1,365
		396,112	435,036
Current assets			
Inventories	11	**8,248**	7,774
Trade and other receivables	12	**170,360**	125,065
Cash and cash equivalents		**61,149**	78,233
		239,757	211,072
Total assets		**635,869**	646,108
Current liabilities			
Trade and other payables	13	**(120,129)**	(128,314)
		(120,129)	(128,314)
Non-current liabilities			
Trade and other payables	13	**(773)**	(928)
Decommissioning provision		**(36,319)**	(37,839)
		(37,092)	(38,767)
Total liabilities		**(157,221)**	(167,081)
Net assets		**478,648**	479,027
Equity			
Share capital	14	**217,543**	217,005
Share premium account	14	**402,007**	414,139
Exchange translation reserve		**(2,848)**	(2,502)
Accumulated losses		**(138,054)**	(149,615)
Total equity		**478,648**	479,027

Condensed consolidated statement of changes in equity
For the six months ended 30 June 2026

	Share capital	Share premium account	Exchange translation reserve	Accumulated losses	Total equity
	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2025 (audited)	**217,005**	**463,985**	**(4,283)**	**(164,377)**	**512,330**
Loss after tax for the period	-	-	-	(7,214)	(7,214)
Exchange gain on translation of foreign operations	-	-	2,289	-	2,289
Total comprehensive income/(loss) for the period	**-**	**-**	**2,289**	**(7,214)**	**(4,925)**
Dividends	-	(24,880)	-	-	(24,880)
Reissue of repurchased shares	-	-	-	(3,506)	(3,506)
Own shares repurchased and held in Employee Benefit Trust	-	-	-	(526)	(526)
Employee share schemes	-	-	-	1,984	1,984
Balance at 30 June 2025 (unaudited)	**217,005**	**439,105**	**(1,994)**	**(173,639)**	**480,477**
Profit after tax for the period	-	-	-	22,348	22,348
Exchange loss on translation of foreign operations	-	-	(508)	-	(508)
Total comprehensive (loss)/income for the period	-	-	**(508)**	**22,348**	**21,840**
Dividends	-	(24,966)	-	-	(24,966)
Reissue of repurchased shares	-	-	-	(196)	(196)
Own shares repurchased and held in Employee Benefit Trust	-	-	-	196	196
Employee share schemes	-	-	-	1,676	1,676
Balance at 31 December 2025 (audited)	**217,005**	**414,139**	**(2,502)**	**(149,615)**	**479,027**
Profit after tax for the period	-	-		12,902	**12,902**
Exchange loss on translation of foreign operations	-	-	(346)		**(346)**
Total comprehensive (loss)/income for the period	**-**	**-**	**(346)**	**12,902**	**12,556**
Dividends	-	(12,502)	-	-	**(12,502)**
Reissue of repurchased shares	-	-	-	(3,784)	**(3,784)**
Own shares repurchased and held in Employee Benefit Trust	-	-	-	183	**183**
Employee share schemes	-	-	-	2,260	**2,260**
Share issue, net of issue cost	538	370	-	-	**908**
Balance at 30 June 2026 (unaudited)	**217,543**	**402,007**	**(2,848)**	**(138,054)**	**478,648**

Condensed consolidated cash flow statement
for the six months ended 30 June 2026

	Notes	**Six months ended 30 June 2026 Unaudited $'000**	Six months ended 30 June 2025 Unaudited $'000	Year ended 31 December 2025 Audited $'000
Operating activities				
Cash generated in operations	9	**18,302**	37,171	60,381
Interest received		**1,050**	1,124	2,740
Interest paid		**(59)**	-	(25)
Net cash generated from operating activities		**19,293**	38,295	63,096
Investing activities				
Purchase of intangible assets		**(4)**	(133)	(248)
Purchase of property, plant and equipment	10	**(21,074)**	(13,385)	(33,314)
Net cash used in investing activities		**(21,078)**	(13,518)	(33,562)
Financing activities				
Payment of dividends	14	**(12,502)**	(24,880)	(49,846)
Purchase of own shares - employee share-based payments	14	**(3,601)**	(4,032)	(4,032)
Proceeds of share issue, net of costs		**908**	-	-
Payment of leases		**(209)**	(216)	(425)
Net cash used in financing activities		**(15,404)**	(29,128)	(54,303)
Net decrease in cash and cash equivalents		**(17,189)**	(4,351)	(24,769)
Cash and cash equivalents at beginning of period		**78,233**	102,346	102,346
Effect of foreign exchange rate changes		**105**	1,046	656
Cash and cash equivalents at end of the period being bank balances and cash on hand		**61,149**	99,041	78,233

Notes to the consolidated financial statements

1. General information

Gulf Keystone Petroleum Limited (the "Company") is domiciled and incorporated in Bermuda (registered address: c/o Carey Olsen Services Bermuda Limited, 5th Floor, Rosebank Centre, 11 Bermudiana Road, Pembroke, HM08 Bermuda); together with its subsidiaries it forms the "Group". On 25 March 2014, the Company's common shares were admitted, with a standard listing, to the Official List of the United Kingdom Listing Authority ("UKLA") and to trading on the London Stock Exchange's ("LSE") Main Market for listed securities. On 29 July 2024, new Listing Rules came into effect for the LSE. The former categories for Main Market listed companies of Premium and Standard Listed were ceased (GKP being a Standard Listed company up until this point). From that date, GKP moved to the Equity Shares – Transition category. On 18 February 2026 the Company completed a secondary listing on the Euronext Growth Oslo, this is in addition to the aforementioned primary listing on the LSE. Depositary Interests previously used for the settlement of trades on the LSE have been cancelled and have been replaced by CREST Depositary Interests ("CDIs") issued by Euroclear UK & International Limited ("Euroclear") allowing cross border transfers to occur between the two markets.

The Company serves as the parent company for the Group, which is engaged in oil and gas exploration, development and production, operating in the Kurdistan Region of Iraq.

2. Summary of material accounting policies

These interim financial statements should be read in conjunction with the audited financial statements contained in the Annual Report and Accounts for the year ended 31 December 2025. The Annual Report and Accounts of the Group were prepared in accordance with United Kingdom adopted International Accounting Standards ("IAS"). On 1 January 2026 the Group transitioned to report in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), this transition has had no material impact on the financial statements of the Group. The condensed set of financial statements included in this half yearly financial report have been prepared in accordance with IAS 34 'Interim Financial Reporting' as issued by the IASB and the Disclosure and Transparency Rules ("DTR") of the Financial Conduct Authority ("FCA") in the United Kingdom as applicable to interim financial reporting.

The condensed set of financial statements included in this half yearly financial report have been prepared on a going concern basis as the Directors consider that the Group has adequate resources to continue operating for the foreseeable future.

The accounting policies adopted in the 2026 half-yearly financial report are the same as those adopted in the 2025 Annual Report and Accounts, other than the implementation of new IFRS reporting standards.

The financial information included herein for the year ended 31 December 2025 does not constitute the Group's financial statements for that year but is derived from those Accounts. The auditor's report on those Accounts was unqualified and did not include a reference to any matters to which the auditor drew attention by way of emphasis of matter.

Adoption of new and revised accounting standards

As of 1 January 2026, a number of accounting standard amendments and interpretations became effective. The adoption of these amendments and interpretations has not had a material impact on the financial statements of the Group for the six months ended 30 June 2026.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chief Executive Officer's review and the Principal risks and uncertainties. The financial position of the Group at the period end and its cash flows and liquidity position are included in the Financial review.

As at 24 August 2026 the Group had $63.5 million of cash and no debt. The Group continues to monitor and manage its liquidity closely and remains focused on taking appropriate actions to preserve its liquidity. The Group's liquidity position has remained stable up to the date of this report. Cash forecasts are updated regularly, and sensitivities are run for different scenarios reflecting the latest operational and commercial outlook, including revenue receipts under interim export arrangements, the timing of the return to full Production Sharing Contract ("PSC") entitlement and expenditure phasing.

Export sales were impacted by the precautionary shut-in of the Shaikan Field for nearly four months, between 28 February and 23 June 2026, following the beginning of the conflict between the U.S. and Iran. The Company's response to the production interruptions has been to swiftly moderate expenditures while maintaining the ability to quickly restart production at full capacity. Following the restart of production on 24 June 2026, the Shaikan Field was again shut-in on 19 July 2026 as a safety precaution in response to the escalating security environment in the wider Middle East region, in line with other International Oil Companies' ("IOCs") operating in the region. There has been no damage to the Group's assets, and appropriate steps were taken to protect staff. Production and export operations restarted on 16 August 2026 and the Shaikan Field has responded well, with the Company continuing to monitor the security environment closely and retaining the ability to moderate operations should conditions require.

Regular liftings and associated payments have continued under the interim agreements during periods of production. The interim export arrangements have been extended to 27 January 2027, and the Group expects that longer term sales agreements will be put in place. The independent consultant's review of IOCs invoices and contractual entitlements for Q4 2025 production has recently been completed. Based on this review, the Group and other IOCs expect to receive full PSC entitlement for export sales in the reviewed period. The Group is working with the Iraqi State Organization for Marketing of Oil ("SOMO") and the KRG to secure additional liftings and associated payments for these amounts. The key uncertainties in the current environment are summarised below:

- Geopolitical events and regional instability: the duration and impact of the conflict in the wider Middle East region are difficult to predict;
- Continuation and transition of export arrangements: the extension of the interim agreements beyond 27 January 2027 and the move to long term sales agreements, together with the regularity and timing of export receipts, including the recovery of top up payments;
- PSC entitlement reconciliation: the timing of the transition to full entitlement pricing, and the recovery of top-up amounts through additional liftings, both under the completed consultant review for Q4 2025 and on subsequent export sales; and
- Outstanding commercial matters: progression of discussions with the Ministry of Natural Resources ("MNR") regarding the settlement of arrears, PSC amendment and associated commercial issues.

The Directors reasonably expect that export operations will continue and that receipts from oil sales will be made on a regular basis. However, a renewed disruption to production, a deferral of the transition to full PSC entitlement or a deferral of revenue receipts could result in liquidity pressures within the 12-month going concern period.

The Directors have considered a range of sensitivities, including a further shut-in of production, an extension of the interim export arrangements, delays to returning to full PSC entitlement and delays to revenue receipts, to assess the impact on the Group's liquidity position. Across these scenarios, the Group retains the ability to implement mitigating actions, including the deferral of discretionary expenditure and the phasing of activity, to preserve liquidity while maintaining safe operations. The Directors confirmed that cost reduction opportunities exist to ensure that the Group can continue to discharge its liabilities for a period of at least 12 months.

As explained in note 13, although the Group has recognised current liabilities payable to the Kurdistan Regional Government ("KRG"), these are not expected to be cash settled.

Overall, the Group's forecasts, taking into account the applicable risks, scenario testing and potential mitigating actions, support that the Company has sufficient financial resources for the 12 months from the date of approval of these interim financial statements.

Based on the analysis performed, the Directors have a reasonable expectation that the Group has adequate resources to continue to operate for the foreseeable future. Thus, the going concern basis of accounting is used to prepare these interim financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies described above, the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Past due trade receivable valuation

The recognition of revenue, particularly the recognition of revenue from pipeline exports, is considered to be a key accounting judgement. The Group began commercial production from the Shaikan Field in July 2013 and historically made sales to both the domestic and export markets. The Group considers that revenue can be reliably measured as it passes the delivery point into the export pipeline or truck, as appropriate. The critical accounting judgement applied to the past due trade receivable considered whether it was appropriate to recognise export revenue for deliveries from October 2022 to March 2023 based on a proposed new pricing mechanism, notwithstanding that there was no signed lifting agreement for that period confirming the pricing mechanism. In making this judgement, consideration was given to the fact that the Group received payment for September 2022 deliveries at an amount that was consistent with the proposed new pricing terms.

Cost oil entitlement

For so long as GKP's cost pool exceeds the cost oil component of the trade receivables balance, GKP's cost oil entitlement is aligned between revenue and invoiced amounts at 28.8% of gross field revenues (40% Shaikan Contractor cost oil, less 10% royalty, GKP paying interest of 80%). It has been adjudged that in the event that the cost oil component of trade receivables exceeds the cost pool balance, revenue is capped to the level of recoverable costs incurred in the period with the outstanding cost oil trade receivable making up the full 28.8% invoiced. Cost oil trade receivables, when rebilled, are therefore not recognised as revenue transactions. In 2025 GKP's cost pool balance reduced to the level of outstanding cost oil trade receivables, largely resulting from the level of past due receivables (see note 12). As a result, amounts invoiced in 2026 include $25.0 million of cost oil trade receivables rebilling that is not included within revenue. Future cash flows are expected to align to the full cost oil entitlement invoiced.

A summary of the currently estimated financial impact of cost oil revenue being limited by the available cost pool is detailed in note 4.

Profit oil entitlement

Profit oil entitlement is dependent upon the R-factor, as determined by the PSC. GKP judges that the R-factor is to be calculated on a cash receipts basis; resulting in a current profit oil entitlement of approximately 9% when cost oil is capped at 28.8%. A reduction of approximately 2% is expected on cash receipts relating to capacity building payments ("CBP") payable as described below. GKP's invoiced entitlement is approximately 38%, being a combination of cost and profit oil; cash receipts are expected to be at 36% entitlement after a 2% CBP reduction.

Working interest and capacity building payments

During past PSC negotiations with the MNR, it was tentatively agreed that the Shaikan Contractor would provide the KRG a 20% carried working interest in the PSC. This would result in a reduction of GKP's working interest from 80% to 61.5%. To compensate for such decrease, CBP expense would be reduced to 20% of profit petroleum. While the PSC has not been formally amended, it was agreed that GKP would invoice the KRG for oil sales based on the proposed revised terms from October 2017. The financial statements reflect the proposed revised working interest of 61.5%. Relative to the PSC terms, the proposed revised invoicing terms result in a decrease in both revenue and cost of sales and on a net basis are slightly positive for the Group.

As part of earlier PSC negotiations, on 16 March 2016, GKP signed a bilateral agreement with the MNR (the "Bilateral Agreement"). The Bilateral Agreement included a reduction in the Group's CBP from 40% to 30% of profit petroleum. Subsequent to signing the Bilateral Agreement, further negotiations resulted in the CBP rate being reduced from 30% to 20%, which has formed the basis for all oil sales invoices to date. Since PSC negotiations have not been finalised, GKP has included an amount due to the KRG, that is not expected to be cash settled, for the difference between the CBP rate of 20% and 30%. This difference is recognised in cost of sales and other payables. See note 13 for further details. The Group expects to confirm with the MNR whether to proceed with a formal amendment to the PSC to reflect current invoice terms.

Any future agreements between the Group and the MNR could change the amounts of revenue or expense recognised and will be reflected in future periods.

Material sources of estimation uncertainty
The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Expected credit loss ("ECL")
The recoverability of receivables is a key accounting judgement. The difference between the nominal value of receivables and the expected value of receivables after allowing for counterparty default risk is the basis for the ECL. This ECL is offset against current and non-current receivable amounts as appropriate within the balance sheet with the change in the receivable balance during the period recognised in the income statement.

In making this judgement, a weighted average has been applied to modelled receipt profiles, upon which a counterparty default allowance has been applied to derive the ECL. When modelling receipt profiles, management have made a number of key estimates that are dependent upon uncertain future events including:

- the KRG's deemed credit rating,
- the unrecovered cost pool is depleted on a cash basis as invoices for crude sales are paid which can be recovered through local and export sales,
- estimated timeline of cost oil and profit oil recoveries via commercial terms which have not yet been agreed with the KRG,
- future oil price including an estimate of both local and export prices,
- future oil production, and
- the probabilities allocated to various scenarios incorporating the aforementioned variables.

Management has estimated the KRG's probability of default based on credit default swap ratings ("CDS") applicable to sovereign nations with similar characteristics to the KRG. Material sensitivities of the ECL to discrete variables are summarised in note 12.

Decommissioning provision
Decommissioning provisions are estimated based upon the obligations and costs to be incurred in accordance with the PSC at the end of field life in 2043. There is uncertainty in the decommissioning estimate due to factors including potential changes to the cost of activities, potential emergence of new techniques or changes to best practice. The Group performed an estimate of the value of obligations and costs to decommission the asset as at 31 December 2023, which was reviewed by ERC Equipoise, an independent third party; this estimate formed the basis of the updated estimate of the current value of obligations and costs at 30 June 2026.

Management have increased the decommissioning costs by estimated compound interest rates, to future value in 2043, and then reduced this amount to present value by an estimated discount rate. There is uncertainty regarding the inflation and discount rates used.

Carrying value of producing assets
In line with the Group's accounting policy on impairment, management performs an impairment review of the Group's oil and gas assets at least annually with reference to indicators as set out in IAS 36 'Impairment of Assets'. The Group assesses its group of assets, called a cash-generating unit ("CGU"), for impairment, if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Where indicators are present, management calculates the recoverable amount using key estimates such as future oil prices, estimated production volumes, the cost of development and production, post-tax discount rates that reflect the current market assessment of the time value of money and risks specific to the asset, commercial reserves and inflation. The key assumptions are subject to change based on market trends and economic conditions. Where the CGU's recoverable amount is lower than the carrying amount, the CGU is considered impaired and is written down to its recoverable amount.

The Group's sole CGU at 30 June 2026 was the Shaikan Field with a carrying value, being Oil and Gas assets less capitalised decommissioning provision, of $310.6 million (31 December 2025: $308.6 million). The Group performed an impairment indicator evaluation as at 30 June 2026 and concluded that no impairment indicators arose. The key areas of estimation in assessing the potential impairment indicators are as follows:

- The Group’s netback oil price applied only to export pipeline sales was based on the Brent forward curve and market participants’ consensus, including banks, analysts and independent reserves evaluators, as at 30 June 2026 for the period 2026 to 2032 with inflation of 2.25% per annum thereafter, less transportation costs and quality adjustments. Brent consensus prices are as follows

Scenario ($/bbl – nominal)	2026	2027	2028	2029	2030	2031	2032
30 June 2026 – base case	85.0	75.0	74.0	75.0	74.0	81.0	83.0
30 June 2026 – stress case	76.5	67.5	66.6	67.5	66.6	72.9	74.7
31 December 2025 – base case	62.0	65.0	70.0	70.0	72.0	79.0	80.0
31 December 2025 – stress case	55.8	58.5	63.0	63.0	64.8	71.1	72.0

- Management have previously applied sensitivities in reviewing stress case pricing including a 10% reduction from base case pricing to derive a stress case price with no impairment impact. The stress case pricing is noted above;
- Discount rates are adjusted to reflect risks specific to the Shaikan Field and the Kurdistan Region of Iraq. Management assessed changes to the key variables that could impact discount rate and concluded a reduction in the rate was necessary. The post-tax nominal discount rate was estimated to be 15%, unchanged from 31 December 2025;
- Operating costs and capital expenditure are based on financial budgets and internal management forecasts. Costs assumptions incorporate management experience and expectations, as well as the nature and location of the operation and the risks associated therewith. There were no indicators that costs have materially increased in the current period;
- No adverse changes were noted for commercial reserves and production profiles;
- The Shaikan Field was subject to a precautionary shut-in between 28 February and 23 June 2026 in response to the conflict between the U.S. and Iran, with production and export operations restarting on 24 June 2026 with no damage to the Group's assets. Management have previously applied sensitivities to assess the level of production shortfall that would result in an impairment trigger. The production loss arising from the precautionary shut-in is within the range of these sensitivities and there has been no change during the period;
- On 19th July 2026, the Shaikan field was again shut-in as a precaution in response to the escalating security environment in the Middle East. Production and exports restarted on 16 August 2026 with no damage to the Group’s assets. The potential impact of this event has not been included in the assessment because it is a post-balance-sheet non-adjusting event; and
- The Group continues to develop its assessment of the potential impacts of climate change and the associated risks of the transition to a low-carbon future. Our ambition to reduce scope one per barrel CO_2 emissions intensity is dependent on the timing of sanction and implementation of the Gas Management Plan. The International Energy Agency’s (“IEA”) most recent Announced Pledges Scenario (“APS”) and Net Zero Emissions (“NZE”) climate scenario oil prices and carbon taxes were used to evaluate the potential impact of the principal climate change transition risks. As part of the impairment assessment performed at 31 December 2025, no impairment was identified in the APS and NZE scenario. No impairment indicators have arisen since 31 December 2025.

3. Geographical information

The Chief Operating Decision Maker, as per the definition in IFRS 8 ‘Operating Segments’, is considered to be the Board of Directors. The Group operates in a single segment, that of oil and gas exploration, development and production, in a single geographical location, the Kurdistan Region of Iraq (“KRI”); 100% (31 December 2025: 100%) of the group’s non-current assets, excluding deferred tax assets and other financial assets, are located in the KRI. The financial information of the single segment is materially the same as set out in the condensed consolidated primary statements and the related notes.

4. Revenue

	Six months ended 30 June 2026 Unaudited	Six months ended 30 June 2025 Unaudited	Year ended 31 December 2025 Audited
Non-IFRS measure			
Revenue invoiced in period	**82,811**	83,144	193,093
Effective recovery of past receivables	**(25,049)**	-	(28,280)
Revenue	**57,762**	83,144	164,813
Oil sales via export pipeline	**33,360**	-	54,851
Marketing fees	**(236)**	-	(374)
Local oil sales	**-**	83,144	113,892
Revenue in accordance with IFRS 15	**33,124**	83,144	168,369
Embedded derivative on trade receivables from export sales in accordance with IFRS 9	**24,638**	-	(3,556)
Revenue	**57,762**	83,144	164,813

The Group's accounting policy for revenue recognition is set out in its 2025 Annual Report. Revenue is recognised upon crude oil passing the delivery points, either being upon pipeline entry or delivery into trucks.

Oil sales via export pipeline
During the period, all sales were made via the Iraq Türkiye Pipeline ("ITP") with oil lifted at the port of Ceyhan, Türkiye.

Embedded derivative in accordance with IFRS 9
GKP's performance obligation is satisfied upon oil entering the export pipeline at the Group's production facilities. Revenue is valued using the estimated realisable price when the Group's entitlement barrels enter the ITP at the Group's production facilities. The transaction price that results in cash flows to GKP is determined by the realised price when oil is lifted at the port of Ceyhan. The difference between the estimated realisable price upon oil entering the pipeline and the realised price achieved at the time of lifting, or the revised estimated realisable price for unlifted barrels, is accounted for as an embedded derivative in accordance with IFRS 9.

Marketing fees
During the period, GKP incurred marketing fees on export sales of $0.2 million (2025: $0.4 million; HY 2025: $nil); these fees are not contractually distinct from the underlying interim export sales agreements. Therefore, in accordance with IFRS 15 revenue is presented net of these marketing fees. These fees are payable by GKP so do not form part of GKP's trade receivables balance (see note 12).

Non-IFRS measure
GKP's entitlement as per export contracts, has been invoiced and either cash settled or expected to be cash settled, subject to subsequent price variation in line with export contracts and completion of the international independent consultant's review confirming entitlement and related invoices. Entitlement on an invoicing basis remains at approximately 38% net to GKP with an approximate 2% reduction, relating to 20% CBP, reducing cash receipts to an effective 36% entitlement.

For financial reporting purposes, the unrecovered cost pool is effectively decreased by the cost oil component of past due trade receivables (see note 12). Upon the cost oil component of trade receivables equalling the unrecovered cost pool, invoices issued at 38% entitlement effectively recover the cost oil component of outstanding trade receivables.

Invoiced amounts that the Group expect to result in cash inflows, prior to settlement of marketing fees, total $83.0 million (H1 2025: $83.1 million; FY 2025: $193.5 million). Embedded derivative amounts recorded as revenue result in a $24.6 million gain (H1 2025: $nil; FY 2025: $3.6 million loss). The effective rebilling of past due receivables totalled $25.0 million (H1 2025: nil; FY 2025: $28.3 million).

Information about major customers
Customers making up greater than 10% of revenue are as follows:

	Six months ended 30 June 2026 Unaudited $'000	Six months ended 30 June 2025 Unaudited $'000	Year ended 31 December 2025 Audited $'000
Kurdistan Regional Government	**100%**	0%	31%
Local sales - Customer A	**0%**	65%	45%
Local sales - Customer B	**0%**	23%	12%
Local sales - Customer C	**0%**	12%	12%

5. Cost of Sales

	Six months ended 30 June 2026 Unaudited $'000	Six months ended 30 June 2025 Unaudited $'000	Year ended 31 December 2025 Audited $'000
Operating costs	**20,228**	26,893	52,639
Capacity building payments	**5,809**	5,885	13,583
Change in oil inventory value	**(211)**	(198)	(59)
Depreciation of oil and gas assets and operational assets (1)	**15,404**	41,219	77,308
Reversal of provision against inventory held for sale	**-**	(2,627)	(2,627)
Loss on disposal of drilling stock	**-**	-	245
	41,230	71,172	141,089

(1) The decrease in depreciation charge in the six-month period ended 30 June 2026 compared to the corresponding period in 2025, is principally due to lower production following the shut-in of the field in February 2026 for most of the remainder of the six-month period.

6. Other general and administrative expenses

	Six months ended 30 June 2026 Unaudited $'000	Six months ended 30 June 2025 Unaudited $'000	Year ended 31 December 2025 Audited $'000
Depreciation and amortisation	**549**	1,233	2,049
Other general and administrative costs	**3,768**	3,360	7,264
	4,317	4,593	9,313

7. Share option related expense

	Six months ended 30 June 2026 Unaudited $'000	Six months ended 30 June 2025 Unaudited $'000	Year ended 31 December 2025 Audited $'000
Equity settled share-based payment expense	**2,260**	1,984	3,660
Provision for taxes and payments related to share options exercised	**128**	2,451	3,299
	2,388	4,435	6,959

During the six-month period ending 30 June 2026, share options exercised relate to options vesting in the period under both the Deferred Bonus Plan and the Long Term Incentive Plan. Further details relating to these plans are set out in the 2025 Annual Report. The Company's Employee Benefit Trust ("EBT") settled employee share option exercises from shares purchased prior to exercise (see note 14 for further details).

8. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	Six months ended 30 June 2026 Unaudited	Six months ended 30 June 2025 Unaudited	Year ended 31 December 2025 Audited
Profit/(loss) after tax ($'000)	**12,902**	(7,214)	15,134
Number of shares ('000s):			
Basic weighted average number of ordinary shares (1)	**217,416**	217,005	217,005
Basic earnings/(loss) per share (cents)	**5.93**	(3.32)	6.97

The Group followed the steps specified by IAS 33 'Earnings per share' in determining whether outstanding share options are dilutive or anti-dilutive.

Reconciliation of dilutive shares:

	Six months ended 30 June 2026 Unaudited	Six months ended 30 June 2025 Unaudited	Year ended 31 December 2025 Audited
Number of shares ('000s):			
Basic weighted average number of ordinary shares (1)	**217,416**	217,005	217,005
Effect of dilutive potential ordinary shares	**9,516**	-	9,557
Diluted number of ordinary shares outstanding	**226,932**	217,005	226,562
Diluted earnings/(loss) per share (cents) (2)	**5.69**	(3.32)	6.68

(1) The weighted average number of ordinary shares in issue includes shares held by the EBT of 0.1 million (H1 2025: 0.2 million; FY 2025: 0.2 million), see note 14.

(2) As at 30 June 2026, the Group had 9,516k dilutive (H1 2025: 9,989k antidilutive; FY 2025: 9,557 dilutive) ordinary shares relating to outstanding share options. Earnings per share is calculated on the assumption of conversion of all potentially dilutive ordinary shares; however, during a period where a company makes a loss, anti-dilutive shares are not included in the loss per share calculation as they would reduce the reported loss per share.

9. Reconciliation of profit from operations to cash generated from operations

	Six months ended 30 June 2026 Unaudited $'000	Six months ended 30 June 2025 Unaudited $'000	Year ended 31 December 2025 Audited $'000
Profit/(loss) from operations	**12,085**	(5,967)	15,010
Adjustments for:			
Depreciation, depletion and amortisation of property, plant and equipment (including the right of use assets)	**15,915**	41,651	78,108
Amortisation of intangible assets	**60**	801	1,248
Share-based payment expense	**2,260**	1,984	3,660
(Decrease)/increase of expected credit loss provision on trade receivables	**(2,258)**	8,911	(7,558)
Reversal of provision against inventory held for sale	**-**	(2,627)	(2,627)
Loss on disposal of drilling stock	**-**	-	245
Loss on disposal of intangible assets	**54**	-	-
Operating cash flows before movements in working capital	**28,116**	44,753	88,086
(Increase)/decrease in inventories	**(474)**	(714)	4,460
Increase in trade and other receivables	**(3,946)**	(27)	(36,601)
(Decrease)/increase in trade and other payables	**(5,394)**	(6,841)	4,436
Cash generated from operations	**18,302**	37,171	60,381

10. Property, plant and equipment

The net book value of oil and gas assets at 30 June 2026 is comprised of property, plant and equipment relating to the Shaikan block with a carrying value of $346.9 million (2025: $346.5 million).

	Oil and Gas Assets $'000	Fixtures and Equipment $'000	Right of use Assets $'000	Total $'000
Year ended 31 December 2025				
Opening net book value	385,171	1,773	1,506	388,450
Additions (1)	38,788	365	-	39,153
Disposals' cost	-	(2,021)	-	(2,021)
Revision to decommissioning asset (2)	(198)	-	-	(198)
Depreciation charge	(77,308)	(475)	(325)	(78,108)
Disposals' depreciation	-	2,021	-	2,021
Foreign currency translation differences	-	5	102	107
Closing net book value	**346,453**	**1,668**	**1,283**	**349,404**
At 31 December 2025				
Cost	1,049,019	8,035	1,803	1,058,857
Accumulated depreciation	(702,566)	(6,367)	(520)	(709,453)
Net book value	**346,453**	**1,668**	**1,283**	**349,404**
Period ended 30 June 2026				
Opening net book value	346,453	1,668	1,283	349,404
Additions (1)	18,313	35	-	18,348
Revision to decommissioning asset (2)	(2,428)	-	-	(2,428)
Depreciation charge	(15,404)	(344)	(167)	(15,915)
Foreign currency translation differences	-	(1)	(15)	(16)
Closing net book value	**346,934**	**1,358**	**1,101**	**349,393**
At 30 June 2026				
Cost	1,064,904	8,069	1,788	1,074,761
Accumulated depreciation	(717,970)	(6,711)	(687)	(725,368)
Net book value	**346,934**	**1,358**	**1,101**	**349,393**

(1) The additions to the Shaikan asset, of $18.3 million during the six-month period ended 30 June 2026 (FY 2025: 38.8 million) principally included safety critical upgrades, well workovers and construction of water handling facilities at PF-2.

(2) The $2.4 million decrease (2025: $0.2 million increase) in decommissioning asset value comprises a $1.2 million decrease in changes to inflation and discount rates (2025: $1.9 million decrease), in addition to a decrease of $1.2 million relating to well decommissioning estimates (2025: $1.7 million increase).

11. Inventories

	30 June 2026 Unaudited $'000	31 December 2025 Audited $'000
Warehouse stocks and materials	**7,743**	7,481
Crude oil	**505**	293
	8,248	7,774

12. Trade and other receivables
Non-current receivables

	30 June 2026 Unaudited $'000	31 December 2025 Audited $'000
Trade receivables – non-current	**45,258**	84,007

Non-current trade receivables relate to overdue amounts due from the KRG, after deducting the expected credit loss, that are expected to be received more than 12 months from the reporting date (see Reconciliation of trade receivables below).

Current receivables

	30 June 2026 Unaudited $'000	31 December 2025 Audited $'000
Trade receivables - current	**161,722**	114,835
Other receivables	**5,192**	8,333
Prepayments and accrued income	**3,446**	1,897
Trade and other receivables - current	**170,360**	125,065
Total trade and other receivables - current and non-current	**215,618**	209,072

Reconciliation of trade receivables

$ millions	Past due trade receivables[6]			Export sales under interim agreements		
	Cost oil	Profit oil	Purchased from MOL	Interim	Top up	**Total**
Past due trade receivables	**120.4**[(1)]	**38.4**[(1)]	**12.2**	**-**	**-**	**171.0**
Revenue invoiced	(28.3)[(2)]	-	-	46.8[(3)]	32.8[(3)]	**51.3**
Cash receipts [(4)]	-	-	-	(14.8)	-	**(14.8)**
FY 2025 trade receivables [(5)]	**92.1**	**38.4**	**12.2**	**32.0**	**32.8**	**207.5**
Revenue invoiced	(25.0)[(2)]	-	**-**	32.4[(3)]	50.6[(3)]	**58.0**
Cash receipts [(4)]	-	-	-	(52.1)	-	**(52.1)**
H1 2026 trade receivables[5]	**67.1**	**38.4**	**12.2**	**12.3**	**83.4**	**213.4**
Less CBP at 20% [(6)]	-	(7.7)	-	(0.6)	(3.8)	**(12.1)**
Cash due, net of CBP [(6)]	**67.1**	**30.7**	**12.2**	**11.7**	**79.6**	**201.3**

(1) Past due cost oil and profit oil 2022/2023 trade receivables recognised on a pricing mechanism proposed by the MNR based on KBT; GKP has not accepted this pricing mechanism.
(2) Cost oil trade receivables are capped at the recoverable cost pool. Therefore, cost oil revenue is effectively capped at in-period recoverable expenditure, above this amount past due receivables are effectively rebilled through export sales under interim agreements (see critical accounting judgements within note 2 and note 4).
(3) Invoiced revenue due from MNR before marketing fees due to third party reduction (see note 4).
(4) Export sales cash receipts grossed up for notional CBP at 20% settlement; receipts net of CBP at 20% were $49.6 million (FY 2025: $14.1 million).
(5) Trade receivables reported before ECL (see below); after ECL total trade receivables are $207.0 million (FY 2025: $198.8 million).
(6) Although no legal right of offset exists, it is expected:
- for cash to be received net of notional CBP component, and
- $30.9 million (2025: $29.6 million) will be offset against amounts due to the KRG (see note 13).

In the event of an agreement being reached in respect of the ongoing negotiations with the MNR regarding historical outstanding Shaikan commercial and financial matters, the value of the trade receivables above together with amounts due to KRG (see note 13) may require material adjustments from the currently recorded balances (see note 15).

Impairment allowance / Decrease of expected credit loss provision on trade receivables

Although GKP continues to rebill past due cost oil trade receivables (see note 4) and negotiate settlement of past due profit oil as well as purchased revenue arrears, an ECL provision at 30 June 2026 of $6.5 million (2025: $8.7 million) was provided against the trade receivables balance in accordance with IFRS 9 'Financial Instruments'. During the six-month period ended 30 June 2026, a $2.3 million credit to the income statement was recognised due to the decrease in the ECL provision (FY 2025: credit of $7.6 million) arising principally from the lower past due balances outstanding due to rebilled amounts and an earlier repayment profile, as well as an earlier expected repayment profile on receivable amounts due to higher forecasted oil prices and reduction in budgeted cost recoverable expenditure. The Group expects to continue to recover the cost oil component of past due trade receivables via monthly exports aligned to GKP's net entitlement.

	30 June 2026 Unaudited $'000	31 December 2025 Audited $'000
Amounts related to past due trade receivables		
Gross past due trade receivables before impairment allowance	**117,695**	142,745
Less: Impairment allowance	**(5,822)**	(8,351)
Carrying value	**111,873**	134,394
Amounts related to trade receivables under interim export sales agreements		
Gross trade receivables under interim export sales agreements impairment allowance	**95,736**	64,805
Less: Impairment allowance	**(629)**	(357)
Carrying value	**95,107**	64,448
Total trade receivables - current and non-current	**206,980**	198,842

ECL sensitivities

Considering the variables listed within the Summary of material accounting policies, the only variables with a significant impact upon the profit before tax, when varied reasonably, are:

- the estimation of the KRG's credit rating for which no official market data exists,
- the estimated timing of cash receipts, and
- the probability of reaching a commercial settlement.

For the purpose of GKP's ECL calculation, the KRG's deemed CDS was estimated to average 3.37%. When applied to appropriate receipt profiles, an increase of modelled CDSs of 2% would increase the ECL provision by $4.3 million, conversely a decrease of modelled CDSs of 2% would decrease the ECL provision by $3.9 million.

All other variables listed within the Summary of material accounting policies, when individually reasonably varied, do not have a material impact upon the ECL valuation.

Other receivables

There are no receivables from related parties as at 30 June 2026 (2025: nil). No impairments of other receivables have been recognised during the year (2025: nil).

13. Trade and other payables

Trade and other payables - current

	30 June 2026 Unaudited $'000	31 December 2025 Audited $'000
Trade payables	**3,089**	2,520
Accrued expenditures	**13,503**	26,897
Amounts due to KRG not expected to be cash settled	**90,506**	87,184
Capacity building payment due to KRG on past due trade receivables	**7,687**	7,687
Capacity building payment due to KRG on export sales trade receivables	**4,460**	3,014
Other payables	**467**	588
Lease obligations	**417**	424
Total trade and other payables - current	**120,129**	128,314

Trade payables and accrued expenditures principally comprise amounts outstanding for trade purchases and ongoing costs; the Directors consider that carrying amounts approximate fair value.

Amounts due to KRG not expected to be cash settled of $90.5 million (2025: $87.2 million) include:

- $43.2 million (2025: $41.9 million) expected to be offset against amounts due from the KRG:
    - $12.3 million (2025: $12.3 million) relating to profit oil sales up to 2018 that have not been recognised in the financial statements as management consider that the criteria for revenue recognition have not been satisfied, and;
    - $30.9 million (2025: $29.6 million) relating to a partial offset of past due trade receivables (see note 12).
- $47.3 million (2025: $45.3 million) related to an accrual for the difference between the capacity building rate of 20%, as per the invoicing basis in effect since October 2017, and 30% as per the 2016 Bilateral Agreement. The Group's working interest under the 2016 Bilateral Agreement is 80% whereas the invoicing basis is 61.5%. If the commercial position were to revert to the full terms of the executed amended PSC and the 2016 Bilateral Agreement, the Group would not expect to cash settle this balance as a more than offsetting increase in GKP's net entitlement is expected to result in revenue being due to GKP (see critical accounting judgements), the value of which is expected to exceed the accrued $47.3 million.

In the event of an agreement being reached in respect of the ongoing negotiations with the MNR regarding historical outstanding Shaikan commercial and financial matters, the amounts due to KRG, together with trade receivables (see note 12), may require material adjustments from the currently recorded balances (see note 15).

Non-current liabilities

	30 June 2026 Unaudited $'000	31 December 2025 Audited $'000
Non-current lease liability	773	928

14. Share capital

	Common shares			
	No. of shares 000	**Share capital $'000**	**Share premium $'000**	**Amount $'000**
Issued and fully paid				
Balance 1 January 2026 (audited)	217,005	217,005	414,139	631,144
Share issue, net of issue cost	538	538	370	908
Dividends	-	-	(12,502)	(12,502)
Balance 30 June 2026 (unaudited)	217,543	217,543	402,007	619,550

In February 2026, GKP completed a dual listing onto the Euronext Growth Oslo. In doing so, 0.5 million common shares of $1 were issued leading to proceeds, net of directly attributable expenditure, of $0.9 million. The difference between the $0.9 million net capital raised and the value of share capital of $0.5 million was $0.4 million; this was recognised as share premium.

At the beginning of the period, the Company's EBT held 0.1 million shares of the Company with a value of $0.3m. During the six-month period ended 30 June 2026, the Company's EBT purchased 1.4 million shares of the Company, for future satisfaction of employee share options, for a total consideration of $3.6 million. This brought the total number of shares held by the EBT to 1.5 million with a combined value of $3.9 million. Subsequently 1.4 million of these shares, with a value of $3.8 million, were used to satisfy exercised employee share options. At period end 0.1 million shares, with a value of $0.1 million, were retained within the EBT.

15. Contingent liabilities

The Group has a contingent liability of $27.3 million (31 December 2025: $27.3 million) in relation to the proceeds from the sale of test production oil prior to the approval of the Shaikan Field Development Plan ("FDP") in June 2013. If a cash outflow to the MNR were required in the future, this would result in a corresponding increase to the unrecovered cost pool as the test production revenue is recorded as a reduction of the cost pool by $34 million gross to the Shaikan Contractor ($27.3 million net to GKP) in the Group's cost recovery submissions to the MNR, and consequently a potential increase in future cost oil revenue (see note 4).

During the six-month period ended 30 June 2026, the Group continued negotiations with the MNR regarding historical outstanding Shaikan commercial, cost audit and financial matters. The focus of the negotiations includes the settlement of the Group's historical oil sales receivable balance for the outstanding October 2022 to March 2023 invoices, along with other KRG-related assets and liabilities (including the sale of test production oil mentioned above), as well as the agreement of a formal amendment to the PSC to reflect current invoicing terms, outstanding since 2017.

The above negotiations may lead to a revision to the unrecovered cost pool impacting future revenues, the settlement of previously unrecognised assets and liabilities, netting of existing receivable and payable balances, or may require material adjustments to currently recorded balances. Due to the uncertain and range of potential financial outcomes that cannot presently be reliably estimated, no provision for such asset or liability has been recognised within the financial statements.

16. Subsequent Events

The independent consultant's review of Q4 2025 invoices and contractual entitlements was completed in July 2026; the Company is working to secure additional liftings and associated top-up payments to reconcile export sales since September 2025 to international prices.

On 19 July 2026, the Shaikan Field was shut-in as a safety precaution due to developments in the regional security environment. The Company recommenced production and exports on 16 August 2026 following an assessment that the security environment had improved given the recent de-escalation between the U.S. and Iran and the FGI's provision of security guarantees to Kurdistan IOCs. This combined with the extensions of both the ITP agreement between Iraq and Türkiye and the tripartite interim exports agreements between GKP, the FGI and the KRG facilitated the production restart.

On 24 August 2026, the Company declared an interim dividend of $10.0 million.

GLOSSARY (See also the glossary in the 2025 Annual Report and Accounts)

H1 2025	First half of Financial Year 2025
H1 2026	First half of Financial Year 2026
APS	Announced pledges scenario
bbl	Barrel
Board	GKP's Board of Directors
bopd	Barrels of oil per day
Capex	Capital expenditure
CBP	Capacity building payment, a deduction from GKP profit oil owed to the KRG
CDS	Credit default swap
CGU	Cash-generating unit
Company	Gulf Keystone Petroleum Limited
Contractor	GKP and MOL
Cost oil	Oil sales net of KRG royalty allocated to the Shaikan Contractor to recover past capital expenditures and operating costs
Cost Pool	Unrecovered cost oil balance owed to the Shaikan Contractor
DTR	Disclosure and Transparency Rules
EBITDA	Earnings before interest, tax, depreciation and amortisation
EBT	Employee Benefit Trust
ECL	Expected credit loss
Euronext Growth Oslo	A multilateral trading facility operated by the Oslo Stock Exchange
FCA	Financial Conduct Authority
FDP	Shaikan Field Development Plan
G&A	General and administrative
FGI	Federal Government of Iraq
FY	Financial year
GKP	Gulf Keystone Petroleum Limited
Group	Gulf Keystone Petroleum Limited and its subsidiaries
HSE	Health, safety and environment
IAS	International Accounting Standards
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
IOC	International oil company
ITP	Iraq-Türkiye pipeline
KBT	Kurdistan blend
Kirkuk blend OSP	The Kirkuk blend official selling price
KRG	Kurdistan Regional Government
KRI	Kurdistan Region of Iraq
Kurdistan	Kurdistan Region of Iraq
LSE	London Stock Exchange
LTI	Lost Time Incident
LTIP	Long term incentive plan
MMstb	Million stock tank barrels
MNR	Ministry of Natural Resources of the Kurdistan Regional Government
MOL	Kalegran B.V. (a subsidiary of MOL Group)
NZE	Net Zero Emissions
Opex	Operating costs
PF-1	Production Facility 1
PF-2	Production Facility 2
Profit oil	Remaining oil sales, after the deduction of KRG royalty and cost oil, split between the KRG and Shaikan Contractor based on the R-factor
PSC	Production Sharing Contract
R-factor	The ratio of cumulative Shaikan Contractor revenues to cumulative Shaikan Contractor costs used to share profit oil
SOMO	The Iraqi State Organization for Marketing of Oil
UKLA	United Kingdom Listing Authority
$	US dollars