



Dana Gas announces Net Profit of AED 553 million (\$151mm) for FY 2024

Highlights – FY 2024

- Following the strong performance and improved cash position, Company looks forward to resuming dividends and adopting a sustainable annual dividend policy subject to the Board decision at its upcoming meeting
- Revenue increased by 5% to AED 1.63 billion (\$445mm)
- KM250 construction resumed under Pearl Petroleum; completion expected in Q2 2026
- New consolidated concession agreement signed in Egypt with improved fiscal terms
- Company's cash collections increased by 37% to AED 1.2 bn (\$326mm)

Sharjah, UAE; 7 February 2025: Dana Gas PJSC (the “Company”), the Middle East’s largest regional private sector natural gas company, today announced its un-audited preliminary financial results for the full year ended 31 December 2024.

The Company reported revenue growth of 5% in 2024, reaching AED 1.63 billion (\$445mm), up from AED 1.55 billion (\$423mm) in 2023, driven primarily by the recognition of additional revenue from improved fiscal terms under the recently signed Consolidated Concession Agreement in Egypt.

Net profit stood at AED 553 million (\$151mm), compared to AED 586 million (\$160mm) in 2023, after a one-off impairment charge of AED 121 million (\$33 million) in Egypt related to past costs of old concessions. Excluding this one-off impairment, net profit for the year was AED 674 million (\$184mm), a 15% increase from AED 586 million (\$160mm) in 2023.

In Q4 2024, revenue increased by 64% to AED 583 million (\$159mm), up from AED 356 million (\$97mm) in the same period last year, primarily due to the recognition of additional revenue under the newly signed Consolidated Concession Agreement in Egypt. Q4 net profit increased by 15% to AED 143 million (\$39mm), compared to AED 125 million (\$34mm) in Q4 2023, as a result of the additional revenue and lower financing costs.

KM250 Update

In September 2024, Pearl Petroleum took over full responsibility for the KM250 expansion project following the termination of the original EPC contractor. Construction resumed fully in December and the project is now scheduled to achieve first gas by Q2 2026. Once operational, KM250 will add processing capacity for an additional 250 MMscf/d of gas, significantly boosting Company’s cashflows and financial performance.

Khor Mor facilities currently supply more than 500 mmscf/d of gas to four power stations and enables the generation of approximately 2,800 MW of electricity which constitutes more than 75% of the KRI’s power generation. This supply of steady and affordable gas, results in significant fuel cost savings and affordable electricity for millions of Iraqis in the KRI and neighboring governorates, benefiting the whole of Iraq. Once completed, additional gas supplied by the KM



250 project to the region's power stations will play a vital role towards further supporting the economic development across the KRI and Iraq.

Egypt Consolidation

At the end of 2024, Dana Gas formally signed the new Consolidation Agreement ("the Agreement") with the Ministry of Petroleum & Mineral Resources and the Egyptian Natural Gas Holding Company (EGAS). The Agreement replaces the Company's existing concessions with a single concession encompassing an additional 297 sq. km of exploration acreage and improved fiscal terms, enabling greater operational efficiency and unlocking further investment opportunities.

Under the Agreement, Dana Gas has committed to a \$100 million development and exploration program, including the drilling of 11 wells. This program will help to mitigate the natural field declines by adding additional production which is expected to increase gas recovery by 80 billion cubic feet. Additionally, the increased gas supply is projected to generate cost savings of over \$1 billion for Egypt's economy, reducing reliance on imported LNG and mazut for power generation.

The Company also received c. \$20 million from the Egyptian Government in December 2024. As previously stated, these funds will be reinvested into the Company's operations in Egypt, enabling Dana Gas to proceed with the first phase of the consolidation development program and deliver on its commitments under the Agreement.

Richard Hall, CEO of Dana Gas, commented:

"I am pleased with the progress we made in 2024. After some delays with KM250, Pearl took over direct management of the project from the incumbent EPC Contractor and I am confident, with increased Dana Gas involvement, that it is now back on track to deliver first gas by Q2 2026. Once completed, the project will strengthen our operations and significantly enhance our cash flow. Additionally, thanks to the previously established payment mechanism in the KRI, we received regular payments throughout the year, reducing our outstanding receivables and strengthening our balance sheet."

"In Egypt, the successful signing of our new Concession Agreement has led to commencement of the planned investment program, and we're excited about the potential upside possibilities under the new Agreement."

"We hope to build on these achievements in 2025. Looking ahead, we are optimistic about the future and are actively evaluating the resumption of sustainable dividend payments to our shareholders. We will also continue to focus on operational excellence, innovation, and strengthening partnerships in the KRI and Egypt to drive long-term growth."

Operations & Production

Average group production declined in 2024 to 54,850 boepd, a 7% reduction from 58,700 boepd in 2023. This was due to a 25% reduction in Egypt to 16,450 boepd, due to natural field declines. This was offset by a 4% increase in production output in the KRI to 38,400 boepd versus 36,900 boepd in 2023.



Liquidity

As of 31 December 2024, the Company's consolidated cash balance stood at AED 1.16 billion (\$317mm), including AED 861 million (\$235mm) held at the Pearl Petroleum level. The Company's total consolidated debt stands at c. AED 934 million (\$255mm). This includes AED 103 million (\$28mm) at the corporate level, which is down from AED 396 million (\$108mm) in 2023.

The Company strengthened its financial position in 2024 through proactive management of collections and cash flow. Total collections for the year increased to AED 1.2 billion (\$326mm), compared to AED 872 million (\$238mm) in 2023. Throughout the year Dana Gas received dividend payments of AED 488 million (\$133mm) from Pearl Petroleum.

In the KRI, collections totalled AED 957 million (\$261mm), reflecting the successful implementation of the payment mechanism agreed in late 2023. In Egypt, collections were AED 238 million (\$65mm), with a \$20 million payment received in December.

The Company's receivables in the KRI (Dana Gas share) stood at AED 246 million (\$67m) and at AED 286 million (\$78mm) in Egypt by the end of 2024.

Levidian Investment

The Company also made strides in 2024 to drive innovation in its operations. In September, Dana Gas partnered with UK-based climate tech company Levidian to pilot its LOOP technology, which converts methane into high-quality graphene and hydrogen. With targeted deployment in 2025, the pilot unit will explore the potential for Levidian's LOOP technology to reduce greenhouse gas emissions, support the Company's goal of near-zero methane emissions by 2030, and create new revenue streams through the annual production of tonnes of graphene.

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About Dana Gas

Dana Gas is the Middle East's first and largest regional private sector natural gas Company established in December 2005 with a public listing on the Abu Dhabi Securities Exchange (ADX). It has exploration and production assets in Egypt, Kurdistan Region of Iraq (KRI) and UAE, with 2P reserves exceeding one billion boe and average production of approximately 55 Kboepd in 2024. With sizeable assets in KRI and Egypt, and further plans for expansion, Dana Gas is playing an important role in the rapidly growing natural gas sector of the Middle East, North Africa and South Asia (MENASA) region. Visit: www.danagas.com

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