



Where Clean Energy Gets Real

# Unaudited Interim Condensed Consolidated Financial Statement

for Q1 2026 ending 31 March 2026



# Kinetics LNG Overview

Kinetics LNG Holdings Limited (the “Company”, “Issuer”, “Kinetics LNG”, or together with its subsidiaries “the Group”) was incorporated in June 2024 in Isle of Man. The Company is domiciled in London with registered address of Floor 6, 52 Grosvenor Gardens, London, United Kingdom.

Kinetics LNG is the Karadeniz Group’s dedicated asset-owning entity for floating LNG infrastructure. The principal activity of the Kinetics LNG is to invest in, develop, and charter Floating Storage Regasification Unit (“FSRU”) vessels through its subsidiaries.

Kinetics LNG’s fleet consists of 11 vessels, with 9 LNG vessels on water and an additional 2 LNGCs under conversion into FSRUs. 4 of the on-water FSRUs are owned by Karmol LNG Company Limited (“KARMOL”), a 50/50 joint venture between Kinetics LNG and Mitsui Osaka Lines (“MOL”).

# Financial Statements

## KINETICS LNG HOLDINGS LIMITED

### UNAUDITED INTERIM CONSOLIDATED BALANCE SHEET

	31/03/2026	31/12/2025
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	238.689	276.006
Financial assets	-	-
Due from related parties	88.017	95.259
Trade receivables, third parties	-	-
Inventories	2.524	2.588
Pre-paid expenses - ST	2.329	1.554
Other current assets	1.371	1.386
<b>Total Current Assets</b>	<b>332.931</b>	<b>376.794</b>
<b>Non-Current Assets:</b>		
Due from related parties	-	-
Trade receivables, third parties	-	-
Financial assets	42.027	43.098
Property, plant and equipment	578.479	527.121
Intangible Assets	4.146	4.462
Other Non-Current Assets	21.750	21.750
<b>Total Non-Current Assets</b>	<b>646.403</b>	<b>596.430</b>
<b>TOTAL ASSETS</b>	<b>979.334</b>	<b>973.224</b>
	<b>31/03/2026</b>	<b>31/12/2025</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Short-term borrowings	-	-
Current portion of long-term borrowings	-	-
Leasing liabilities	8.942	10.484
Financial Liabilities	15.142	5.157
Due to related parties	121.926	122.469
Trade payables, third parties	2.741	6.238
Deferred income	-	-
Other current liabilities	17	47
<b>Total Current Liabilities</b>	<b>148.767</b>	<b>144.394</b>
<b>Non-Current Liabilities:</b>		
Long-term borrowings	-	-
Financial Liabilities	394.784	394.393
Due to related parties	157.725	157.725
Trade payables, third parties	-	-
Leasing liabilities	152.442	153.512
Other Non-Current Liabilities	-	-
<b>Total Non-Current Liabilities</b>	<b>704.951</b>	<b>705.630</b>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		
Share capital	30.000	30.000
Retained Earnings	93.200	82.924
Net Income	2.416	10.276
	-	-
<b>Equity Attributable to Equity Holders of the Parent</b>	<b>125.616</b>	<b>123.200</b>
<b>TOTAL EQUITY</b>	<b>125.616</b>	<b>123.200</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>979.334</b>	<b>973.224</b>

# Financial Statements

## KINETICS LNG HOLDINGS LIMITED

### UNAUDITED INTERIM CONSOLIDATED INCOME STATEMENT

	31/03/2026	31/12/2025
Revenue	19.113	40.113
Cost of sales	(7.782)	(14.811)
<b>GROSS PROFIT</b>	<b>11.332</b>	<b>25.301</b>
General administrative expense	(259)	(846)
Other operating income	2.846	3.838
Other operating expense	(2.201)	(6.511)
<b>OPERATING INCOME</b>	<b>11.718</b>	<b>21.781</b>
Gain from investments	1.478	3.556
<b>OPERATING PROFIT BEFORE FINANCIAL EXPENSE</b>	<b>13.196</b>	<b>25.337</b>
Financial income	2.415	1.567
Financial expense	(13.195)	(16.628)
<b>NET INCOME FOR CONTINUING OPERATIONS</b>	<b>2.416</b>	<b>10.276</b>
Tax Expense from Continuing Operations	-	-
<b>NET INCOME</b>	<b>2.416</b>	<b>10.276</b>

# Financial Statements

## KINETICS LNG HOLDINGS LIMITED

### UNAUDITED INTERIM CONSOLIDATED CASH FLOW STATEMENT

	31/03/2026	31/12/2025
<b>Cash flows from operating activities</b>		
Profit for the period	2,416	10,276
Adjustments for:	-	-
Depreciation of plant and equipment	2,623	4,309
Profit (or loss) from joint ventures	(1,429)	(3,228)
Finance income	(2,415)	(1,567)
Finance expense	13,195	16,628
<b>Operating cash flows before changes in working capital and inc</b>	<b>14,390</b>	<b>26,419</b>
<b>Changes in working capital</b>		
Changes in prepayments and other receivables	(760)	(608)
Change in trade receivables - third parties	-	-
Change in due from related parties	6,597	(20,237)
Changes in trade and other payables	(3,527)	4,697
Changes in due to related parties	3,667	91,587
Change in inventories	63	12,527
Change in advances received	-	-
<b>Cash used in operations</b>	<b>20,430</b>	<b>114,385</b>
<b>Net cash (used in) / generated from operations</b>	<b>20,430</b>	<b>114,385</b>
<b>Investing activities</b>		
Purchases/Proceeds of property, plant and equipment	(53,667)	(443,649)
(Increase)/decrease in financial investments	-	(37,324)
Dividend received from joint venture	2,500	-
<b>Net cash generated from / (used in) investing activities</b>	<b>(51,167)</b>	<b>(480,974)</b>
<b>Financing activities</b>		
Proceeds from bank borrowings	-	-
(Repayments) of bank borrowings	-	-
Proceeds from bond issue	-	394,231
Proceeds from sell and lease back	-	65,250
Lease payments made	(2,611)	(6,632)
Interest paid	(2,820)	(5,423)
Issuance of share capital	-	30,000
(Increase)/decrease in related parties	(3,565)	161,029
Interest received	2,415	1,567
<b>Net cash (used in) / generated from financing activities</b>	<b>(6,581)</b>	<b>640,021</b>
<b>Net increase in cash and cash equivalents</b>	<b>(37,317)</b>	<b>273,433</b>
Cash and cash equivalents at the beginning	276,006	2,574
<b>Cash and cash equivalents at the end of the year</b>	<b>238,689</b>	<b>276,006</b>

# Notes to the Interim Condensed Consolidated Financial Statements

## General Information

### Basis of presentation and accounting policies

These unaudited interim condensed consolidated financial statements for the three-month period ending 31 March 2026 have been prepared in accordance with IFRS Accounting Standards.

These consolidated financial statements are expressed in United States Dollar (“USD”), which is the functional and presentation currency of the Group.

The financial statements have been prepared on a going concern basis and in management's opinion, all adjustments necessary for a fair presentation of the financial statements are reflected in the interim periods presented.

### Significant events during the reporting period

- ▶ LNGT Oceania, one of the Collateral Vessels, has been successfully delivered and accepted by the Charterer, One World Fuel Services DMCC. The delivery took place on 11 March 2026, at which point the vessel entered into the charter period commenced in accordance with the relevant charter agreement where the payment terms are hell or high-water basis. This milestone represents an important step in the Issuer's ongoing conversion program, with the vessel now contributing to the contracted cash flow of the group.
- ▶ LNGT Türkiye has entered the shipyard in Q3 2025 and the conversion work continues to progress in line with the schedule. Basic and detailed design works have been completed, while procurement activities for long lead and longevity items have reached approximately 90% completion, with the majority of key equipment ordered and delivered. Construction activities are approximately 80% complete, including completion of spread mooring installation and continued progress on the re-gas system installation.
- ▶ LNGT Karadeniz conversion activities continue in line with the overall project schedule. Basic design activities are approximately 90% complete, while long lead item procurement has progressed to around 70% completion with procurement and contracting processes ongoing. Detailed design activities are approximately 50% complete, including ongoing compatibility reviews and site inspections. Procurement and longevity work have commenced and are currently approximately 20% complete, with specification reviews and purchase order processes continuing. The vessel is expected to enter the Seatrium Shipyard in June.
- ▶ In Q1 2026, Khan 3 Maritime Limited (the “Owner”), a wholly owned subsidiary of Kinetics LNG Holdings Limited and owner of the Collateral Vessels, paid USD 50,000,000 to the Contractor under the Conversion Works Agreements in respect of Conversion Works invoices issued during the reporting period. Such payments were funded through the proceeds of the Nordic Bond transaction in line with the intended use of proceeds.

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## Significant events after the reporting period

- The listing process for the Issuer's USD 400,000,000 9.875% senior secured bonds due 2029 (ISIN NO0013685131) was completed on 9 April 2026, and the bonds are admitted to trading on Euronext ABM.
- As previously disclosed in the FY2025 annual report in relation to the FSRU project in Cartagena, Colombia, One World Fuel Services DMCC and SOCIEDAD PORTUARIA PUERTO BAHÍA S.A. ("SPPB") were not able to reach alignment on the commercial framework, and discussions have not progressed further at this stage.
- Karpowership has secured a 250 MW LNG-to-Power contract with Centro Nacional de Control de Energía ("CENACE"), Mexico's independent system operator, in the Yucatán Peninsula, under a 30-month term. As part of the project, Kinetics LNG will deploy an LNGT/FSRU, which will operate alongside a Powership and supply re-gasified LNG to support the 250 MW LNG-to-power project. Commercial operations are expected to commence in July 2026. This development highlights the strong commercial positioning of the Kinetics LNG fleet and represents another successful deployment of the Group's floating LNG infrastructure.
- Kinetics LNG has successfully closed a USD 125 million investment from Actera in the form of redeemable preference shares. The instrument is subordinated to the Issuer's existing senior secured bond obligations. The transaction marks an important milestone in the company's long-term growth strategy and continued evolution of its capital structure. The investment reflects strong institutional confidence in the Issuer's portfolio of floating LNG assets, integrated operating model, and proven project delivery capabilities.

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## Revenue

Following the delivery of LNGT Oceania during the reporting period, the Group had six vessels in operation in Q1 2026, excluding vessels under KARMOL. The consolidated revenue consists of the charter income from LNGT Oceania, LNGT Karadeniz, LNGT Americas, LNGC Marmara, LNGT Black Sea and LNGT Anatolia, as well as sales of goods and spare parts.

The increase in Revenue and EBITDA is primarily driven by the gradual delivery of the previously invested fleet. As the vessels start their charter period, both revenue and EBITDA increase accordingly.

The delivery of LNGT Türkiye is expected to take place in Q3 2026, will lead to a corresponding growth in the financial performance of the Kinetics LNG.

## Gain from investments accounted through equity method

In September 2025, Kinetics LNG acquired 50% of the issued share capital of Karmol LNG Company Limited (“KARMOL”) from Karadeniz Holdings Limited. Kinetics LNG exercises joint control over KARMOL together with Mitsui O.S.K. Lines, and the investment is therefore accounted by the equity method in accordance with IFRS 11 Joint Arrangements and IAS 28 Investments in Associates and Joint Ventures.

Kinetics LNG’s share of profit from KARMOL is recognized under gain from investments accounted for using the equity method.

## Cash and Cash Equivalents

As at 31 March 2026, the Group continued to maintain a strong liquidity position. The balance primarily consists of the remaining bond proceeds, following the payment of milestone EPC invoices under the Conversion Works Agreements.

In accordance with the intended use of proceeds under the Bond Terms, the funds are designated for the financing of conversion works of the Collateral Vessels (LNGT Oceania, LNGT Türkiye and LNGT Karadeniz). The proceeds are held in designated accounts in accordance with the security and funds flow mechanics of the bond structure and will be applied progressively to meet the Group’s capital expenditure requirements related to the ongoing conversion works.

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## Related Party Transactions

### Due from Related Parties

USD 15m of the related party balance has resulted from the sale of two bunkering vessels to one of the Karadeniz Group companies. Remaining balance resulted from the trading activities carried prior to FY25.

It is expected to be collected throughout the term of the bond without exceeding the maturity date. This will generate additional cash inflow in addition to the Group's operational cash flow.

### Due to Related Parties

The balance mainly arises from shareholder loans provided to the Group to fund investment expenditures related to the Kinetics LNG fleet conversion works. USD 120m of which has resulted from the shareholder loan from in respect of the conversion of Collateral Vessels. USD 37m shareholder loan provided for the KARMOL share acquisition. The remaining balance mainly relates to amount payable to Karpowershipyard Rauf Bey Company Limited ("Contractor") for the conversion works of the Kinetics LNG Fleet.

## Intangible Assets

The sale and leaseback financings of vessels LNGC Marmara and LNGT Black Sea are recognized as right of use assets and are accounted for under intangible assets in accordance with IFRS.

## Inventories

The Inventories include spare parts related to the vessels and consumable items.

Inventories consist primarily of spare parts and consumable items related to the Group's vessels.

Compared to previous periods, the inventory balance has decreased due to the sale of certain consumables and spare parts to related party companies which was recognized in related party receivables in return.

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## Prepaid Expense

Majority of the prepaid expenses stem from the advances given in respect of the sale and lease back transaction of LNGT Americas for the buyback to take place at the end of the leasing period. The vessel was completed and delivered in Q3 2025.

## Financial Assets

The balance is comprised of the Group's 50% equity investment in KARMOL.

## Property, Plant and Equipment (“PPE”)

Majority of the prepaid expenses stem from the advances given in respect of the sale and lease back transaction of LNGT Americas for the buyback to take place at the end of the leasing period. The vessel was completed and delivered in Q3 2025.

## Financial Liabilities

The financial liabilities of Kinetics LNG consist primarily of a USD 400,000,000 senior secured bond due 2025–2029 (ISIN: NO0013685131), which was issued on 13 November 2025, and lease liabilities arising from the sale and leaseback transaction relating to LNGT Americas. In connection with the LNGT Americas transaction, advance payments received in prior periods in respect of vessel construction were initially recognized as deferred income. Upon completion of the transaction and commencement of the lease arrangement, the relevant balance was reclassified and recognized as a lease liability, in accordance with the applicable IFRS accounting standards.

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## Disclaimer

This report (the “Report”) has been prepared by the Company solely for the purpose of providing quarterly financial information to investors and stakeholders in relation to the Company’s outstanding Bonds. This Report does not constitute an offer to sell or solicitation of an offer to buy any securities, nor shall it be construed as investment advice.

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