

Dana Gas reports a 13% increase in Net Profit for Q1 2025

Highlights – Q1 2025

- Net profit up at AED 158 million (\$43mm) in Q1 2025 from AED 139 million (\$39mm) in Q1 2024
- KM250 project completion date accelerated to Q1 2026
- Initiated first phase of \$160 million investment plan for Chemchemal field development

Sharjah, UAE; 8 May 2025: Dana Gas PJSC (the “Company”), the Middle East’s largest regional private sector natural gas company, today announced its financial results for the three-month period ended 31 March 2025.

The Company reported a net profit of AED 158 million (\$43mm) for Q1 2025, a 13% increase compared to AED 140 million (\$38mm) in the same period last year, despite lower oil prices. The increase in earnings was driven by stronger gas pricing in Egypt following the Consolidation Concession Agreement, lower depreciation, depletion, and amortisation (DDA) charges, along with reduced finance costs.

Revenue for Q1 2025 stood at AED 334 million (\$91mm), compared to AED 356 million (\$97mm) in Q1 2024. The year-on-year decline was primarily due to lower production in Egypt coupled with lower realised hydrocarbon prices, however partially offset by improved gas pricing in Egypt and higher condensate price realization in the Kurdistan Region of Iraq (KRI).

Kurdistan Region of Iraq

Production in the KRI remained strong in the first quarter of 2025. In early March, Dana Gas and its partner Crescent Petroleum announced that cumulative production from the Khor Mor field had reached 500 million barrels of oil equivalent, reflecting the strength and consistency of operations since 2008. Daily gas production at Khor Mor reached 525 million standard cubic feet, marking a 75% increase since 2017. The field continues to support over 75% of the Kurdistan Region’s power generation needs.

In April, production levels at the Khor Mor plant were reduced to carry out planned maintenance activities, ensuring the facility’s continued reliability and long-term operational performance. This reduction will be reflected in the Company’s Q2 results.

Construction of the KM250 expansion project is now progressing on an accelerated schedule, with first gas expected in Q1 2026. Once fully operational, KM250 is expected to add 250 MMscf/d of processing capacity, increasing Pearl Petroleum’s production by 50%, while significantly boosting Dana Gas’s financial performance and cash flow. The project includes the addition of 7,000 barrels per day of condensate and 460 tonnes per day of LPG.

Additionally, Pearl Petroleum has initiated first phase development activities at Chemchemal, one of Iraq’s largest world-class and undeveloped gas fields. A \$160 million investment program is

now underway to drill three wells and install an extended well test facility. Production of up to 75 MMscfd is targeted for the second half of 2026.

Egypt

In Egypt, Dana Gas continues to implement its post-Consolidation Agreement investment program, committing to invest \$100 million over the next two years to drill 11 new wells. The Company plans to drill 3 wells this year, with drilling operations for the first well to begin in May 2025 and spudding expected in June 2025. Despite lower production levels, Dana Gas benefited from improved realized gas pricing following the Consolidation Agreement, helping to support cash flow and future investment plans. The ongoing program aims to increase gas recovery by 80 billion cubic feet and help mitigate natural field declines. The additional gas will also generate significant cost savings of over \$1 billion for Egypt's economy by reducing reliance on imported LNG and fuel oil.

Richard Hall, CEO of Dana Gas, commented:

"We entered 2025 with strong momentum following a transformational year for the business, and in the first quarter we demonstrated our ability to adapt to current market trends. Despite softer oil prices, we have increased our profitability and maintained our operational and strategic progress. We achieved higher production in the KRI while reducing our operational and finance costs. We also continue to make excellent progress on the KM250 expansion, and we remain on track to achieve first gas by Q1 2026.

Meanwhile, our drilling program is underway in Egypt, and the Board's decision to resume sustainable dividend payments reflects the strength of our financial position and positive future outlook. We remain focused on execution and confident in the opportunities ahead to create lasting value for all our stakeholders."

Operations & Production

Production in the KRI increased by 3% in Q1 2025 to 39,650 boepd, supported by continued strong demand from local power stations. The Khor Mor field continues to perform strongly, with cumulative output surpassing 500 million barrels of oil equivalent since production began at the field.

Group production averaged 52,200 boepd during the quarter, compared to 56,750 boepd in Q1 2024. In Egypt, production declined to 12,550 boepd, mainly due to natural field declines and the impact of a planned maintenance shutdown. However, drilling activities under the Consolidated Concession Agreement are underway and expected to support future production levels.

Liquidity

As of 31 March 2025, Dana Gas's consolidated cash balance stood at AED 1.4 billion (\$373mm), including AED 784 million (\$214mm) held at the Pearl Petroleum level. The Company's total debt remained stable at AED 1,045 million (\$285mm).



In April 2025, shareholders approved a cash dividend of AED 385 million (\$105mm) for FY 2024, reflecting confidence in Dana Gas's financial strength and cash flow visibility.

Total collections for the quarter reached AED 257 million (\$70mm), compared to AED 279 million (\$76mm) in Q1 2024 reflecting a 100% collection rate in the KRI and 92% in Egypt.

The Company's receivables in the KRI stood at AED 246 million (\$67mm) as of the end of Q1 2025, down from AED 334 million (\$91mm) a year earlier. Receivables in Egypt stood at AED 290 million (\$79mm), up from AED 209 million (\$57mm) in Q1 2024.

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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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