

Clean Energy for the Future

9M 2019 – Financial Results

14 November 2019



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1. Headlines

Operations

- Group production avg. 67,100 boepd – up 8%
- In KRI
 - Driving production higher; up 23% to 31,800 boepd
 - New 20-year GSA with KRG for 2nd phase expansion
- In Egypt
 - Drilling of Merak-1 deep-water well completed – dry hole, plugged and abandoned. Impairment of \$60m.
 - Plan to drill new onshore exploration well in Q4; and completing an active well intervention campaign

Liquidity

- G&A and OPEX totaled \$52m; same as 9M 2018
- Cash balance \$392mm vs. \$407mm FY 2018 – includes \$105mm dividend and sukuk profit payments
- Collected \$105mm in Egypt; receivables now at \$119mm – 43% drop Y-o-Y
- \$116mm billed in the KRI, collected \$118mm. Received \$68mm dividend from Pearl Petroleum

Financials

- Net Profit jumps in 9M 2019 by 246% to \$142m
 - Includes ‘other income’ of \$126m from recognition of financial assets related to certain reserve-based earnout and other entitlements
- Like-for-like, \$76mm net profit, up 85%
 - Key reasons: incremental production from KRI added \$32m; and \$19m savings in sukuk costs
- \$357m in Revenue – 2% higher
 - Increased production in the KRI partially offset by price declines and lower production in Egypt
- \$98mm in Gross Profit – lower due to one-off reversal in H1 2018 – like-for-like, gross profit in-line with 9M 2018

Arbitration

- NIOC: continue to await the award on damages



3. Production & Country Performance

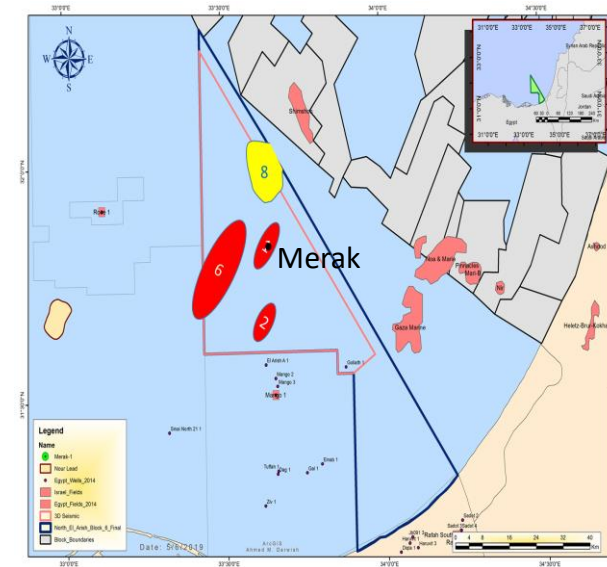
Egypt: Programme Overview

Strategic Review

- Possible sale of our assets – bids expected mid-Nov.
- Quality of assets excellent – producing onshore; exploration potential offshore
- Matter of portfolio management – we are committed even if no sale

Block 6

- Merak-1 drilling completed in mid-July.
- Well was plugged and abandoned as a dry-hole
- Block contains 3 other material independent prospects including Merak Oligocene objectives

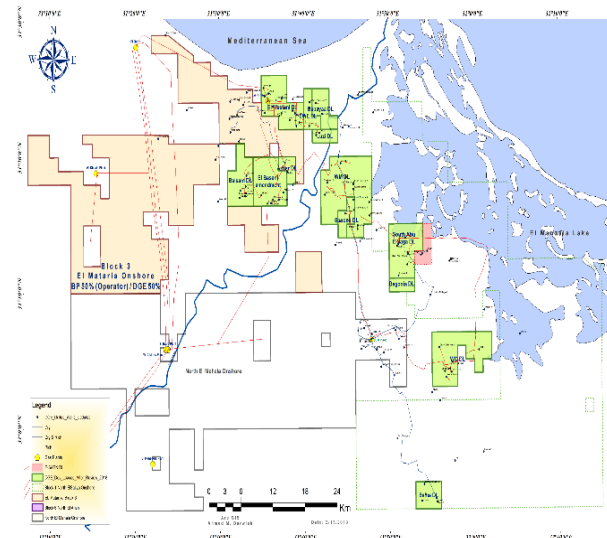


GPEA condensate sales

- 3 cargo exports in 9M 2019 – c. \$29mm sales
- Starting July, delivering all condensate to EGPC refinery at Tanta against revolving letter of credit that provides circa. \$6mm per month

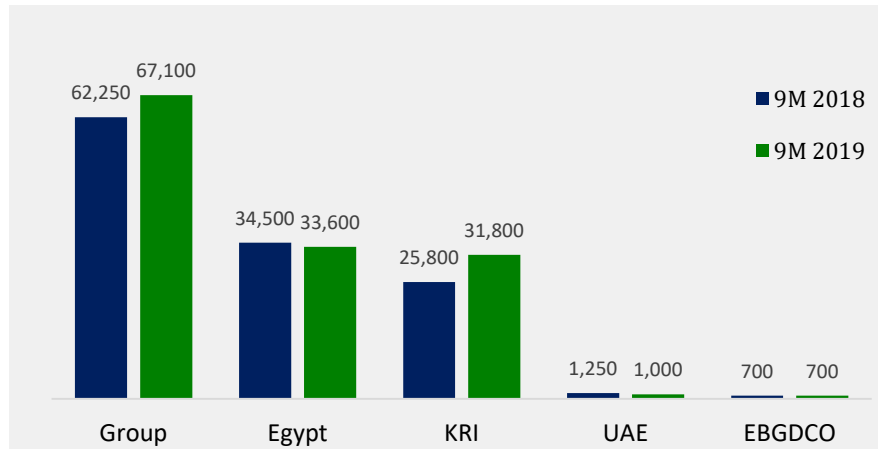
Development Lease programs

- Plans to drill new exploration well at South El Bassant in Q4 2019
- Active well intervention campaign, comprising workovers, recompletions of 15-wells during 2019 to maximize production from existing assets

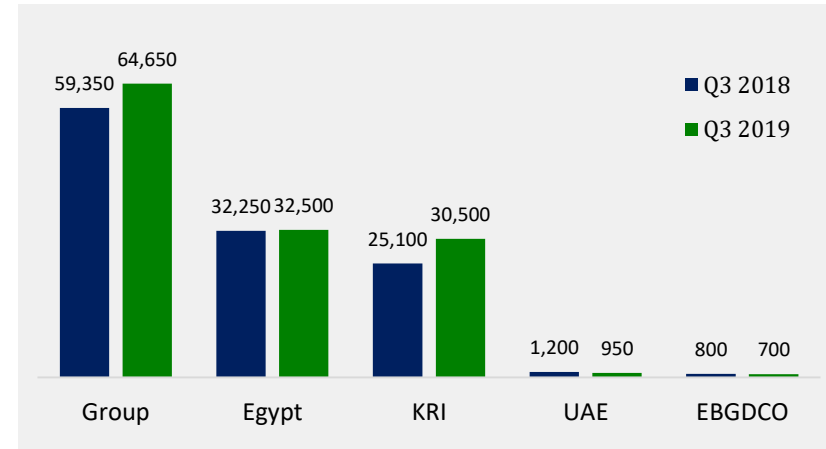


Average Production & Average Realized Prices

Production (boepd) 9M 2019 Vs 9M 2018



Production (boepd) Q3 2019 Vs Q3 2018



Average Realized Price-Condensate (USD/bbl)



Average Realized Prices LPG (USD/boe)



KRI: Expansion plans underway

10% in 2P reserves

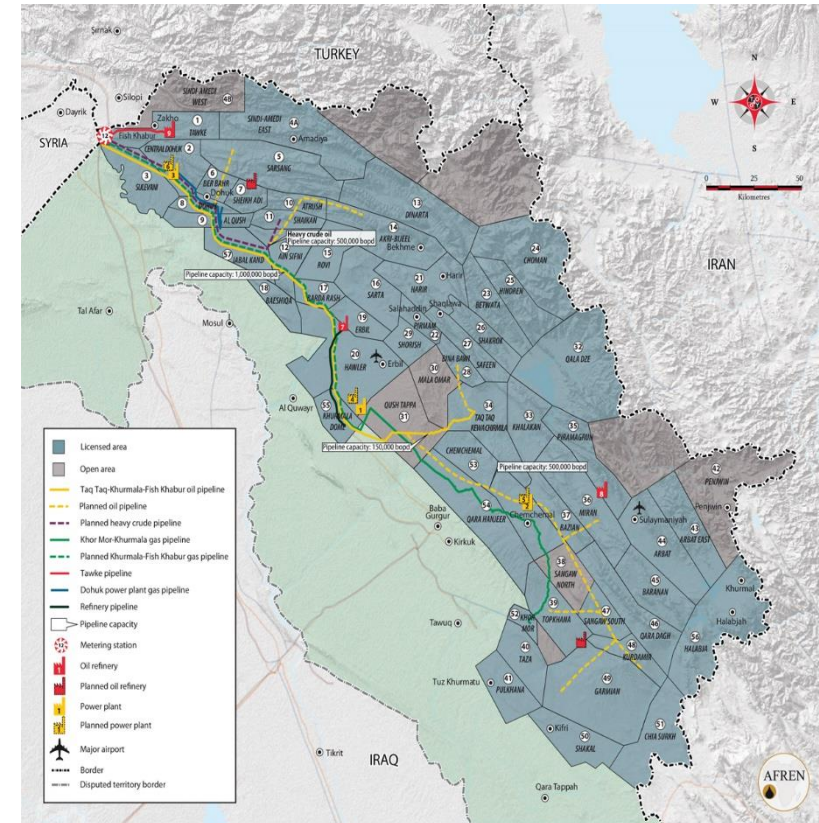
- Recent certification of reserves has increased the Company's 2P reserves by 10% to 1,087 Mmboe

Future Growth Plans

- Signed a 20-year Gas Sales Agreements with the KRG to facilitate the production and sale of an additional 250 MMscf/d
- Two new 250 MMscf/d gas processing trains that will increase gross output to 650 MMscf/d by 2022 and 900 MMscf/d by 2023

Operations update

- Completed workover and drilling on KM-3 and KM-9 wells respectively. Both wells tied to the plant and currently producing approximately 70 mmcf/d each.



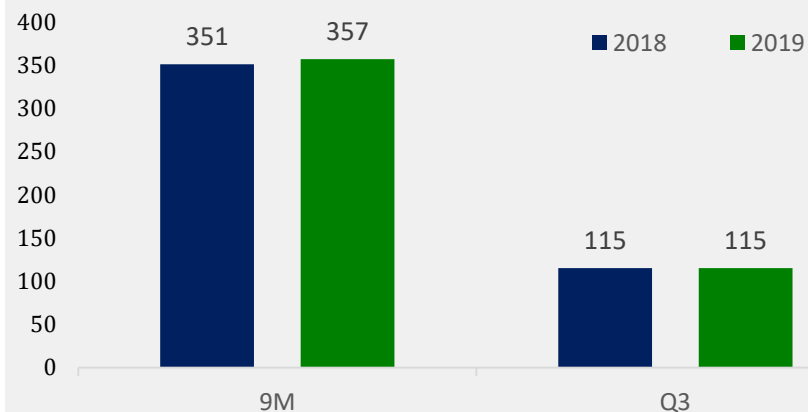
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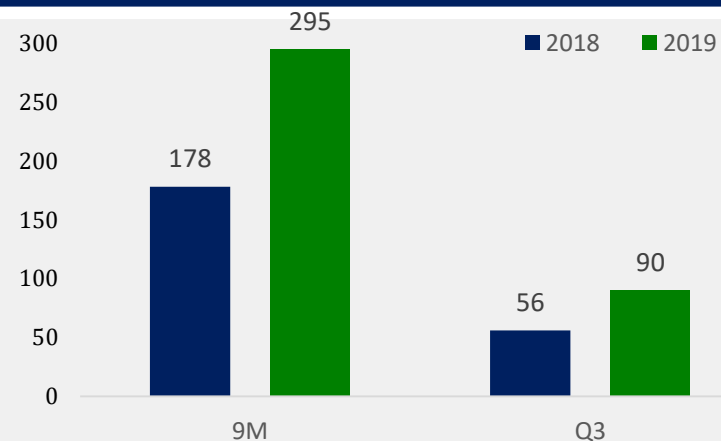
2. Financial Update

Financial Highlights

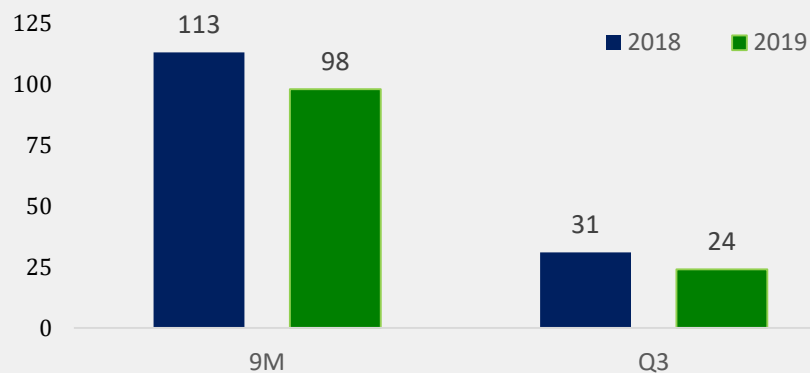
Gross Revenue (\$mm)



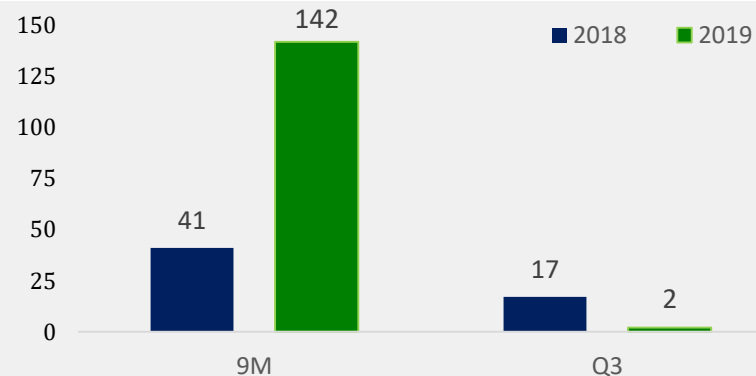
EBITDA (\$mm)



Gross Profit (\$mm)

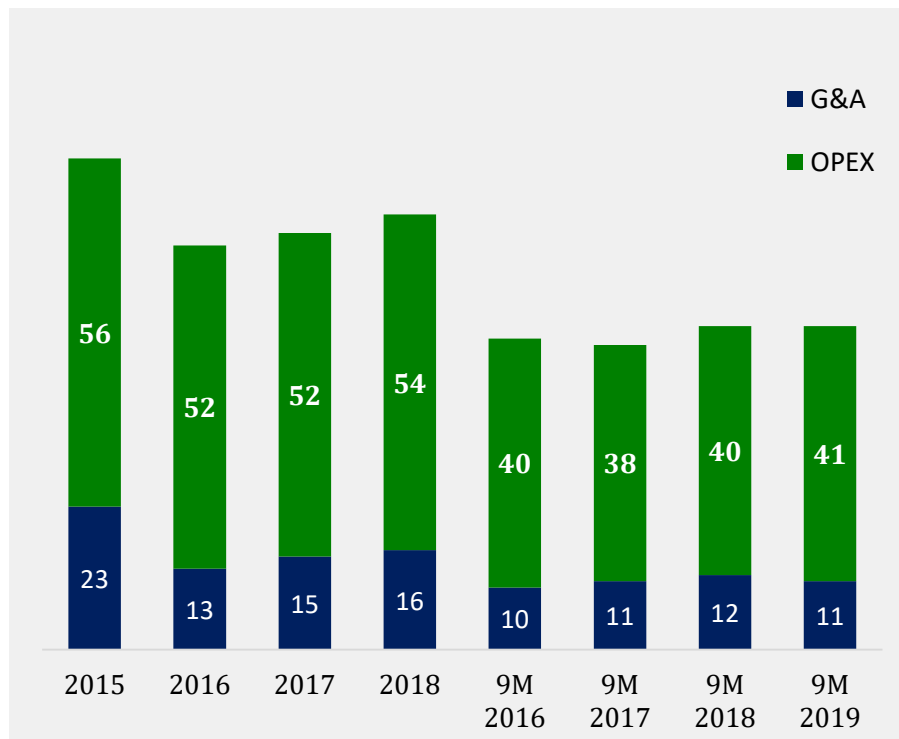


Net Profit (\$mm)



CAPEX & OPEX

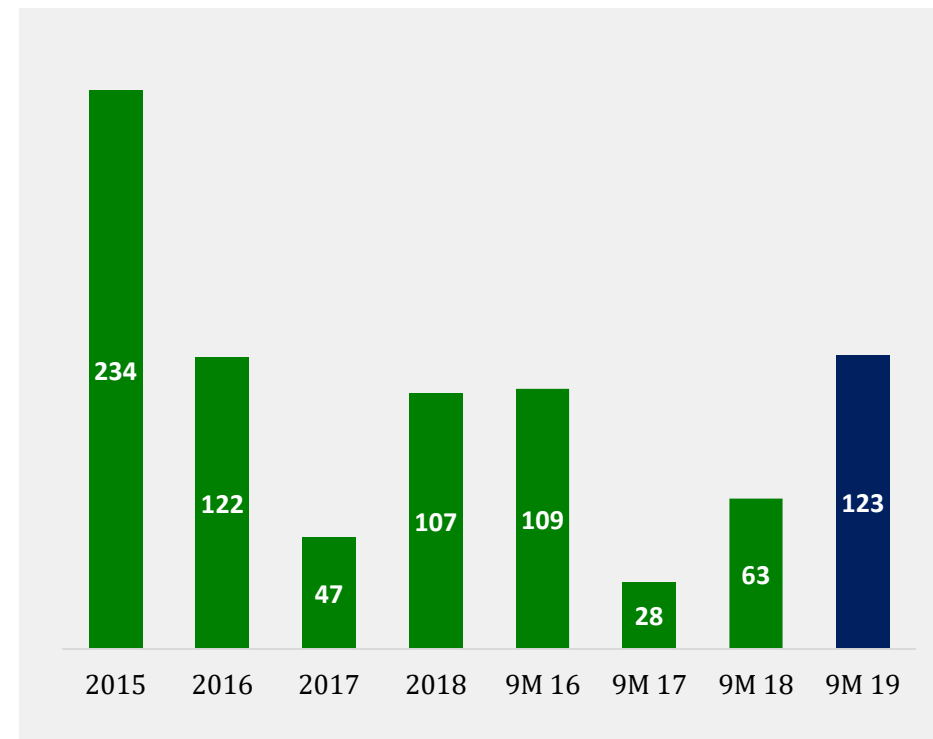
G&A / OPEX (million USD)



G&A / OPEX

- Company continues to optimise costs
- OPEX and G&A maintained at similar levels in 9M 2018

CAPEX (million USD)



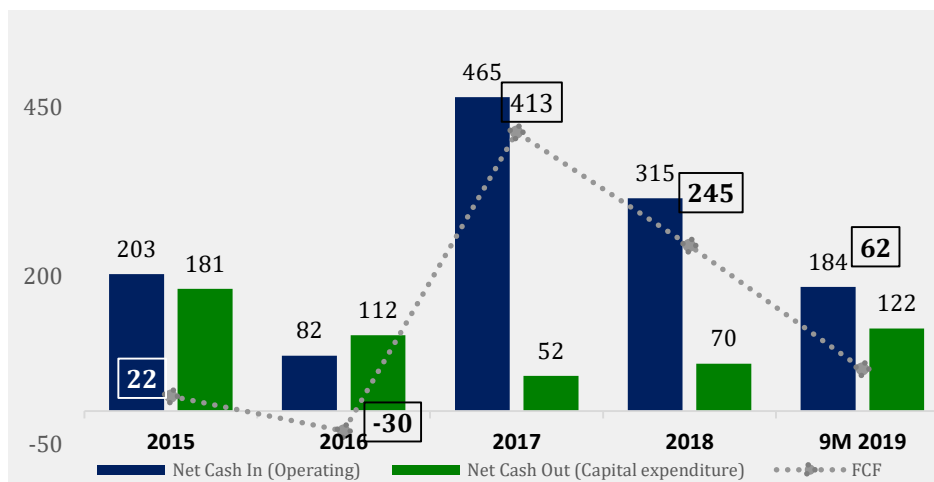
CAPEX

- Total \$123mm vs \$63mm (9M 2018)
- \$70mm in Egypt and \$53mm in KRI
- \$50mm related to Merak-1 drilling
- No direct funding requirements in KRI in 2019

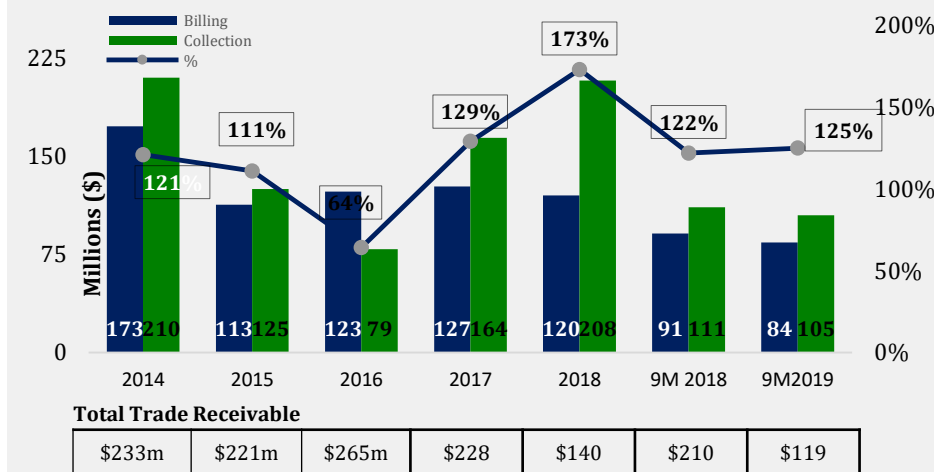
Cash Flow, Liquidity & Receivables

- \$392mm cash vs. \$407mm FY 2018; excellent cash management
- Cash dividend of \$105mm paid in May
- Positive FCF - \$62mm
- Share buyback programme started in H2 2019
- Egypt H1 19 collection at \$105mm - 125% collection rate
- Egypt trade receivables at \$119mm – 43% drop compared to same period 2018
- KRI realized 100% of billed revenue with \$118mm of collections and \$68mm dividend paid from Pearl Petroleum to the Company.

Free Cash Flow (million USD)



Egypt Receivables (million USD)



Note: % calculated as collection divided by net revenue

A photograph of a large industrial facility, likely a refinery or chemical plant, featuring several tall, cylindrical distillation columns with complex piping and ladders. The image is overlaid with a semi-transparent blue and green gradient. In the bottom left corner, there is a dark blue rectangular area containing the text '4. Summary'. To the right of this area, there are two overlapping parallelogram shapes, one blue and one green, also containing the same text.

4. Summary

1

- We delivered strong 9M 2019.
- Net profit was \$142 million – like-for-like: \$76 million.
- Cash is \$392 million compared to \$407 million at YE 2018 – prudent cash management.

2

- Undertaking a Strategic Review, which may lead to the sale of the Egypt assets.
- Decision is a matter of portfolio management – given the focus on rapidly increasing production from the KRI project
- We will continue to operate our assets in Egypt to maximise production and value to the Company and its stakeholders

3

- Independent external reserves audit confirms KRI fields are world-class
- Increased 2P reserves by 10% to over 1 billion boe, which represents more than 90% of the Company's reserves.
- This has allowed the recognition of reserve-based earn-out entitlements due from certain shareholders in Pearl Petroleum as considerations linked to the original share sale agreements.

4

- Pressing ahead with our expansion plans in KRI
- First train due to be brought on stream by early 2022

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