



Team members:

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Executive Summary

- About KOSMOS
- Business Model
- Sources of Revenue
- KOSMOS Management
- Moving Forward: Vision
- Oil and Gas Industry
- Financial Overview
- Covid-19 Performance
- Risks

About Kosmos

- Industry- Oil and gas
- Founded in Dallas, Texas
- Oil production plants in Equatorial Guinea, Ghana and the Gulf of Mexico
- They explored 2 new oil fields:
 - Tortue gas field offshore Mauritania and Senegal
 - Jubilee oil field off the coast of Ghana
- Suriname, Morocco and Other African countries





KOSMOS Management



Richard R. Clark

Senior Vice President
and Head of Gulf of Mexico
Business Unit



Tommy Fulford

Senior Vice President and Head of
Equatorial Guinea Business Unit



Andrew G. Inglis

Chief Executive Officer
Chairman of the Board of Directors



Joe Mensah

Senior Vice President and Head of
Ghana Business Unit



Mike Anderson

Senior Vice President, Sustainability
and External Affairs

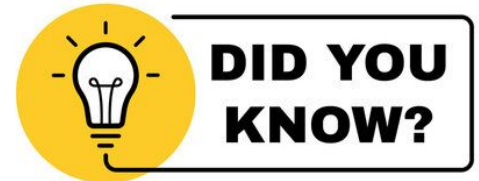
Kosmos Energy Ltd	
T12M EPS	\$0.5
Mkt Cap	\$3,065.5M
YTD Return	92.5%

		Score	2Y Change	Vs Peers
Environmental		5.50	+1.22	Leading
Social		3.31	+0.30	Below Median
Governance		7.39	+0.73	Above Median



Vision

1. Maximize the value of our **producing assets**;
2. Progress our **discovered resources** toward project sanction and into proved reserves, **production**, and **cash flow** through **efficient appraisal, development and exploitation**
3. Add new **lower carbon** resources through an efficient low cost exploration program





Sources of Revenue

- Offshore production Plants in Ghana, and the Gulf of Mexico
- Gas development plant in Mauritania and Senegal.
- Acquired Jubilee and TEN fields in Ghana

Oil and Gas Industry

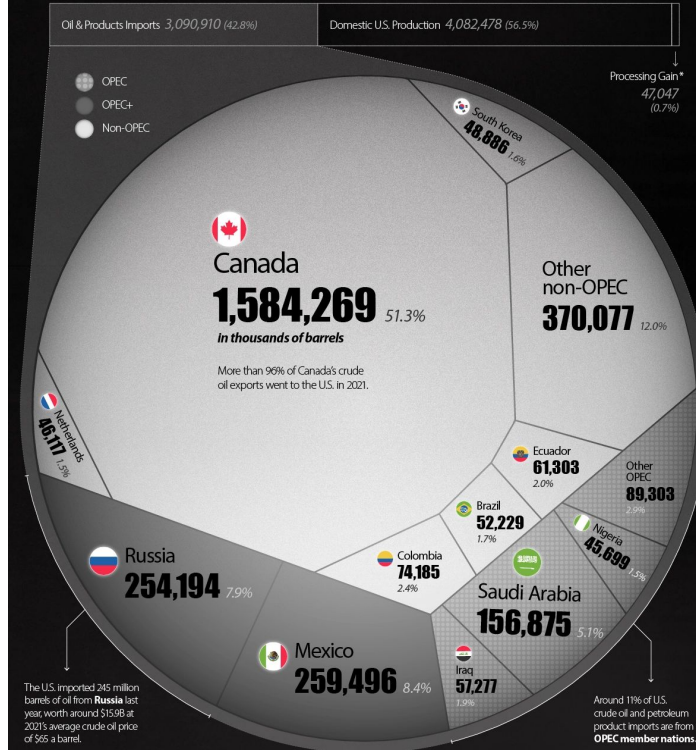
- Main producers- Russia, Saudi Arabia, U.S.
- Largest importers- EU, China and U.S.
- OPEC+ has announced a cut in oil production by 2 million b/d
- OPEC also predicted that the demand for oil will rise by 2.7 million b/d by 2023 which is a new peak post-covid.
- High dependance of African countries on fossil fuels.

U.S. Oil Imports

In 2021 Visualized

While the U.S. is the world's largest oil producer, it still imports more than 40% of the oil and petroleum products it consumes.

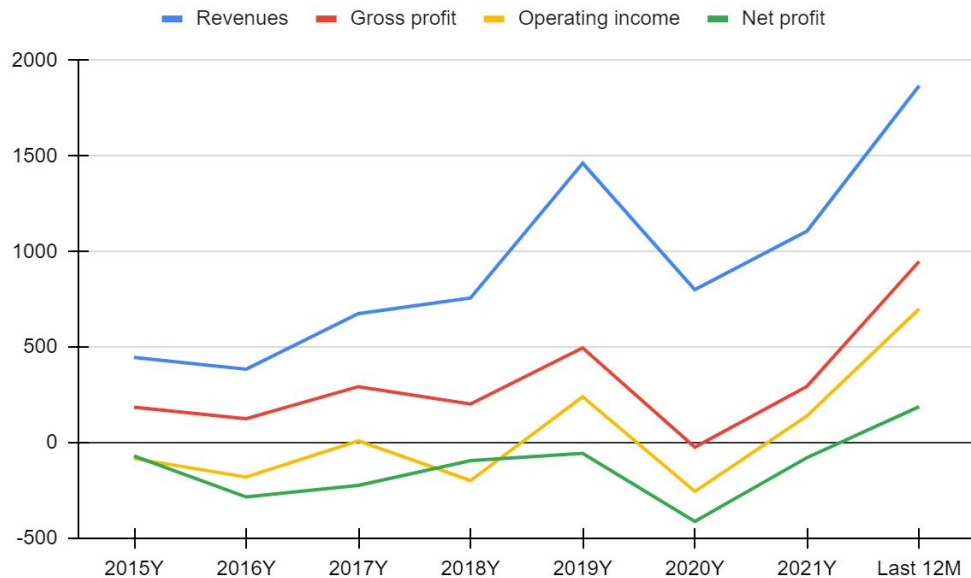
U.S. Crude Oil Consumption Breakdown *in thousands of barrels*



Source: EIA



* The process of refining crude oil results in a larger volume of outputted products than is inputted, also processing gain. This occurs because the output of petroleum products have a lower density than the input product, crude oil.



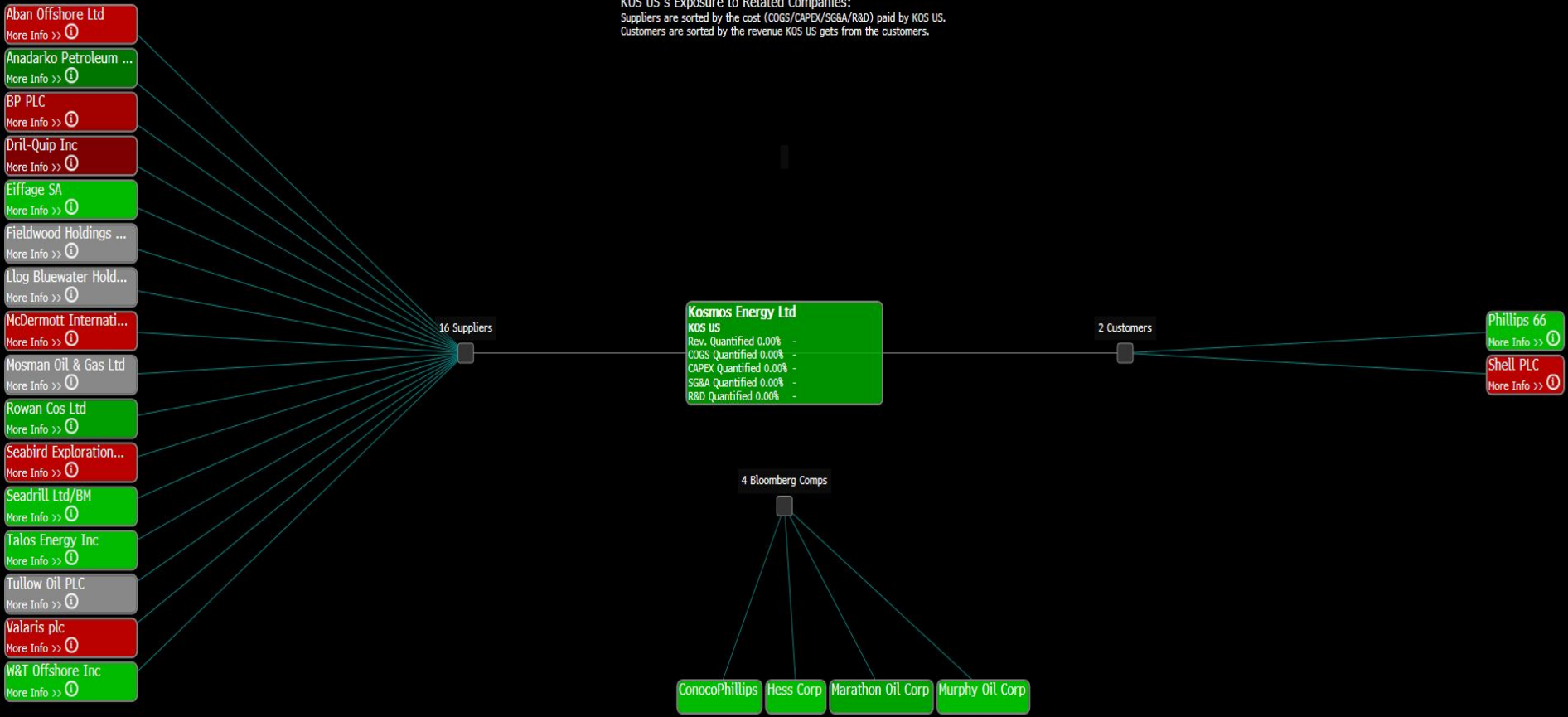
- Data in millions
- Gross profit margin
 - -2.87% in 2020Y
 - 26.61% in 2021Y
 - 50.78% in 2Q 2022
- Net profit margin
 - -50% in 2020Y
 - -6.9% in 2021Y
 - 10.1% in Last 12M

	2015Y	2016Y	2017Y	2018Y	2019Y	2020Y	2021Y	Last 12M
Revenues	446.9	385.4	675.6	757.7	1463	801.3	1107.9	1868.3
Gross profit	185.6	125.6	293.5	203.1	496.6	-23	294.6	948.8
Operating income	-82.8	-179.3	10	-197.5	240.4	-254.7	140.9	700.5
Net profit	-69.8	-283.8	-222.8	-94	-55.8	-411.6	-77.8	188.7

Fiscal Year End 12/2021
 Last Quarter End 06/2022 Q2
 Current/T12M (USD)

Issue Data		Per Share Data		Cash Flow Analysis	
Last Px	USD/6.21			P/CF	3.8
P/E	13.4	EPS T12M	0.46	Curr P/FCF	N.A.
Dvd Ind Yld	N.A.	DPS	0.00	CF/NI	N.A.
P/B	4.27	Bk Val Per Sh	1.45	Dvd P/O	N.A.
P/S	1.5	Rev/Bas Sh	2.66	Cash Gen/Cash Reqd	0.4
Curr EV/T12M EBITDA	4.0	CPS	0.90	Csh Dvd Cov	N.A.
Mkt Cap	2,830.8M	Curr Shares Out	455.8M	CF0/Sales	33.8%
Curr EV	4,918.1M	FCF/Basic Sh	-1.35	Eff IR	7.3%
Growth Potential		Profitability		Structure	
Dil EPS Frm Cont Op 1...	89.0%	EBITDA	622.6M	Curr Ratio	1.0
Cap 1Y Gr	23.1%	EBIT	140.9M	Quick Ratio	0.6
BPS 1Y Gr	7.9%	OPM	12.7%	Debt/Assets	53.5%
R&D To Sl	0.0%	Prtx Mrgn	-3.9%	Debt/Com Eq	499.4%
Retntn Rt	N.A.	ROA	4.2%	A/R Trnovr	10.6
Rev - 1 Yr Gr	38.3%	ROE	38.9%	Inv Turnover	6.4
Empl 1Y Gr	-9.1%	ROC	10.1%	GM	26.6%
Ast 1Y Gr	27.7%	Ast TO	0.4	EBIT/Tot Int Exp	0.8

KOS US's Exposure to Related Companies:
 Suppliers are sorted by the cost (COGS/CAPEX/SG&A/R&D) paid by KOS US.
 Customers are sorted by the revenue KOS US gets from the customers.



MUR

Oct 31 O:47.13 H:48.92 L:46.91 C:48.51 Vol:1.11M

+0.92 (1.93%)

48.51



MUR [NYSE]

Murphy Oil Corporation

HES

Oct 31 O:139.01 H:143.45 L:138.91 C:141.08 Vol:1.84M

+0.61 (0.43%)

141.08



HES [NYSE]

Hess Corporation

Energy | Oil & Gas E&P | USA

COP

Oct 31 O:125.58 H:129.99 L:125.57 C:126.09 Vol:7.12M

-1.08 (0.85%)

126.09



COP [NYSE]

ConocoPhillips

Energy | Oil & Gas E&P | USA

MRO

Oct 31 O:29.81 H:30.85 L:29.64 C:30.45 Vol:10.77M

+0.29 (0.96%)

30.45



MRO [NYSE]

Marathon Oil Corporation

Energy | Oil & Gas E&P | USA

KOS

Oct 31 O:6.11 H:6.56 L:6.09 C:6.51 Vol:5.53M

+0.30 (4.75%)

SMA 20
SMA 50
SMA 200

WEEKLY



KOS [NYSE]

Kosmos Energy Ltd.

Energy | Oil & Gas E&P | USA

COVID 19 performance



KOS [NYSE]

Kosmos Energy Ltd.

Energy | Oil & Gas E&P | USA

Breakdown	12/31/2021	12/31/2020	12/31/2019	12/31/2018
> Total Assets	4,940,651	3,867,593	4,317,232	4,088,189
> Total Liabilities Net Minority Int...	4,411,414	3,427,439	3,475,530	3,146,711
> Total Equity Gross Minority Inte...	529,237	440,154	841,702	941,478
Total Capitalization	3,119,737	2,544,054	2,849,765	3,062,025
Common Stock Equity	529,237	440,154	841,702	941,478
Net Tangible Assets	529,237	440,154	841,702	941,478
Working Capital	11,000	-59,908	27,456	125,392
Invested Capital	3,119,737	2,544,054	2,849,765	3,062,025
Tangible Book Value	529,237	440,154	841,702	941,478
Total Debt	2,620,500	2,111,400	2,008,063	2,120,547
Net Debt	2,458,880	1,954,873	1,783,561	1,947,032
Share Issued	496,152	449,718	445,779	442,915
Ordinary Shares Number	451,889	405,455	401,516	398,651
Treasury Shares Number	44,263	44,263	44,263	44,263

Average Quarterly Revenue Growth YoY= 61%

Beta: 2.83



Break down of Balance Sheet

Fluctuation Oil Prices affect their assets value.

Total Debt is somewhat same YoY (Year over Year)

Debt is sometimes good as the interest paid is tax deductible



The Macroenvironment

1. Demand for Oil is here to stay
2. Rising demand for oil during winter season
3. U.S. home heating bill surges by 28%

KOSMOS had negative cash flow due to intensive investments in new plants across the locations.

Production has already started, and the company is expected to reap profits from this year onwards

In Millions of USD	2018 Y	2019 Y~	2020 Y	2021 Y	Current/LTM	2022 Y Est	2023 Y Est
12 Months Ending	12/31/2018	12/31/2019	12/31/2020	12/31/2021	06/30/2022	12/31/2022	12/31/2023
Market Capitalization	1,622.5	2,288.6	952.8	1,563.5	2,830.8		
- Cash & Equivalents	173.5	224.5	149.0	131.6	223.3		
+ Preferred & Other	0.0	0.0	0.0	0.0	0.0		
+ Total Debt	2,120.5	2,031.4	2,135.6	2,642.8	2,310.6		
Enterprise Value	3,569.5	4,095.6	2,939.4	4,074.7	4,918.1		
Revenue, Adj	757.7	1,463.0	801.3	1,107.9	1,868.3	2,307.3	2,364.8
Growth %, YoY	12.1	93.1	-45.2	38.3	89.8	108.3	2.5
Gross Profit, Adj	203.1	496.6	-23.0	294.6	948.8		
Margin %	26.8	33.9	-2.9	26.6	50.8		
EBITDA, Adj	108.0	788.3	350.5	623.3	1,235.2	1,653.4	1,870.4
Margin %	14.3	53.9	43.7	56.3	66.1	71.7	79.1
Net Income, Adj	-246.7	-32.3	-269.9	-29.4	220.4	499.5	773.0
Margin %	-32.6	-2.2	-33.7	-2.7	11.8	21.6	32.7
EPS, Adj	-0.61	-0.08	-0.67	-0.07	0.46	1.14	1.68
Growth %, YoY	-87.7	86.6	-722.2	89.0			47.2
Cash from Operations	260.5	628.2	196.1	374.3	740.3		
Capital Expenditures	-1,183.5	-352.0	-379.6	-938.0	-989.5	-707.0	-568.4
Free Cash Flow	-923.0	276.1	-183.4	-563.7	-249.2	446.0	460.4

in Millions of USD except Per Share	2012 Y	2013 Y	2014 Y	2015 Y	2016 Y	2017 Y	2018 Y	2019 Y~	2020 Y	2021 Y
12 Months Ending	12/31/2012	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
Cash Ratio	2.71	2.73	1.24	0.60	0.52	0.54	0.45	0.42	0.32	0.25
Current Ratio	3.94	3.35	2.25	1.61	1.28	1.24	1.33	1.05	0.87	1.02
Quick Ratio	3.39	2.82	1.51	0.83	0.84	0.86	0.76	0.69	0.48	0.57
CFO/Avg Current Liab	1.40	2.55	1.33	0.97	0.13	0.59	0.64	1.36	0.39	0.76
Common Equity/Total Assets	43.48	42.30	45.04	41.38	32.36	28.10	23.03	19.50	11.38	10.71
Long-Term Debt/Equity	97.19	90.70	59.32	64.95	122.26	142.99	225.24	241.21	483.17	493.32
Long-Term Debt/Capital	49.29	47.56	37.23	39.37	55.01	58.85	69.25	70.66	82.57	82.31
Long-Term Debt/Total Assets	42.26	38.37	26.72	26.88	39.56	40.18	51.87	47.03	54.99	52.84
Total Debt/Equity	97.19	90.70	59.32	64.95	122.26	142.99	225.24	241.35	485.20	499.35
Total Debt/Capital	49.29	47.56	37.23	39.37	55.01	58.85	69.25	70.70	82.91	83.32
Total Debt/Total Assets	42.26	38.37	26.72	26.88	39.56	40.18	51.87	47.05	55.22	53.49
CFO/Total Liabilities	27.78	38.60	27.15	23.48	2.30	10.31	8.28	18.07	5.72	8.49
CFO/CapEx	0.98	1.62	1.04	0.53	0.10	1.65	0.22	1.78	0.52	0.40
Altman's Z-Score	2.49	2.27	1.85	0.55	0.34	0.48	-0.03	0.53	-0.45	0.05
Total Line of Credit	260.0	300.0	1,500.0	1,500.0	1,500.0	1,300.0	1,700.0	1,500.0	1,600.0	1,250.0
Total Available Line Of Credit	260.0	300.0	1,000.0	1,100.0	616.9	500.8	375.0	200.0	200.0	200.0
Total Credit Lines Drawn	0.0	0.0	500.0	400.0	850.0	600.0	950.0	1,400.0	1,500.0	1,240.0

+2.69 (70.42%) ↑ year to date

Closed: Nov 2, 4:01 PM EDT • Disclaimer

After hours 6.51 0.00 (0.00%)

1D | 5D | 1M | 6M | **YTD** | 1Y | 5Y | Max



Open	6.58	Mkt cap	2.97B	CDP score	C
High	6.78	P/E ratio	16.20	52-wk high	8.48
Low	6.47	Div yield	-	52-wk low	3.02

Feedback

-1.59 (-19.63%) ↓ past 5 years

Closed: Nov 2, 4:01 PM EDT • Disclaimer

After hours 6.51 0.00 (0.00%)

1D | 5D | 1M | 6M | YTD | 1Y | **5Y** | Max



Open	6.58	Mkt cap	2.97B	CDP score	C
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Number of Insider Shares Traded

INSIDER TRADE	3 MONTHS	12 MONTHS
Number of Shares Bought	0	1,563,734
Number of Shares Sold	0	429,112
Total Shares Traded	0	1,992,846
Net Activity	0	1,134,622



Kosmos Recent Risks

- Russian-Ukrainian war has disrupted greatly the oil market.
- Politics in general play a role in the oil market which is why the oil market never seems to stay stable for long. There is always some conflict between nations that might cause a disturbance.
- Kosmos has an abnormally high debt.



Financial Risks

- COVID affected Kosmos business operations in recent years.
- Large capital needs to be raised for business operations to function.
- Slower growth may affect the financial standing of Kosmos.



Regulation Risks

- There are numerous health and safety regulations that Kosmos has to follow.
- The oil industry is super competitive.
- There are a lot of laws, regulations, and other legislative instruments that may affect the cost of doing business.

Recommendation

BUY *650* shares @ \$6.51

Total: \$4,231.5