

Registered number:11867181
England and Wales

Genel Energy Finance 4 plc

Financial Statements

For the half year ended 30 June 2025

Statement of comprehensive income

For the half year ended 30 June 2025

		Unaudited 30 Jun 2025 \$000	Unaudited 30 Jun 2024 \$000	Audited 31 Dec 2024 \$000
	<i>Notes</i>			
Operating result		-	-	-
Interest income		5,023	12,666	24,413
Loss on buyback		-	-	(4,645)
Bond interest	5	(4,027)	(11,460)	(18,183)
Discount unwind	5	(989)	(1,201)	(1,575)
Other finance expense		(2)	-	-
Profit before income tax		5	5	10
Income tax expense		-	-	-
Profit for the period		5	5	10
Other comprehensive income		-	-	-
Total comprehensive income for the period		5	5	10

The result relates to continuing activities.

The notes on page 5 to 10 form part of these financial statements.

The notes are an integral part of these financial statements.

Balance sheet

At 30 June 2025

		Unaudited 30 Jun 2024 \$000	Unaudited 30 Jun 2024 \$000	Audited 31 Dec 2024 \$000
ASSETS	<i>Notes</i>			
Non-current assets				
Receivables due from parent company	4	100,986	249,948	-
		100,986	249,948	-
Current asset				
Receivables due from parent company	4	-	-	66,279
Total Assets		100,986	249,948	66,279
LIABILITIES				
Non-current liabilities				
Borrowings	5	(98,575)	(244,891)	-
		(98,575)	(244,891)	-
Current liabilities				
Payables due to fellow subsidiaries		(16)	(16)	(16)
Borrowings	5	-	-	(64,866)
Accrued interest	5	(2,276)	(4,932)	(1,283)
		(2,292)	(4,948)	(66,165)
Total liabilities		(100,867)	(249,839)	(66,165)
Net assets		119	109	114
Equity attributable to equity holders of the parent				
Share capital	6	64	64	64
Retained earnings		55	45	50
Total equity		119	109	114

The notes on page 5 to 10 are an integral part of these financial statements.

The financial statements on pages 1 to 10 were approved by the Board of Directors on 12 August 2025 and were signed on its behalf by:

Luke Clements
Director
Registered number: 11867181

Statement of changes in equity

For the half year ended 30 June 2025

	<i>Notes</i>	Share Capital \$000	Retained earnings \$000	Total equity \$000
Balance at 1 January 2024		64	40	104
Profit and comprehensive income for year		-	10	10
Balance at 31 December 2024 (Audited)		64	50	114
Balance at 1 January 2024		64	40	104
Profit and total comprehensive income for the period		-	5	5
Balance at 30 June 2024 (Unaudited)		64	45	109
Balance at 1 January 2025	6	64	50	114
Profit and comprehensive income for the period		-	5	5
Balance at 30 June 2025 (Unaudited)	6	64	55	119

Statement of cash flows

For the half year ended 30 June 2025

	Unaudited 30 Jun 2025 \$000	Unaudited 30 Jun 2024 \$000	Audited 31 Dec 2024 \$000
Cash flows from operating activities			
Profit before income tax	5	5	10
Adjustment for:			
Net interest income	(5)	(5)	(10)
Cash generated from operations	-	-	-
 Net change in cash and cash equivalents	 -	 -	 -
 Cash and cash equivalents at period end	 -	 -	 -

Notes to the financial statements

1. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

a) Basis of preparation

Genel Energy Finance 4 plc is a public limited company incorporated and domiciled in England and Wales. The company's registered office is 5th Floor, 36 Broadway, London, SW1H 0BH, U.K.

The financial statements have been prepared in accordance with UK adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have been prepared under the historical cost convention. The significant accounting policies are set out below and have been consistently applied throughout the year.

b) Going Concern

The Company's ability to continue as a going concern is dependent upon the Group's ability to pay the interest on the bonds and comply with the bond covenants. The Group has fulfilled its obligations in relation to H1 2025 and regularly evaluates its financial position, cash flow forecasts and its compliance with financial covenants by considering multiple combinations of oil price, discount rates, production volumes, pipeline reopening, payments, capital and operational spend scenarios.

The Company has \$101 million receivable from its parent company (note 4) in relation to its existing bond. As explained in note 9, In April 2025, the Company issued a new five-year senior unsecured bond and exercised its call option on the old bonds, which were repaid at par.

Based on the Director's review of the Group's ability to service the interest and comply with the Bond covenants. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and consequently the financial statements have been prepared on a going concern basis.

c) Foreign currency translation

The Company's financial statements are presented in U.S. dollars which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the U.S dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Notes to the financial statements (*continued*)

1. Summary of material accounting policies (*continued*)

d) Financial assets and liabilities

Classification

The Company assesses the classification of its financial assets on initial recognition at amortised cost, fair value through other comprehensive income or fair value through profit and loss. The Company assesses the classification of its financial liabilities on initial recognition at either fair value through profit and loss or amortised cost.

Recognition and Measurement

Receivables due from other group entities, trade and other payables and borrowings are initially recognised at fair value on recognition and subsequently carried at amortised cost using the effective interest method.

e) Receivables due from other group entities

Receivables due from other group entities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit losses.

f) Borrowings

Borrowings are initially recognised at fair value and subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. When the Company buys back its bond, the carrying amount of the liability is measured based on the repayment amount by allocating the initial transaction cost and the difference is recognised in the statement of comprehensive income.

Borrowings are presented as long or short-term based on the maturity of the respective borrowings in accordance with the loan or other agreement. Borrowings with maturities of less than twelve months are classified as short-term. Amounts are classified as long-term where maturity is greater than twelve months. Where no objective evidence of maturity exists, related amounts are classified as short-term.

g) Impairment of financial assets

IFRS 9 requires a forward-looking impairment model based on expected credit losses (ECLs) of financial assets and the Company to book an allowance for ECLs for its financial assets.

The Company has assessed its receivables due from the parent company at 30 June 2025 for ECLs. The Company uses both past track record of receivables, information available until the reporting date and future expected performance. The result of the Company's assessment is that the effect of the ECL on the financial statements is assessed as not material and no amount is recorded in the accounts as the parent company has sufficient cash to repay the loan immediately and has significant headroom on both the equity ratio and minimum liquidity financial covenants.

Notes to the financial statements (*continued*)

1. Summary of material accounting policies (*continued*)

h) New accounting standards

The following new accounting standards, amendments to existing standards and interpretations are effective on 1 January 2025 and have been endorsed in 2024: Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023). The following new accounting standards, amendments to existing standards and interpretations have been issued but are not yet effective and/or have not yet been endorsed by the EU: IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024), IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024), Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024), Annual Improvements Volume 11 (issued on 18 July 2024), Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024). Nothing has been early adopted, and these standards are not expected to have a material impact on the Company's results or financials statement disclosures in the periods they become effective except for IFRS 18 which will impact the presentation and disclosure in the financial statements.

2. Financial risk management

The Company's activities expose it to a variety of financial risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

a) Foreign exchange risk

Foreign exchange risk arises when transactions and recognised assets and liabilities of the Company are denominated in a currency that is not the company's functional currency. The Company does not have significant exposure to foreign exchange risk. There are no forward exchange rate contracts in place at, or subsequent to, 30 June 2025.

b) Interest rate risk

The Company is not exposed to interest rate risk because it incurs interest on its borrowings at a fixed rate and charges the interest to the parent company at the same rate.

c) Credit risk

Credit risk arises from the parent company's cash and cash equivalents and trade and other receivables to which the bond proceeds are lent to.

d) Liquidity risk

At 30 June 2025, the Company has \$101 million (31 December 2024: \$66 million) receivables from Genel Energy Holding Company Limited which is repayable on demand and the Group has sufficient cash to fulfil this obligation.

Notes to the financial statements (continued)

2. Financial risk management (continued)

e) Capital management

The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders. Capital includes share capital of \$63,500 (31 December 2024: \$63,500).

f) Financial instruments

All financial assets and liabilities are measured at amortised cost. Their carrying values are as follows:

	30 Jun 2025 \$000	30 Jun 2024 \$000	31 Dec 2024 \$000
Financial assets			
Receivables due from parent company	100,986	249,948	66,279
Financial liabilities			
Borrowings	98,575	244,891	64,866
Payables due to fellow subsidiaries	16	16	16
Accrued interest	2,276	4,932	1,283
	100,867	249,839	66,165

3. Administrative expenses

The Company had no employees during the year. (2024: nil)

The Directors has received no remuneration during the year for their services to this entity. (2024:nil)

4. Receivables due from parent company

	30 Jun 2025 \$000	30 Jun 2024 \$000	31 Dec 2024 \$000
Loan to Genel Energy Holding Company Limited	95,963	237,282	53,244
Net finance income	5,023	12,666	13,035
	100,986	249,948	66,279

As disclosed in Note 5, the Company exercised its call option on the old bonds, issued a new bond in April 2025 and its cash proceeds were loaned to its parent, Genel Energy Holding Company Limited. The loan is repayable on bond's maturity and the Company earns interest income on the loan at a fixed rate equivalent to the Company's external borrowing rate of 11.00% per annum plus management fees of \$10,000.

The semi-annual interest expense on the bond is paid directly by Genel Energy Holding Company Limited to the bondholders on behalf of the Company. The Company and Genel Energy Holding Company Limited has an arrangement to settle the interest paid on its behalf through intercompany offsetting and is therefore treated as a non-cash transaction by the Company.

No loss allowance is made under the expected credit loss model as explained at Note 1.

Notes to the financial statements (continued)

5. Borrowings and Interest expense

	30 Jun 2024 \$000	30 Jun 2024 \$000	31 Dec 2024 \$000
\$300 million 9.25% bonds due October 2025	-	244,891	64,866
\$100 million 11.00% bonds due April 2030	98,575	-	-
	98,575	244,891	64,866

	1 Jan 2025 \$000	Interest Paid (Note 4) \$000	Purchase/ Issuance of bond \$000	Interest and Discount unwind \$000	30 Jun 2025 \$000
2025 Bond 9.25%	(64,866)	-	65,780	(914)	-
2025 Bond 11.00%	-	-	(98,500)	(75)	(98,575)
Accrued interest	(1,283)	3,034	-	(4,027)	(2,276)

As of 30 June 2025, the fair value of the bonds is \$98 million (31 December 2024: \$66 million).

In April 2025, the Company issued a new five-year senior unsecured bond and exercised its call option on the old bonds, which were repaid at par.

	1 Jan 2024 \$000	Interest paid (Note 4) \$000	Repurchase \$000	Interest and discount unwind \$000	30 Jun 2024 \$000
2025 Bond 9.25%	(243,690)	-	-	(1,201)	(244,891)
Accrued interest	(4,932)	11,460	-	(11,460)	(4,932)

	1 Jan 24 \$000	Interest paid \$000	Repurchase \$000	Loss on buyback \$000	Interest and discount unwind \$000	31 Dec 24 \$000
2025 Bond 9.25%	(243,690)	-	185,044	(4,645)	(1,575)	(64,866)
Accrued interest	(4,932)	17,971	3,861	-	(18,183)	(1,283)

	30 Jun 2025 \$000	30 Jun 2024 \$000	31 Dec 2024 \$000
Bond interest	4,027	11,460	18,183
Discount unwind	989	1,201	1,575
	5,016	12,661	19,758

Notes to the financial statements (continued)

6. Share capital

	30 Jun 2025 \$000	30 Jun 2024 \$000	31 Dec 2024 \$000
Allotted and fully paid (ordinary shares)			
At 31 December	64	64	64

On 7 March 2019, 2 shares were issued for cash. The nominal value of each share was £1 and the consideration received per share was £1.

On 22 September 2020, 49,998 shares were issued for cash. The nominal value of these shares was £49,998 and the consideration received was £49,998.

7. Parent company

The Company is a wholly owned subsidiary of Genel Energy Holding Company Limited, a company registered in Jersey. Copies of Genel Energy Holding Company Limited's financial statements can be obtained from the Company Secretary at 26 New Street, St Helier, Jersey JE2 3RA.

The Company's ultimate parent undertaking and controlling party is Genel Energy plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Genel Energy plc's consolidated financial statements can be obtained from the Company Secretary at 26 New Street, St Helier, Jersey JE2 3RA and at genelenergy.com.

8. Related parties

The Directors have identified the parent company, key management personnel and the board members, together with the families and companies controlled by or affiliated with each of them; and associates, investments and joint ventures as related parties of the Company under IAS 24.

Amounts due from group companies:	30 Jun 2025 \$000	30 Jun 2024 \$000	31 Dec 2024 \$000
Genel Energy Holding Company Limited	100,986	249,948	66,279

Amounts due to group companies:	30 Jun 2025 \$000	30 Jun 2024 \$000	31 Dec 2024 \$000
Genel Energy plc	(14)	(14)	(14)
Genel Energy UK Services Limited	(2)	(2)	(2)
	(16)	(16)	(16)

Transactions with group companies:	30 Jun 2025 \$000	30 Jun 2024 \$000	31 Dec 2024 \$000
Interest charged	5,023	12,666	24,413
Interest paid	(3,034)	(11,460)	(17,971)
Bond repurchase (incl. interest)	(65,780)	-	(188,905)
New bond issuance	98,500	-	-
Other	(2)	-	-