



دانة غاز
DANA GAS

FY 2023 – FINANCIAL RESULTS

March 2024

CLEAN ENERGY FOR THE FUTURE





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DISCLAIMER

This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward looking statements.

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OVERVIEW & RECENT HIGHLIGHTS



OPERATIONS

- Group's existing operations continued uninterrupted. Gas production increased to record levels in November (520 MMSCF)
- FY Group production at 58,700 boepd Vs 60,200 boepd
 - 2.5% down vs FY 2022
 - KRI production 8% up at 36,900 boepd
 - Egypt production 16% lower due to natural field decline
- KM 250 EPC activities ongoing- expected completion in H2 2024

LIQUIDITY

- Current cash balance of \$131mm, compared to \$151mm at year end 2022 with \$114mm held at Pearl
- Group collected \$238 mm in total vs \$318 mm in FY 2022
 - \$180mm in the KRI and \$58mm in Egypt
- Outstanding receivables exceeds \$150mm from the KRG and Egypt
- New payment mechanism has been agreed in the KRI
 - Ensure timely payments of gas invoices from electricity producers
 - Schedule to collect past receivables
 - Pearl collected \$68mm post period

FINANCIALS

- FY 2023 Net Profit of \$160mm – 12% decline due to lower realized prices and additional discount on local condensate sales in the KRI
- Revenue of \$423mm - 20% lower
- EBITDA of \$257mm - 23% lower
- Operational expenses 7% lower as Company continues to successfully optimise costs
- 35% and 17% drop in Company's Condensate and LPG realized prices


CORPORATE

- Company is not in a position to make a dividend payment for 2023
 - Pearl's shareholders, including Dana Gas, not receiving a dividend payout in 2023. Pearl is prioritizing its liquidity for capital requirements given the rise in receivables in 2023.
 - Company remains committed to reinstate dividend payments as soon as its liquidity improves
- Final hearing for second NIOC arbitration will be rescheduled and expected to take place in 2024
- Crescent Petroleum is currently pursuing enforcement procedures to monetize the first award


DANA GAS: KEY COMPANY FACTS



MARKET CAPITALIZATION:
US\$ 1.36 BILLION
AS OF
08 FEB 2024




DAILY PRODUCTION:
58.7 KBOE (FY23)
2P RESERVES:
EXCEEDING
1BN BOE




GROSS REVENUE:
US\$423MM (FY23)
NET PROFIT:
US\$160MM (FY23)



EBITDA (FY 2023):
US\$ 257 MILLION

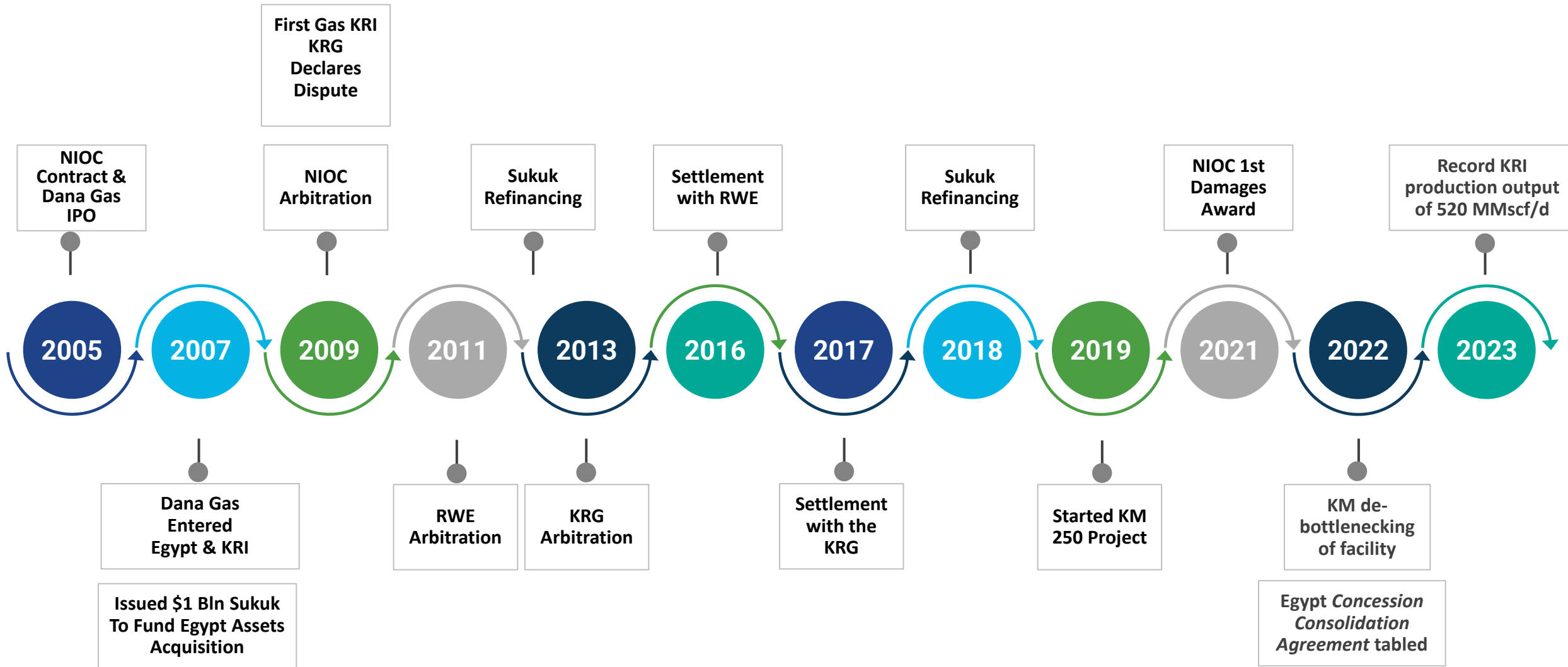


DIVIDENDS:
PAID
US\$ 734MM
SINCE 2017



TOTAL EMPLOYEES (EGYPT & KRI):
658 EMPLOYEES

DANA GAS: HISTORY & STORY



DANA GAS: KEY ASSETS

ASSET / COUNTRY	UAE GAS PROJECT (UAE)	DANA GAS (EGYPT)	PEARL PETROLEUM (KRI)
ASSET TYPE	<ul style="list-style-type: none"> Midstream Downstream 	<ul style="list-style-type: none"> Upstream 	<ul style="list-style-type: none"> Upstream Midstream
DESCRIPTION	<ul style="list-style-type: none"> Project to import, process and market Iranian gas and supply off-takers in the UAE. NIOC never initiated gas supplies and project is currently subject to international arbitration. 	<ul style="list-style-type: none"> Operates 14 development leases within 4 concessions producing gas, LPG, and Condensate 	<ul style="list-style-type: none"> 35% interest in Pearl. Khor Mor field delivering gas at 520 MMscf/d (gross) to three power stations plus 15,000 bbl/d condensate and 1,000 MT/D of LPG
KEY VALUE DRIVERS	<ul style="list-style-type: none"> \$608 million Company's entitlement in relation to the 1st arbitration award Final award of damages and ultimate enforcement 	<ul style="list-style-type: none"> Signed a consolidation agreement with EGAS to consolidate current producing concessions into one concession with improved economical terms Managing costs of declining production assets Possibility of finding additional throughput for gas plants to extend useful life 	<ul style="list-style-type: none"> Delivery on KM250 Expansion project Find additional buyers / markets for further incremental gas and unlocking export markets Appraisal and development of Chemchemical / potential production of oil Acquisition of other assets in KRI and delivering growth story and synergies
KEY RISKS	<ul style="list-style-type: none"> Ability to collect on damages award / negotiate a settlement 	<ul style="list-style-type: none"> Egyptian Government payments – receipt of overdue receivables Ability to invest capex to reduce production decline and generate positive rate of return on investment 	<ul style="list-style-type: none"> KRG's ability to ensure future payments – great track record currently Financing appetite for the region is limited and expensive which impacts pace of growth Political stability / Security issues



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OPERATIONS



UAE GAS PROJECT : FOUNDING OF DANA GAS

FOUNDING PURPOSE

Founding purpose of CNGCL was purchase of 600,000 MMscf/d of Iranian gas, through the National Iranian Oil Company (NIOC), process it and sell it to customers in Sharjah, Dubai and Northern Emirates

INFRASTRUCTURE

Infrastructure required includes UGTC riser platform and pipeline to bring gas to the SajGas sweetening plant. Then gas is sent to Shalco processing plant (owned by Gov. of SHJ) to separate out the LPG and condensate. The liquids were meant to form a major part of CNGCL revenue stream.

DANA GAS IPO

A Prospectus for the IPO of Dana Gas PJSC was released on 20 September 2005. The offering was for 2,060,000,000 ordinary shares at an offer price of AED 1.00 per offer share. The foundation assets of Dana Gas, SajGas, UGTC, & CNGCL, are set out below:

SAJGAS

100% ownership of SajGas, being a company established to own and operate gas sweetening and sulphur recovery facilities. At the time of the IPO, the facilities were substantially complete. Acquisition costs were \$240mm.

UGTC

100% (less one share) ownership of UGTC, being a company established to own and operate major gas transmission facilities. At the time of the IPO, the facilities were substantially complete. Acquisition costs were \$262mm.

CNGCL

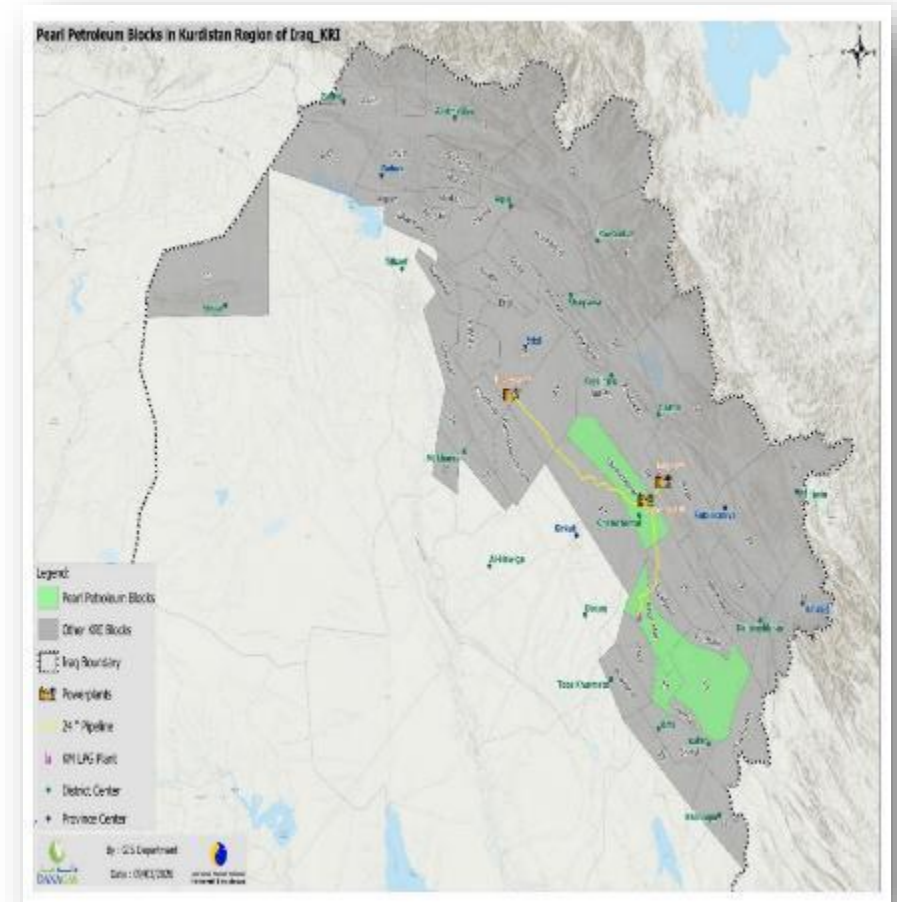
35% of CNGCL, being a company having contractual arrangements for the purchase, processing and sale of gas. The purchase price of the 35% shareholding in CNGCL is \$568mm (as disclosed in the Dana Gas PJSC 2013 Annual Report).

ARBITRATION UPDATE

- The UAE Gas Project involves the purchase of 600 MMscf/d imported gas sourced from the National Iranian Oil Company (NIOC) for transportation, processing, and sale in the UAE.
- Dana Gas owns project infrastructure (Gas transmission and Processing) and 35% of the Gas marketing Company (CNGCL).
- Gas was never supplied by the NIOC. Accordingly, gas sales and a purchase contract between Dana Gas' partner, Crescent Petroleum, and the NIOC for the supply of gas has been the subject of international arbitration since June 2009.
- At the end of Q3 2021, the Company received an update from Crescent Petroleum regarding the issuance of the final award for damages in the first arbitration against NIOC which was initiated in 2009, pursuant to which an award on liability was made in 2014 finding NIOC in breach of its contractual obligations.
- The first arbitration award was issued on September 27, 2021, covering the first 8.5 years of the 25-year gas sales agreement from 2005 to mid-2014. Dana Gas' entitlement for the first period is \$607.5 million.
- All of NIOC's challenges to the First Award have now been dismissed by the English High Court in London, and the Award has been confirmed by courts in the United Arab Emirates, the United Kingdom and in the Netherlands, with various enforcement procedures underway, including the attachment of NIOC's assets. Confirmation proceedings are also underway in other jurisdictions including the United States and Greece.
- As per the First Award, interest continues to accrue at the rate of 12-month EIBOR + 1 percentage point, compounding annually, commencing from three (3) months from the date of the First Award until date of payment. Accordingly, Dana Gas's portion of such interest as of end March 2023 is US\$35 million so far.
- In addition, a second arbitration with a much larger claim for the 16.5 years remainder of the contract from 2014 to 2030 is currently underway. The final hearing was fixed for October 2022 in Paris but was then postponed to March 2023. It has been further delayed though a new hearing date has not yet been set. A hearing is anticipated sometime in 2024, and a final award of damages in relation to the second arbitration is expected late 2024 or during 2025. Crescent Petroleum and Dana Gas remain confident of a favorable outcome in the second award.

PEARL PETROLEUM COMPANY LTD

- Holding (%): Dana Gas 35%, Crescent 35%, OMW, MOL, RWE 10%
- Pearl has 100% working interest in the PDA covering Khor Mor and Chemchemical fields and Blocks 19 and 20
 - Khor Mor is a major gas-condensate field providing gas feed stock for electricity generation to KRI
 - Chemchemical is in appraisal and early development phase
 - Blocks 19 and 20 are under exploration
- Largest gas reserves in the KRI with 2P gross reserves of 3.1 billion BOE at Khor Mor and Chemchemical (1.1 billion boe DG share)
- 15 years of historical production with total cumulative production of 400 million barrels of oil equivalent in natural gas and liquids. Produced 36,900 boepd (Net) in 2023 (164 MMscf of gas; 5,345 bbl/d of condensate and 360 MTPD of LPG) vs 34,300 boepd in 2023
- Pearl is the main non-associated gas producer since 2008 and currently supplies gas to 4 out of 5 major power-stations with a capacity exceeding 2,000 MW
- \$2.2bn investment to date. Pearl received a \$250mm loan from the DFC (US government) to fund KM 250

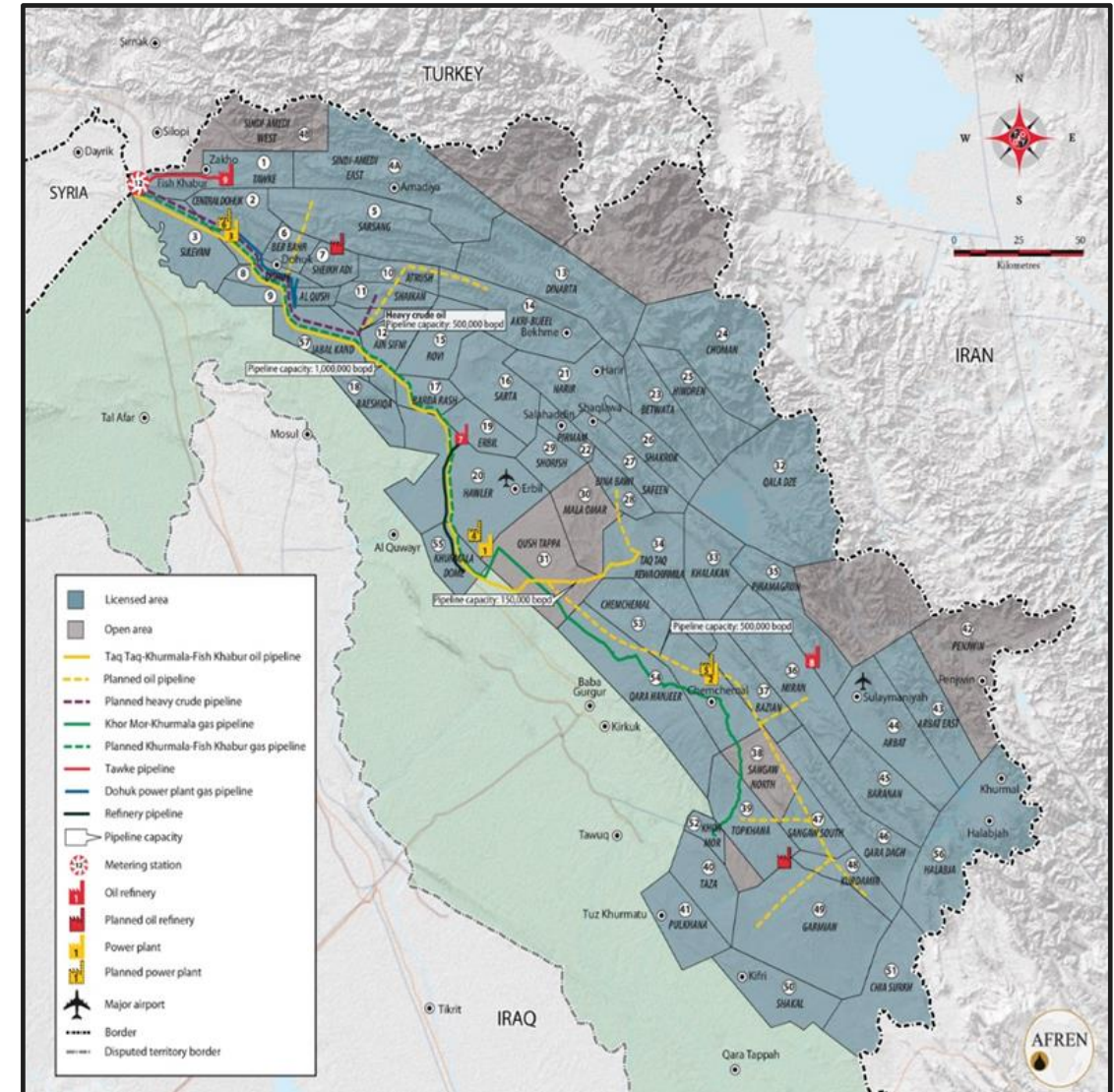


OPERATIONS

- Production operations continued as normal, and the Company continues to play an important role in enabling regional power generation despite challenging conditions
- Produced 36,900 boepd (Net) in 2023 (164 MMscf of gas; 5,345 bbl/d of condensate and 360 MTPD of LPG) vs 34,300 boepd in 2023
- Unlike other operators in the KRI, Pearl's operations and production have continued without interruption since all its products are consumed locally
- In November 2023, to help meet the growing power demand and further support local power generation, Pearl achieved record production output of 520 MMscf/d
- Third party local condensate sales which initiated in May continued through the year despite competitive market.
- New payment mechanism has been agreed with payments directly from the power stations to meet the obligations of the KRG as well as a schedule to collect past receivables. This has insured the uninterrupted supply of gas to regional power plants and the investment needs to complete the KM250 expansion project

EXPANSION PROJECT UPDATE

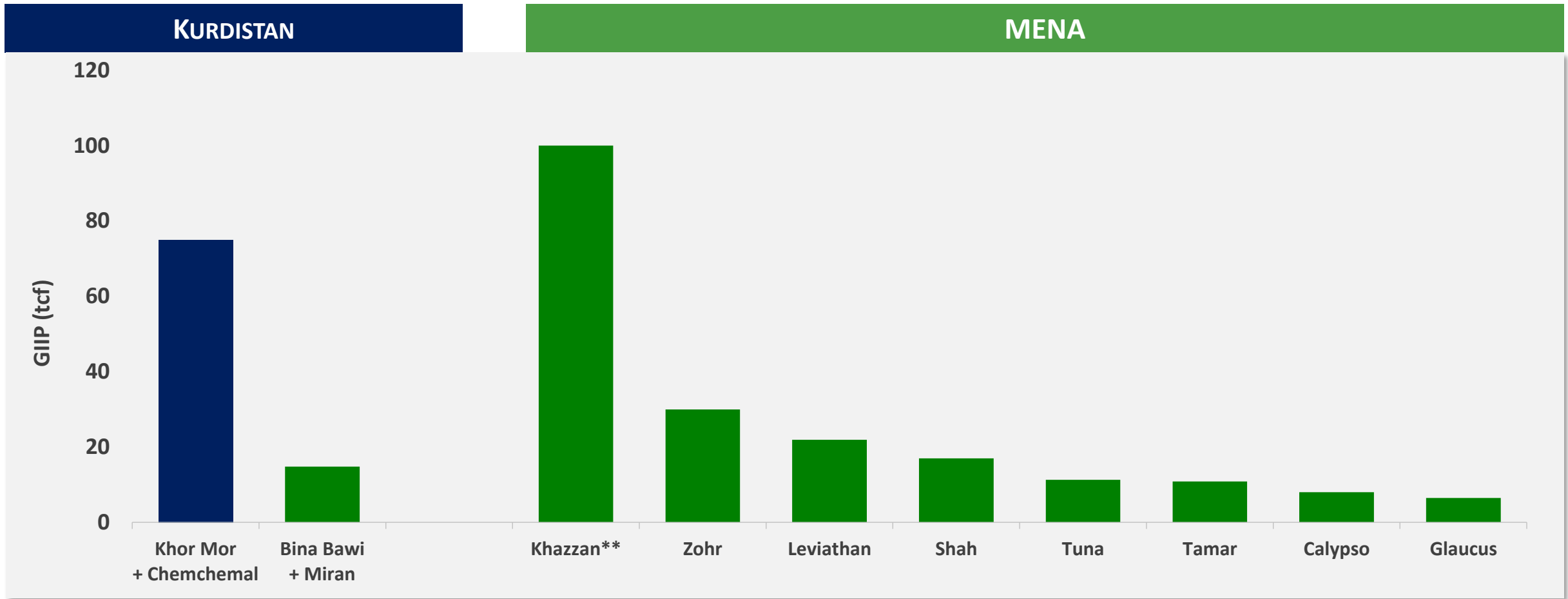
- KM250 project is scheduled to be completed in H2 2024
- Once completed, the expansion will take KRI's gross gas production capacity to 750 MMscf/d adding at least \$150 million to the Company's annual revenue
- Completed and successfully tested all KM-250 development and infill gas wells



CRE DAN* OPERATES TWO OF THE LARGEST GAS FIELDS IN MENA



LARGE GAS DEVELOPMENTS IN MENA



Notes: *Dana Gas and Crescent Petroleum | **Recoverable volume expected to be 10-15% of gas initially in place |

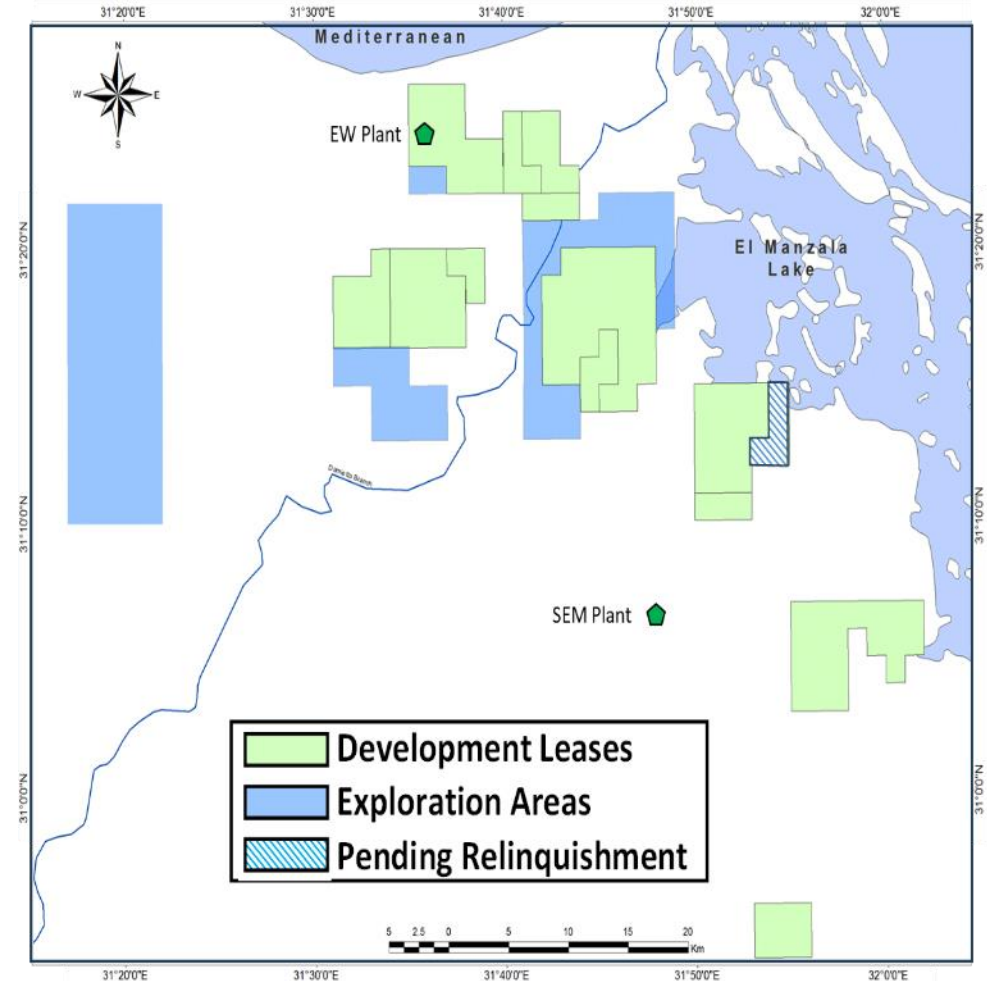
Source: Company Disclosure

OPERATIONS

- Produced 21,800 boepd during full year 2023 (106 MMscf of gas; 2,182 bbl/d of condensate and 173 MTPD of LPG); 16% drop compared to full year 2022 as a result of natural field declines
- The decline is lower than the 20-30% production decrease that is expected from good quality Nile Delta reservoirs and was the result of active field management and optimization of production from the existing wells

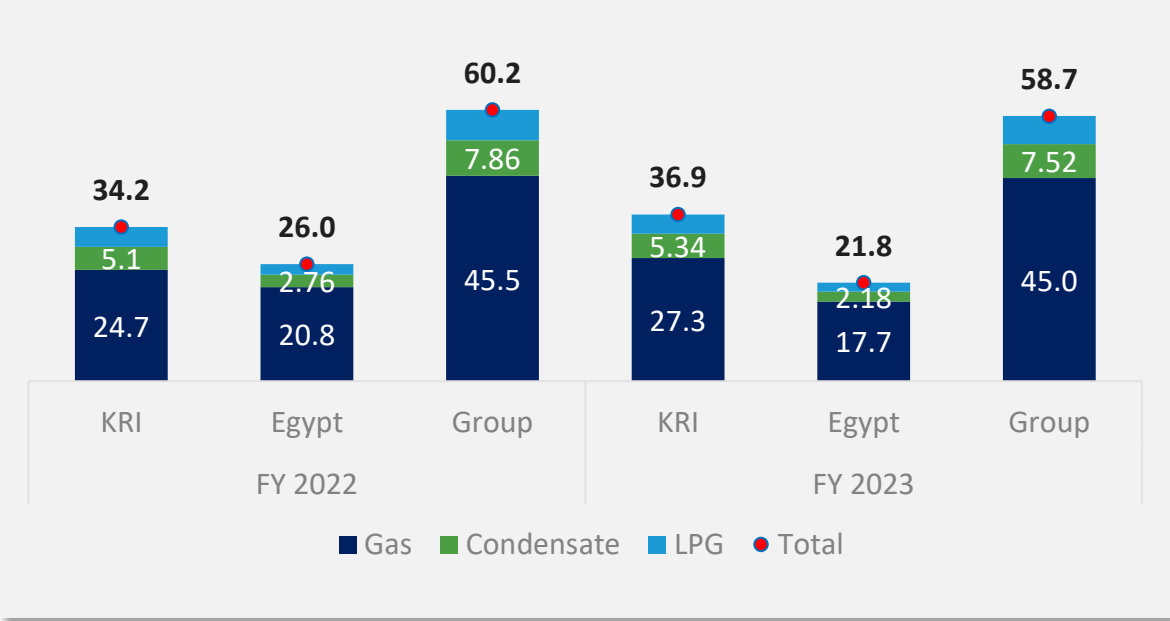
CONCESSION CONSOLIDATION

- To boost production/reserves, Dana Gas has identified several exploration/development opportunities on its existing onshore acreage and within neighboring open acreage
- Since these opportunities are marginal under current concession terms; Company has negotiated new terms with EGAS in order to unlock the remaining potential and extend the life of the assets
- The new agreement was approved by EGAS Board and is pending ratification by the Egyptian parliament. The agreement includes improved economical terms and direct awarding of 296 km² exploration acreage, enabling Dana Gas to execute a late life development program that includes drilling a total of 3 exploration wells within the newly awarded acreage and 8 infield exploration/development wells during 2024/2025.

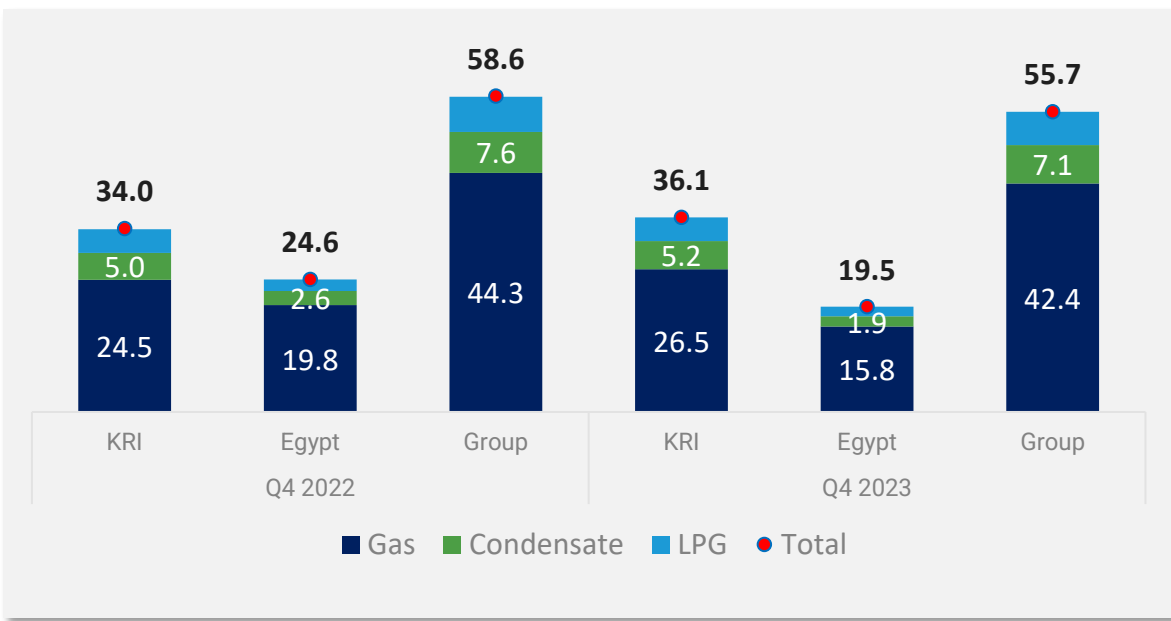


PRODUCTION (BOEPD)

AVERAGE PRODUCTION FY 2022 vs FY 2023 (KBOE/D)



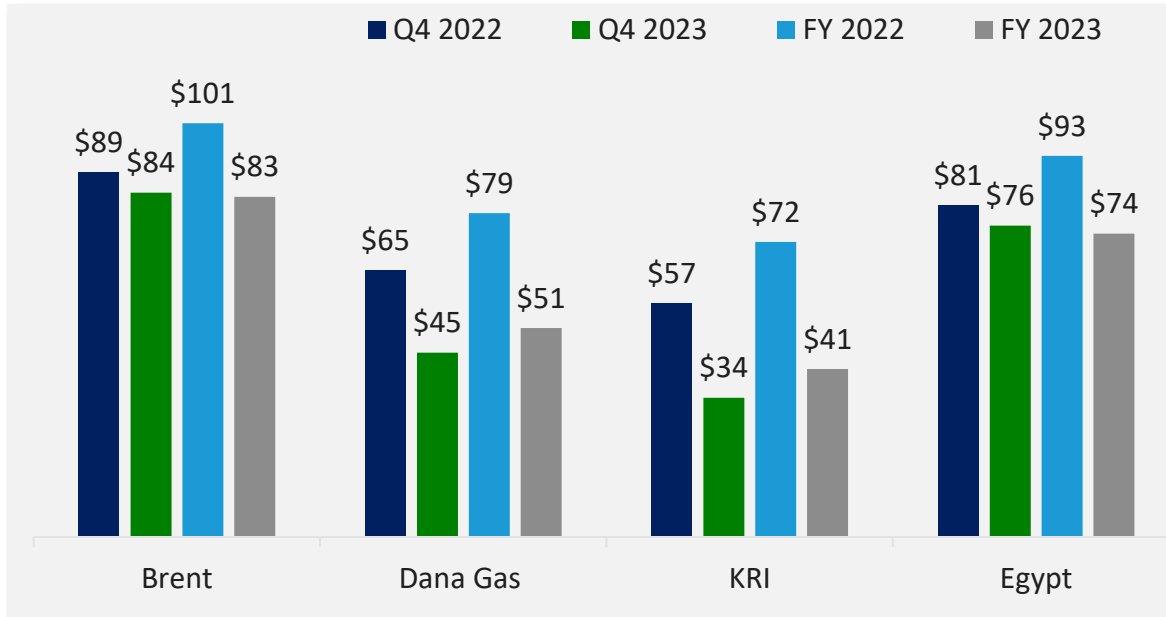
AVERAGE PRODUCTION Q4 2022 vs Q4 2023 (KBOE/D)



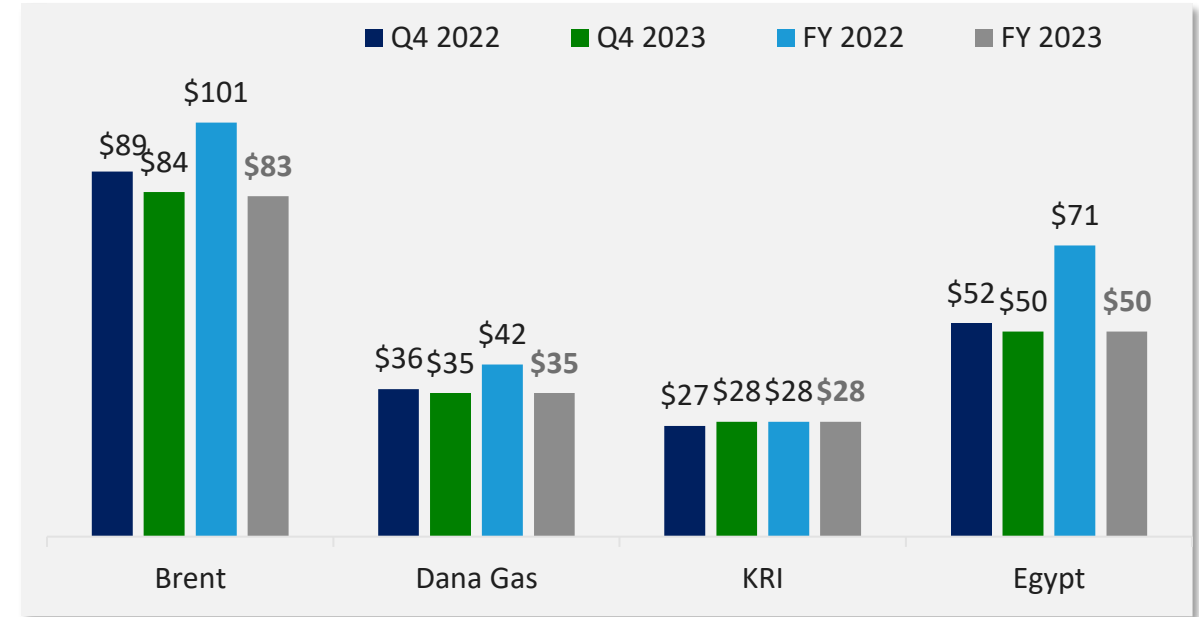
BOE Conversion Factors: Gas (6 MMscf = 1BOE)

REALIZED PRICES (USD/BOE)

AVERAGE REALIZED PRICE - CONDENSATE (USD/BBL)



AVERAGE REALIZED PRICE - LPG (USD/BOE)

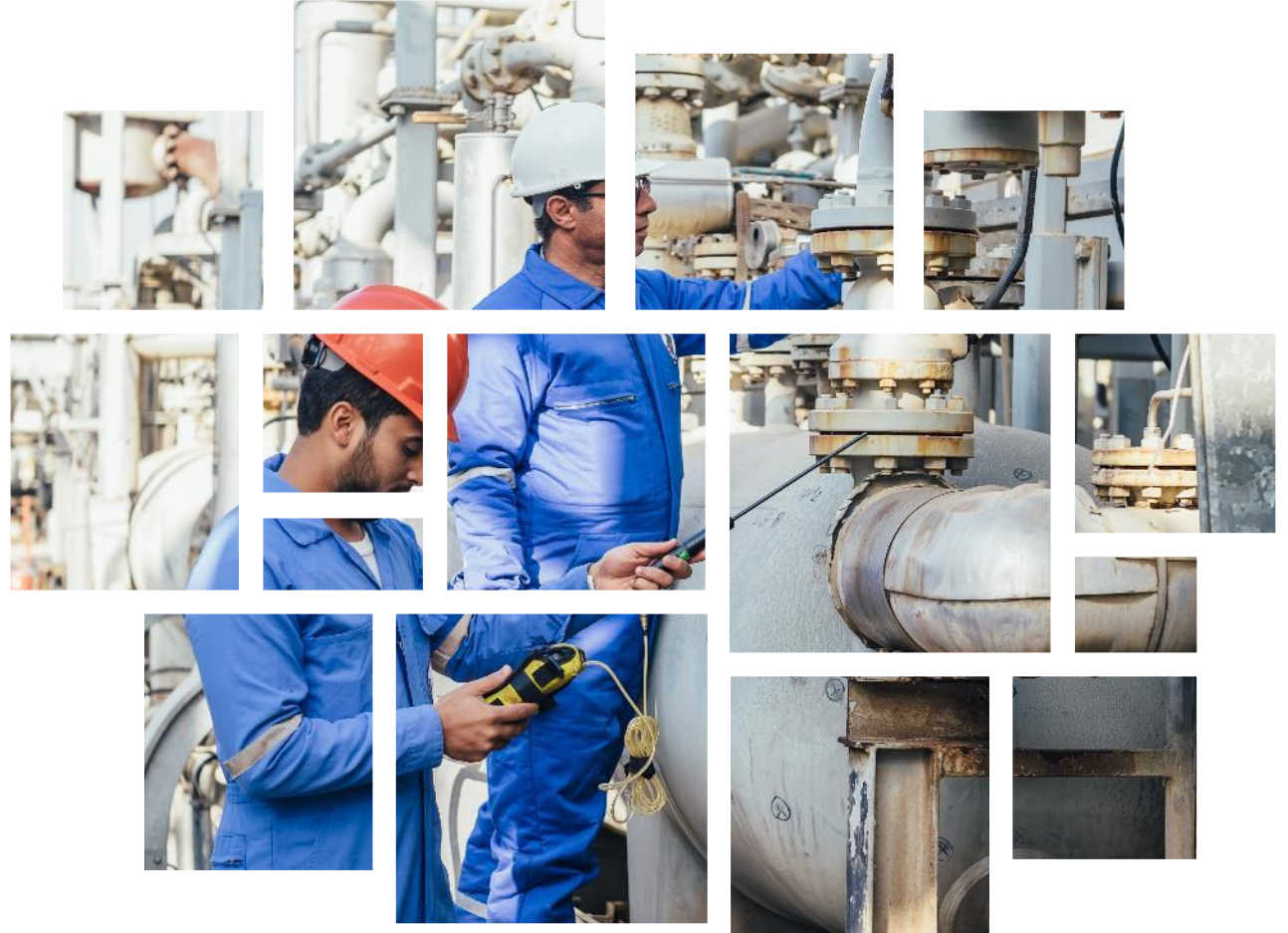


BOE Conversion Factors: Gas (6 MMscf = 1BOE)



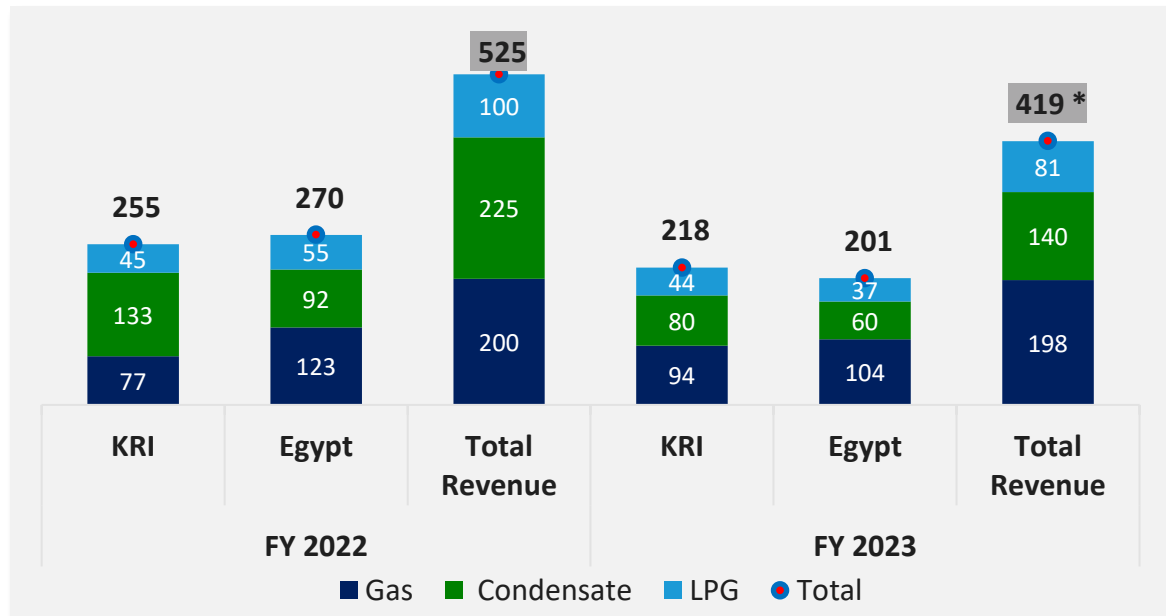
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FINANCIAL UPDATE

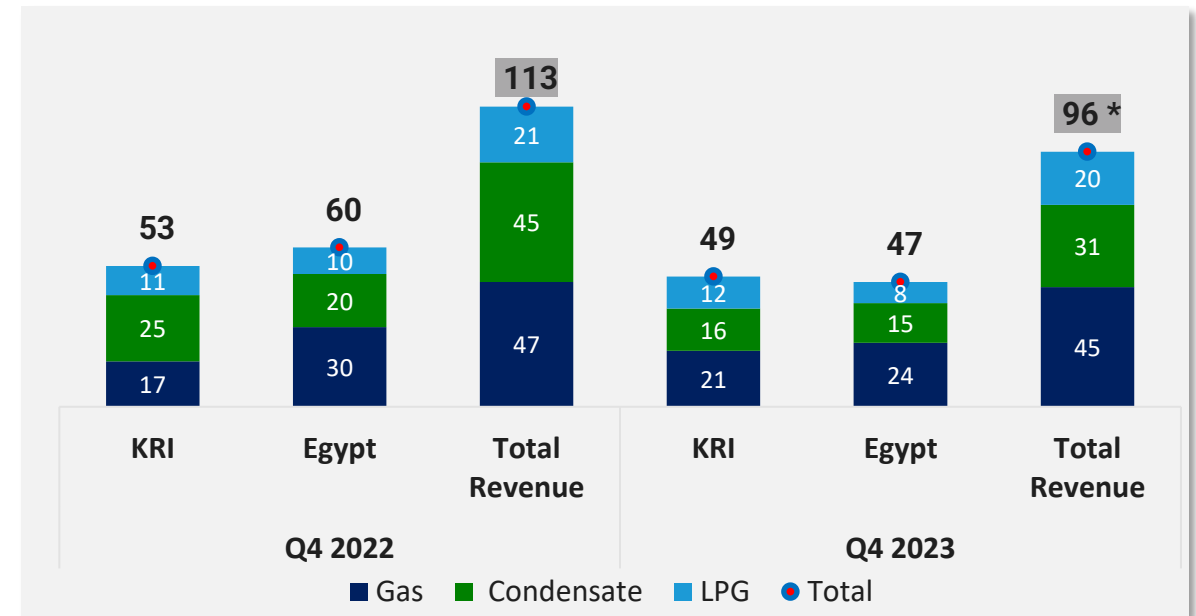


REVENUE HIGHLIGHTS

YEARLY REVENUE BREAKDOWN (\$MM)



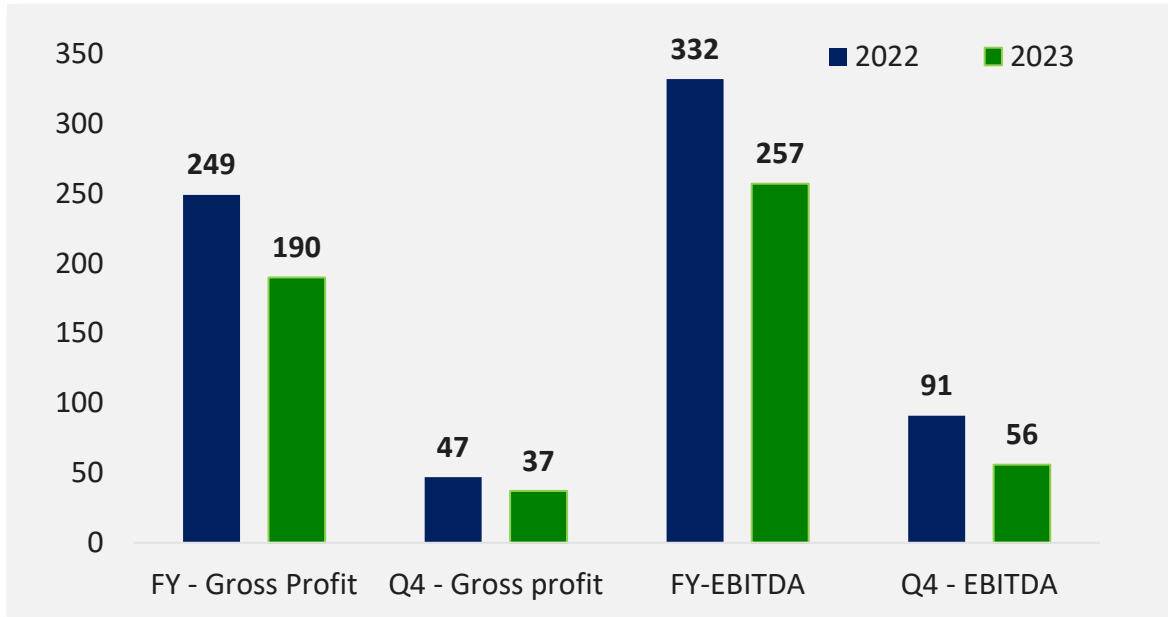
QUARTERLY REVENUE BREAKDOWN (\$MM)



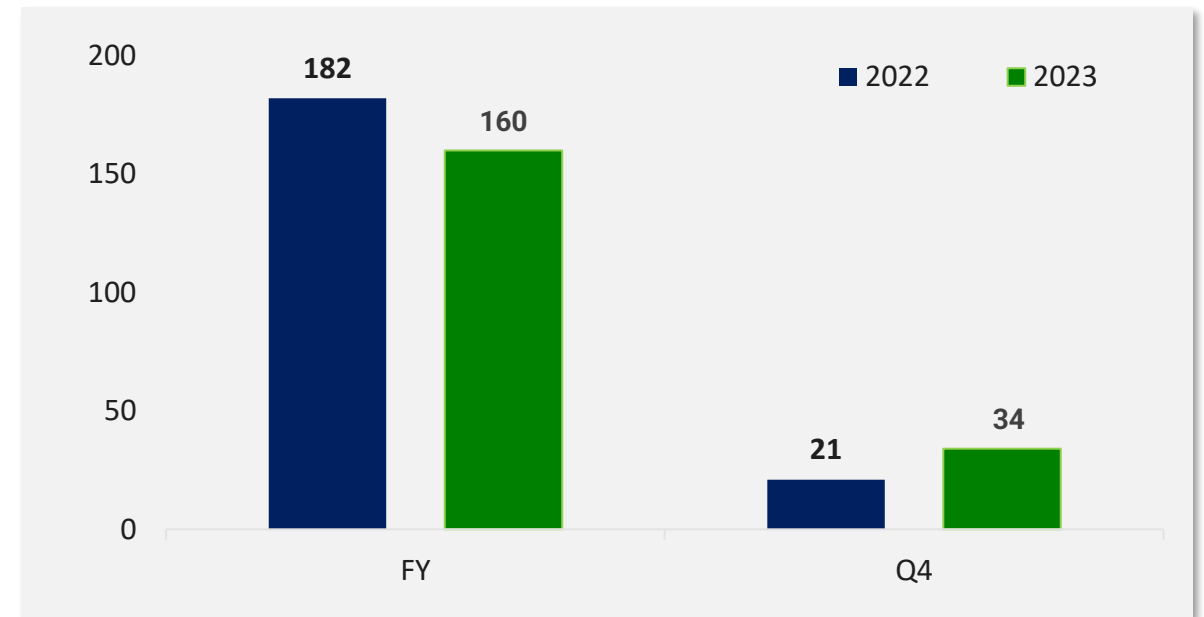
*Exclusive of \$4 million of UAE pipeline revenue in FY 2023 and \$1 million in Q4 2023

PROFIT HIGHLIGHTS

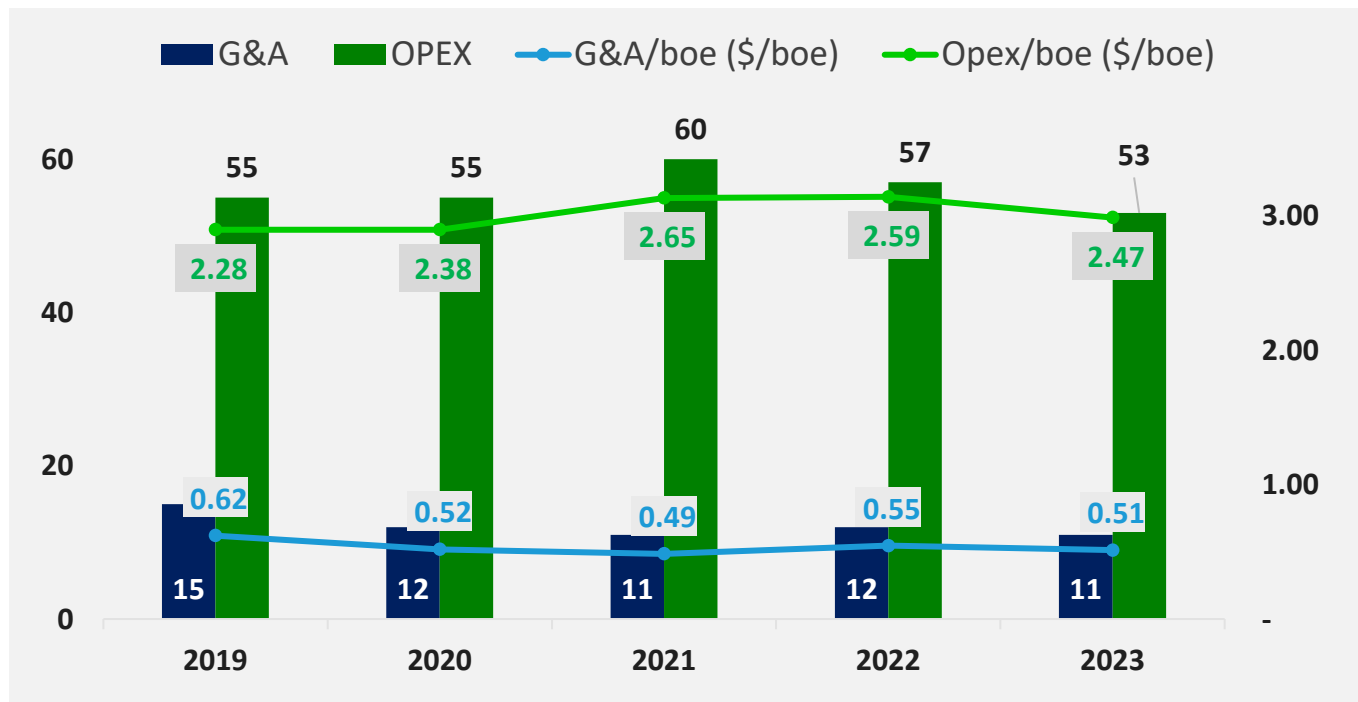
GROSS PROFIT (\$MM)



NET PROFIT (\$MM)

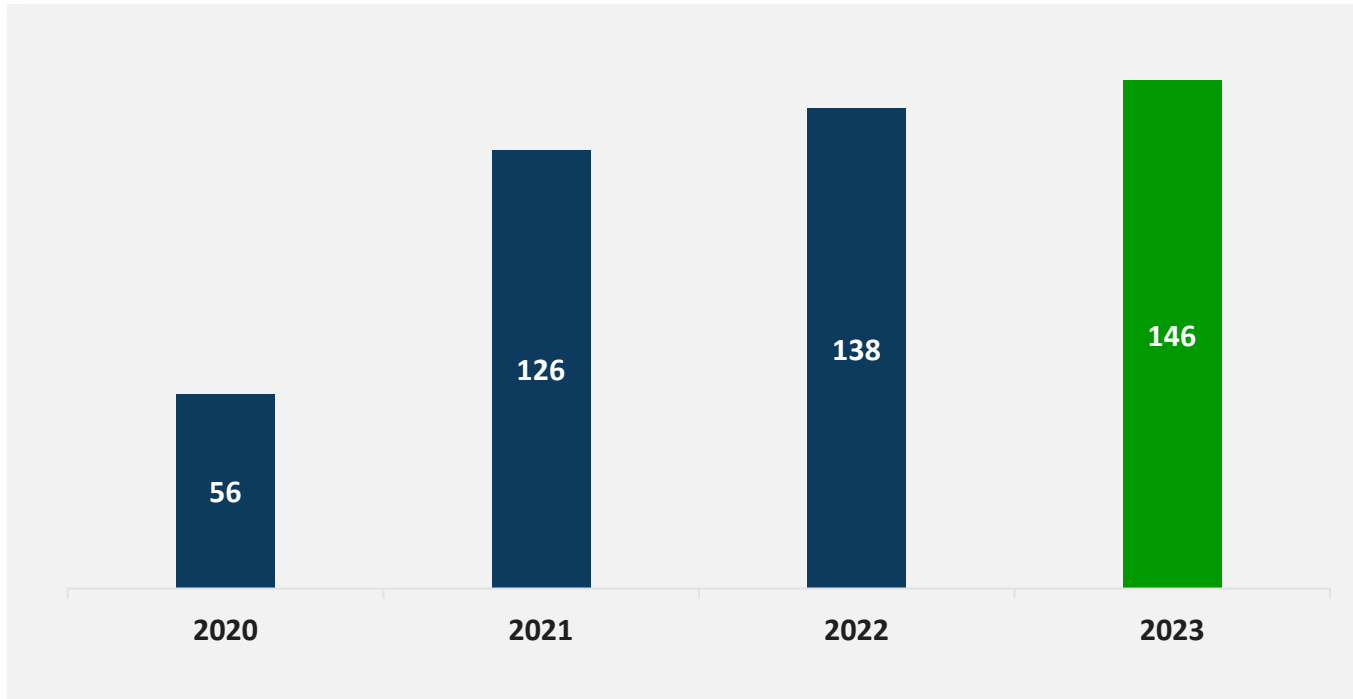


G&A / OPEX (\$MM)



- Company OPEX and G&A costs remain extremely competitive on an industry wide basis
- OPEX and G&A down 7% and 8% respectively; reflecting the Company's success in optimizing costs and the devaluation of the Egyptian pound
- OPEX and G&A costs reduced below \$3/boe and remains within industry's top quartile

CAPEX (\$MM)

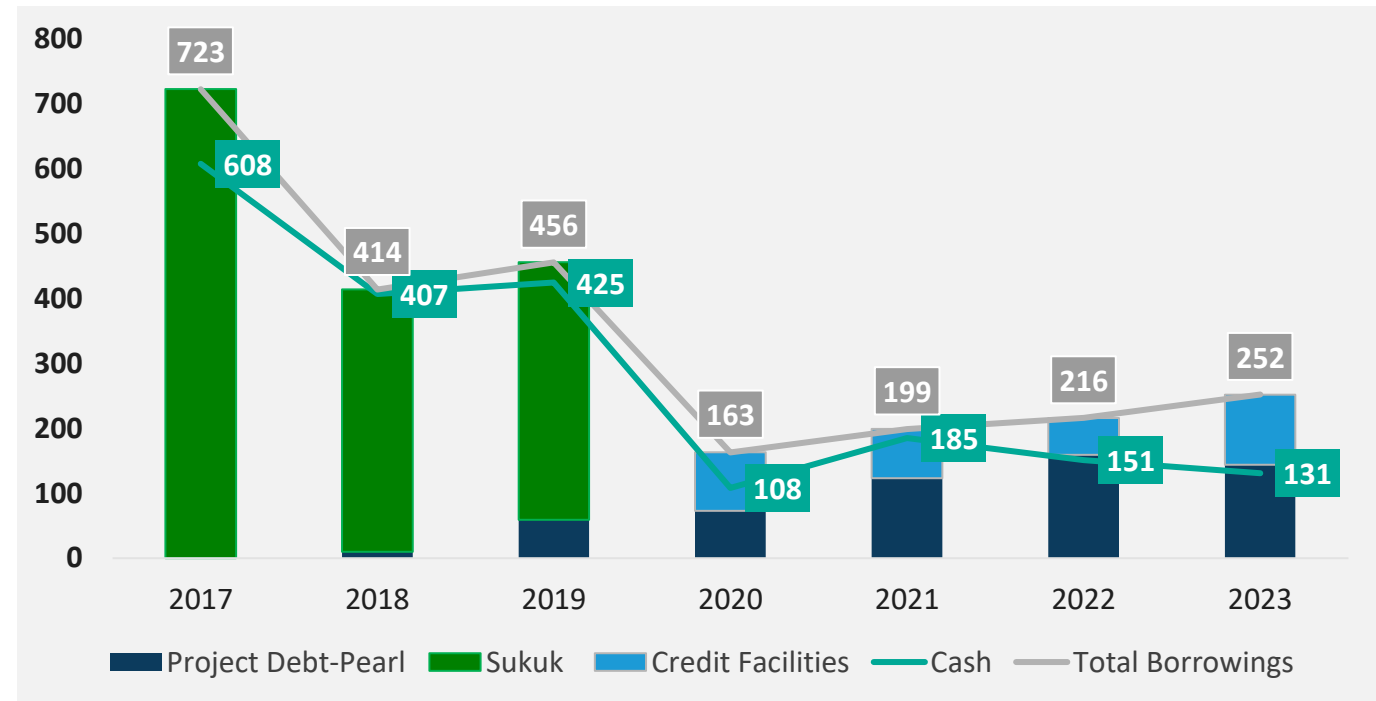


- Total \$146mm vs \$138mm
- \$22mm in Egypt and \$124mm in the KRI
- Limited CAPEX in Egypt amid finalisation of concession consolidation
- Plans to invest \$80-\$100 mm in Egypt in the coming two years

DEBT AND CASH BALANCE (\$MM)

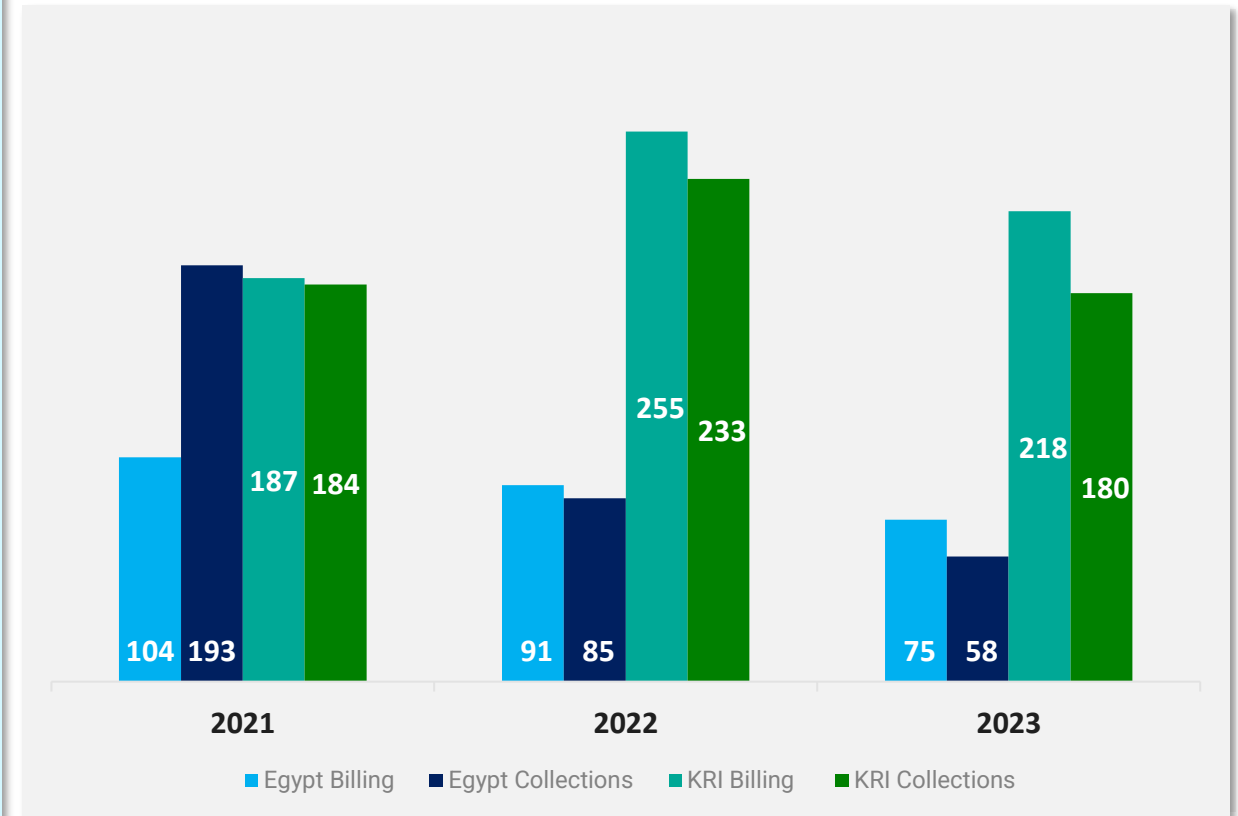
- \$131mm cash balance vs. \$151mm FY2022;
 - \$114mm of cash balance held at Pearl Petroleum
 - Cash Dividend of \$86mm (4.5 fils per share) paid in May 2023 as final dividend for 2022

- As of Year-end 2023, Company's total borrowings stands at \$252mm consisting of:
 - \$144mm non-recourse project debt at Pearl
 - \$108mm drawn credit facilities consisting of \$43mm Mashreq facility balance and \$65mm BOS facility



BILLINGS AND COLLECTIONS (\$MM)

- Collected \$238mm in FY 2023
 - \$180mm, Company's share of Pearl's collections in the KRI (82% collection realization)
 - Company's share of KRI trade receivables stands at \$103mm
 - Company didn't receive any dividends from Pearl in 2023 (\$149mm in 2022) due to lower-than-expected collection and Pearl's intensive capital requirements
 - Collected \$58mm in Egypt (77% collection realization)
 - Egypt trade receivables stands at \$48mm
- Pearl continued third party condensate sales to local buyers
 - This is in addition to the existing LPG local sales
 - Provides alternative sources of revenue from the KRG
 - Amounted to \$37mm of Company's share of KRI's total collections (21%)
- New payment mechanism has been agreed with direct payments from power stations
 - Meet KRG obligations and ensure timely payment of gas invoices from power producers
 - Schedule to collect past receivables
 - Pearl collected \$68mm post period





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SUMMARY



■ RESILIENT OPERATIONAL AND FINANCIAL RESULTS DESPITE DIFFICULT MACRO ENVIRONMENT

- \$160mm net profit highlights success in increasing production to record levels in KRI; supported by a 7% reduction in operating costs as bottom-line declined amid drop in energy prices
- New payment mechanism with KRG will support timely direct payments while third-party condensate sales to provide alternative sources of revenue

■ PROGRESSING KM250 IN KRI

- KM250 expansion project is on track to be completed in the second half of 2024 and the project's six development wells have been drilled
- Completion of project will add 250 MMscf daily production, resulting in a production capacity increase to 750 MMscf, adding at least \$150mm to the Company's annual revenue, which is equal to 35% of 2023 annual revenue

■ EGYPT CONSOLIDATION EXPECTED TO CREATE SIGNIFICANT VALUE FOR SHAREHOLDERS

- The Company expects to increase its investments in Egypt once the new concession terms with EGAS are ratified by the Egyptian parliament in Q1

■ DANA GAS FOCUSED ON FUTURE GROWTH OPPORTUNITIES IN THE KRI AND EGYPT

- Efforts are being concentrated on developing the Company's world class assets in the KRI and increasing production and reserves in Egypt through exploration and development opportunities on existing concessions

■ DIVIDEND

- Despite strong profitability, the Company is not currently in a position to pay an interim and final 2023 dividend due to collection difficulties and focus on KM250 spending. Dana Gas remains committed to reinstating dividend payments as soon as the Company's liquidity improves



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