

Clean Energy for the Future

H1 2020 – Financial Results

17 August 2020



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1. Headlines

Operations

- Operations continued uninterrupted
- Stringent health and safety protocols were put in place across all assets
- Group production avg. 63,250 boepd – down 7%
 - Egypt down 9% due to natural field declines
 - UAE saw no production – 1,000 boepd in H1'19
- DG Egypt completed compression project, adding 8 MMScf/d to daily output; planned workover program has begun and El Wastani condensate sales continue as part of the GPEA
- Pearl Petroleum expansion declared *force majeure*; basic engineering works completed

Liquidity

- Operating/G&A expenses at \$33mm - \$2mm lower vs H1'19; further reductions expected in H2'20
- Cash balance \$366mm vs. \$425mm FY'19 –after \$104mm dividend; \$23mm in sukuk related buybacks and profit payments
- Collected \$90mm in total – KRI \$47mm and Egypt \$43mm; with receivables in Egypt at \$117mm and KRI at \$39mm
- July/August 2020, initiated \$70.7mm sukuk buyback. Overall cost savings in profit and repayments at maturity of \$10mm. Sukuk currently stands at \$309mm

Financials

- Net Profit to \$18mm before one-off impairments despite steep decline in energy prices
 - \$37mm impairment charges; \$30mm related to Egypt oil and gas assets
 - Net loss of \$19mm
- Revenue of \$181mm – 25% lower compared to H1'19
 - Due to steep decline in energy prices and lower production
- Gross profit of \$39mm down from \$74mm during H1'19
- Free cash flow of \$51mm

Corporate

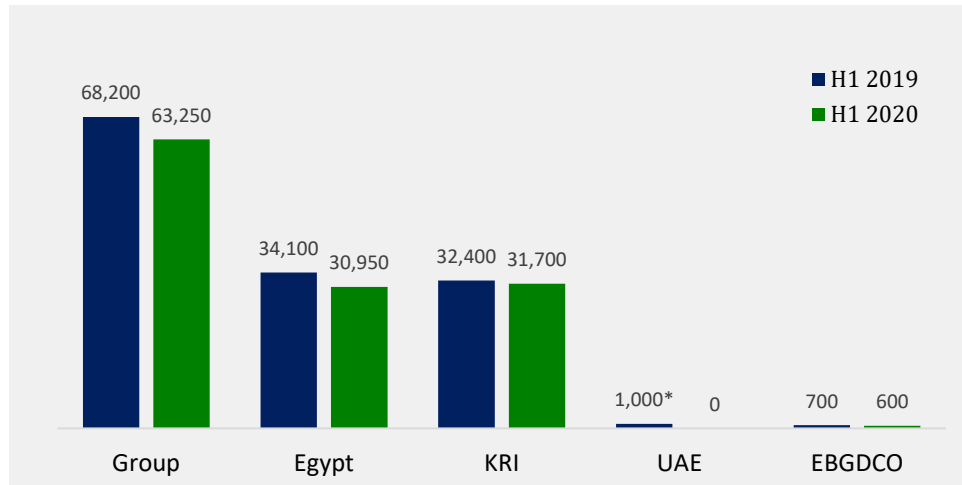
- Egypt sale process is still ongoing – delayed due to COVID-19. Negotiations remain on track.
- Company continues to explore various financing options for its sukuk and recently hired a financial advisors to assist in evaluating these options
- NIOC arbitration; continue to await the award on damages



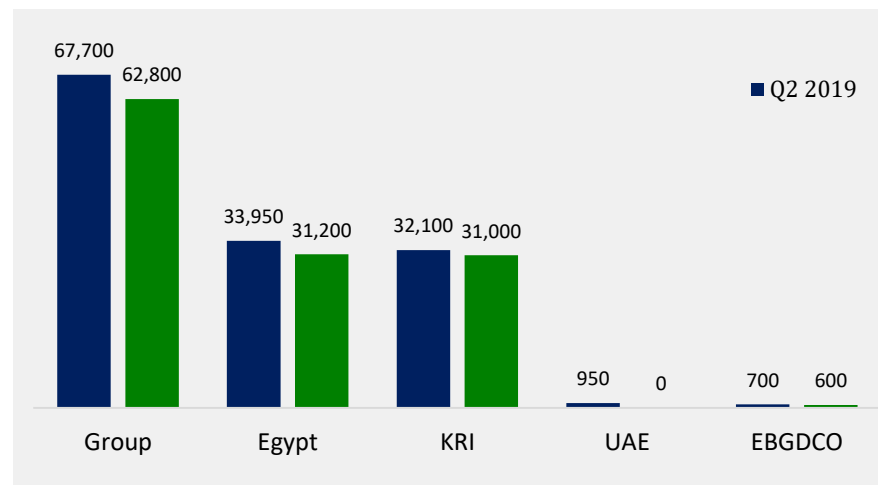
3. Production & Country Performance

Production (boepd) & Realized Prices (USD/boe)

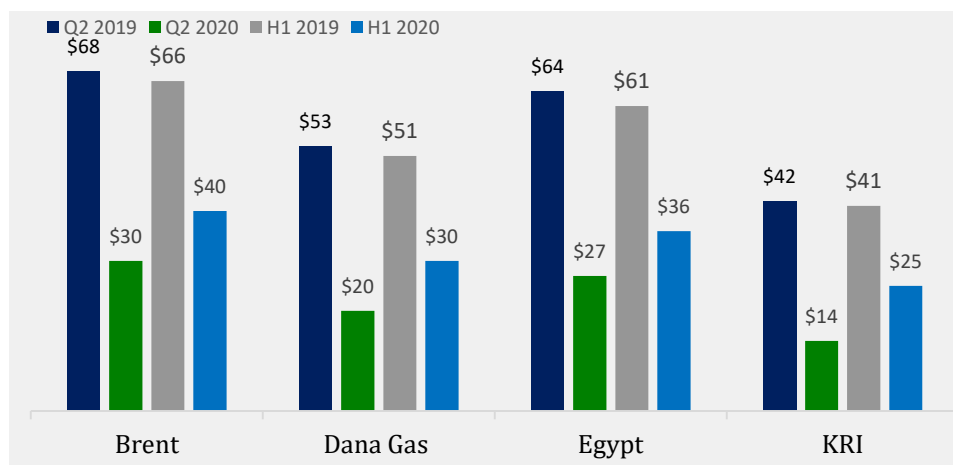
Average production H1 2020 vs H1 2019



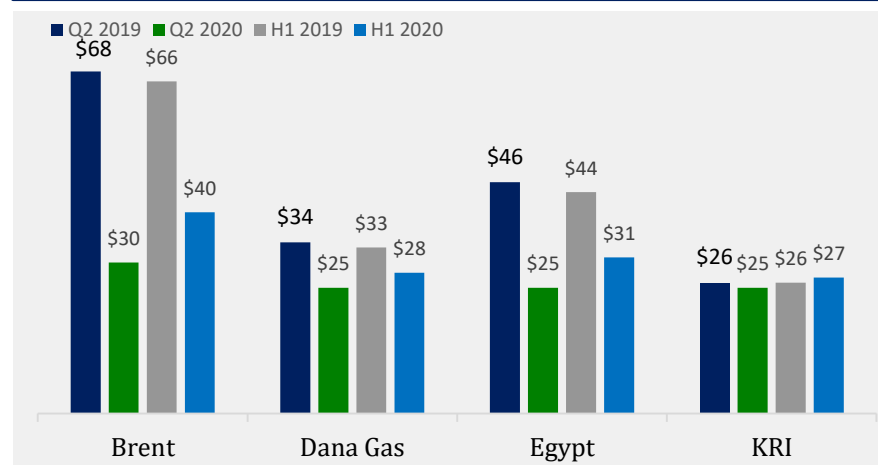
Average production Q2 2020 vs Q2 2019



Average Realized Price-Condensate (USD/bbl)



Average Realized Price-LPG (USD/boe)



Egypt: Programme Overview

Operations

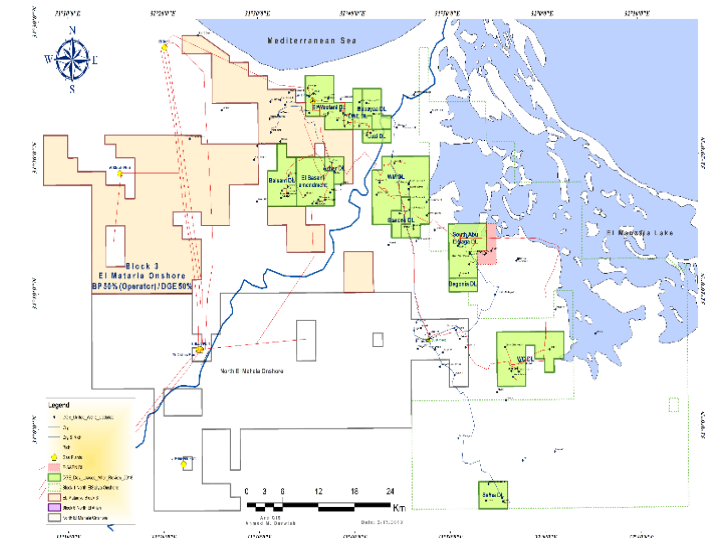
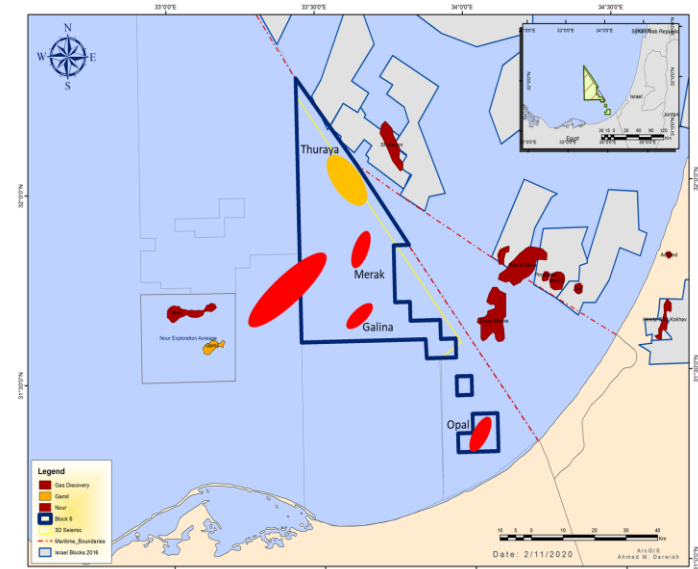
- Operations continued as normal.
- Health and safety measures brought in; no COVID cases reported.
- Produced 30,950 boepd in H1 2020 (146 MMscf of gas; 4,240 bbl/d of condensate and 209 MTPD of LPG)

Development Leases program

- South Faraskur Field compression project completed – added 8 MMscf/d to daily output
- Planned program of well workovers is successfully underway
- Balsam field infill well to start drilling and well can be tied back quickly into existing facilities

GPEA condensate sales

- Condensate sales continue to be delivered as part of the GPEA program.
- Delivered 635,000 barrels of additional condensate to EGPC for \$22.75 million



KRI: Energising the country

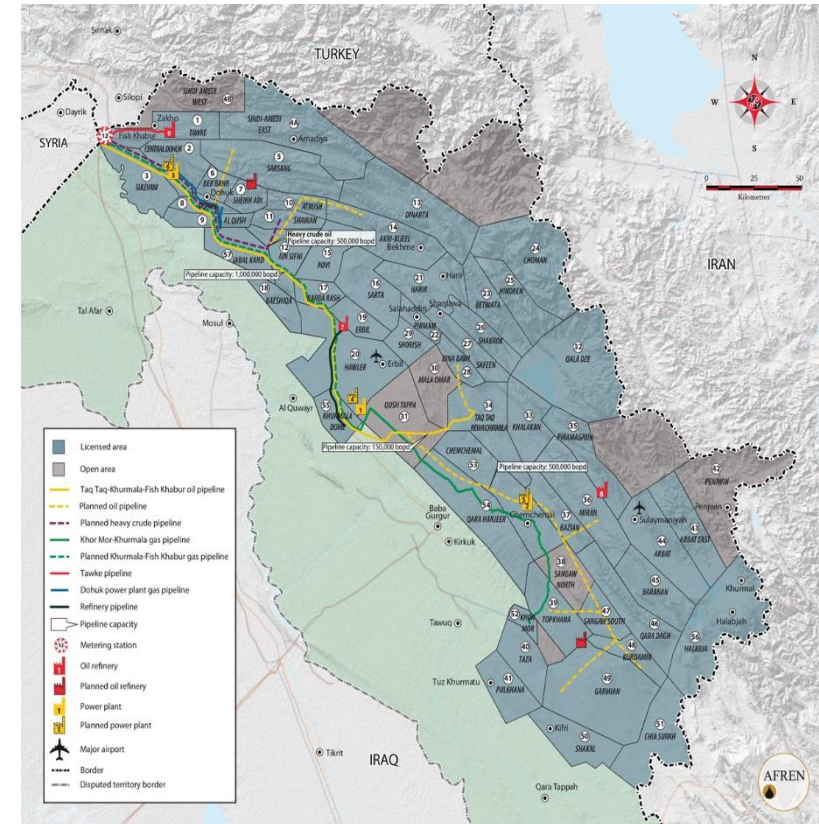
Ambitious programme to increase daily production to 900 MMscf and 35,000 bbl by 2023

Operations

- Operations continued as normal
- Health and safety measures brought in; no COVID-19 cases reported
- Produced 31,700 boepd in H1 2020 (135 MMscf of gas; 5,200 bbl/d of condensate and 350 MTPD of LPG)

Expansion project update

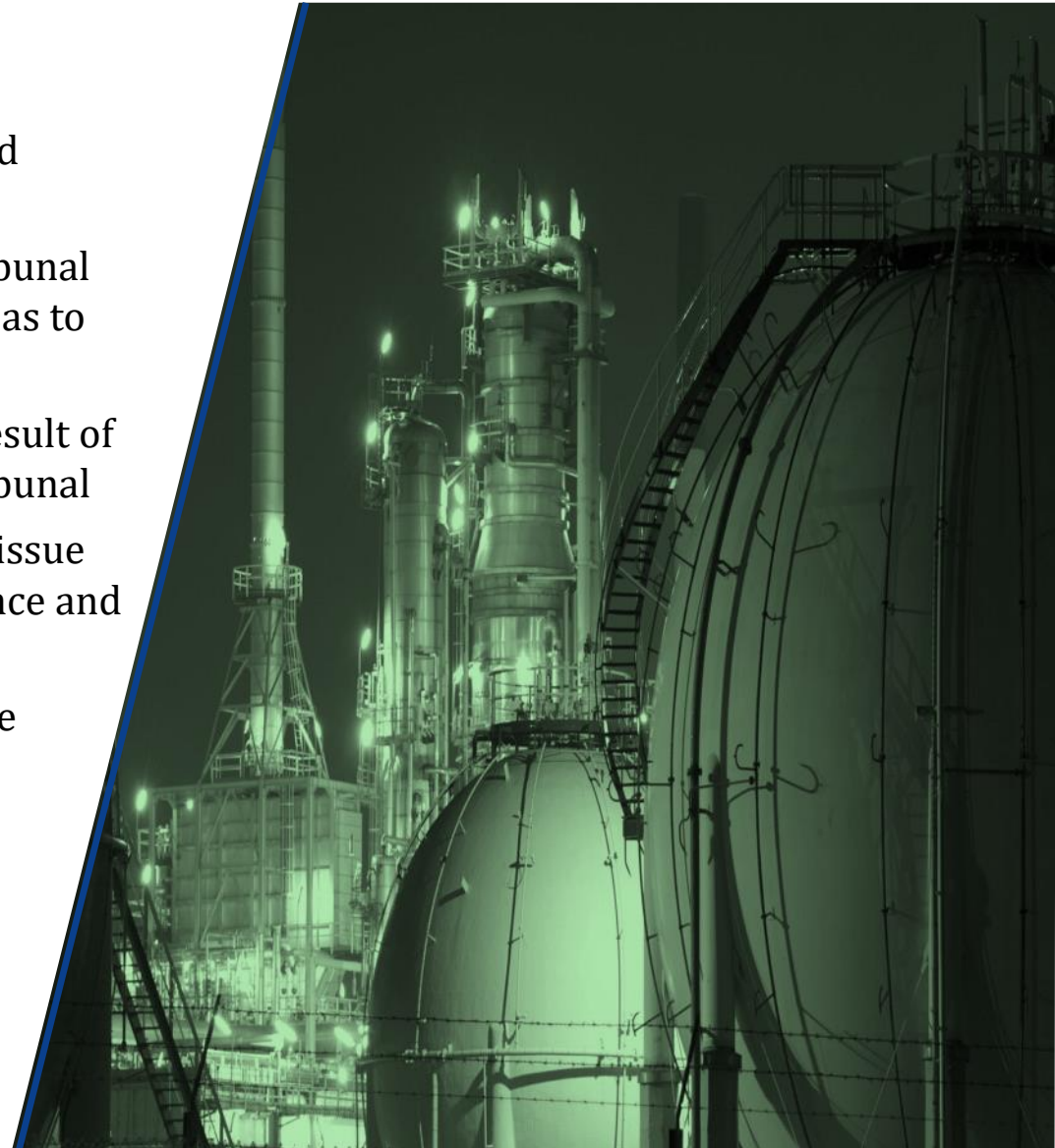
- Expansion plans approved to add an additional 500 MMscf/d through 2x 250 MMscf/d gas processing trains, was due for completion in 2022 and 2023
- EPC contractor appointed in Q1'20 – key milestone and follows final approval by Ministry of Natural Resources
- COVID-19 had a major impact due to movement restrictions, and other preventative measures delayed expansion project
- EPC contractor declared *force majeure*
- Drilling program deferred
- Basic engineering work has been completed
- All parties remain committed to implementing the expansion project as soon as conditions allow



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UAE Gas Project

- In October 2017 Tribunal indicated final judgement on the amount of damages would likely be delivered in second half of 2018
- To date no award has been made by the Tribunal and Dana Gas has not received any updates as to when this may happen
- A new Tribunal has been constituted as a result of resignations of members of the original Tribunal
- The new Tribunal has agreed that they can issue an Award on the basis of the existing evidence and following a clarification hearing
- Final hearing has been postponed due to the COVID-19 pandemic
- Award judgement is expected in 2021

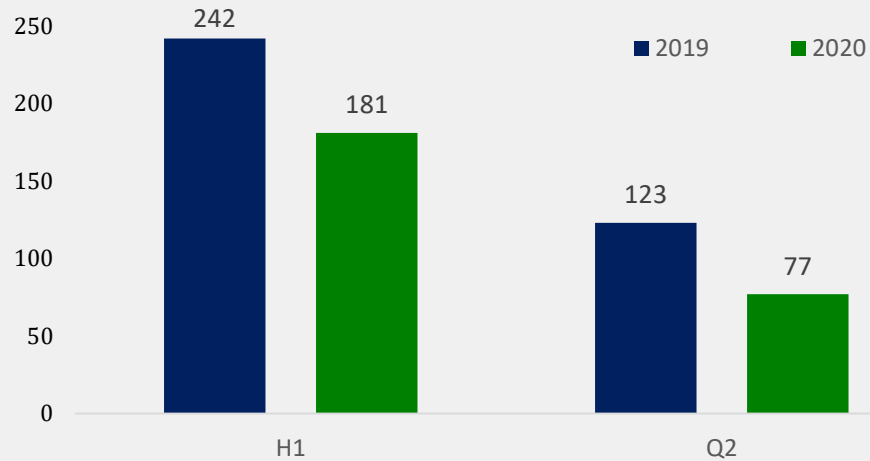




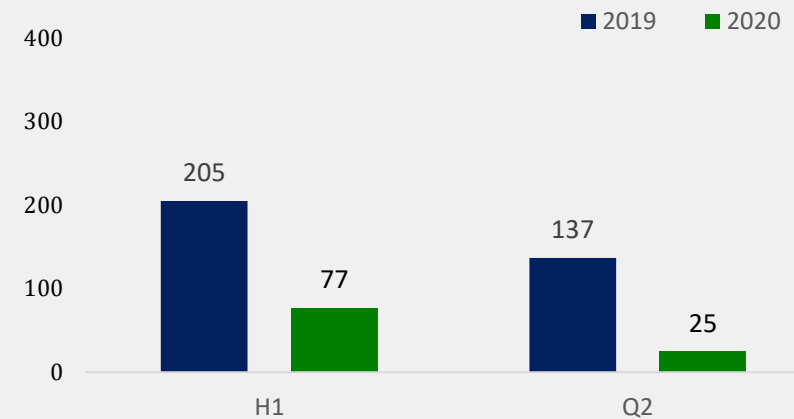
2. Financial Update

Financial Highlights

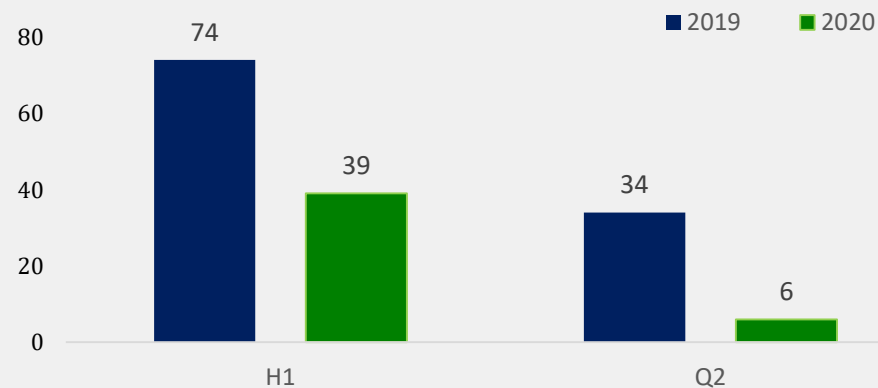
Gross Revenue (\$mm)



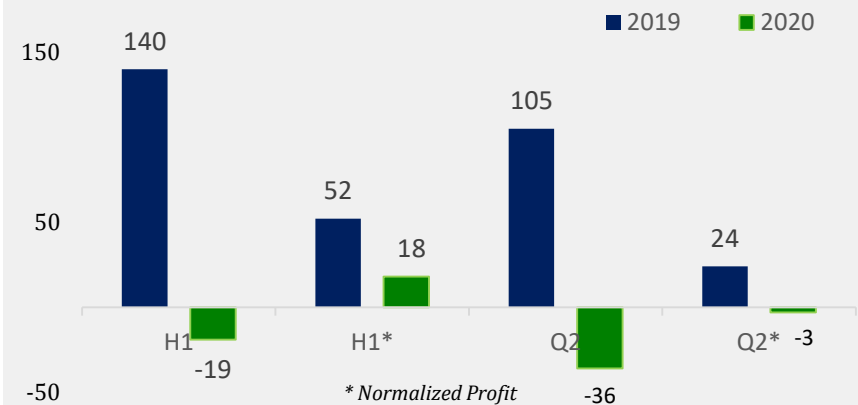
EBITDA (\$mm)



Gross Profit (\$mm)

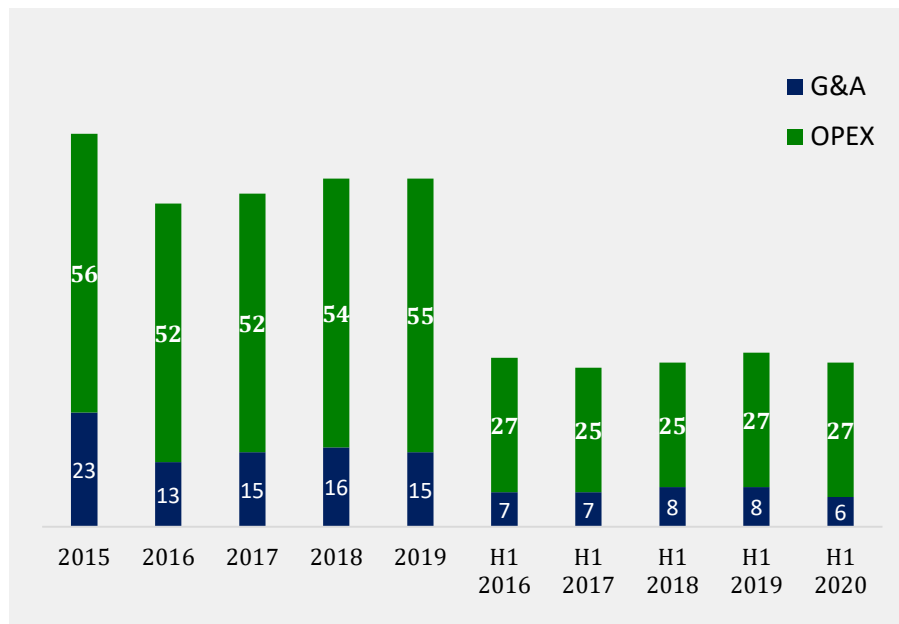


Net Profit (\$mm)



CAPEX & OPEX

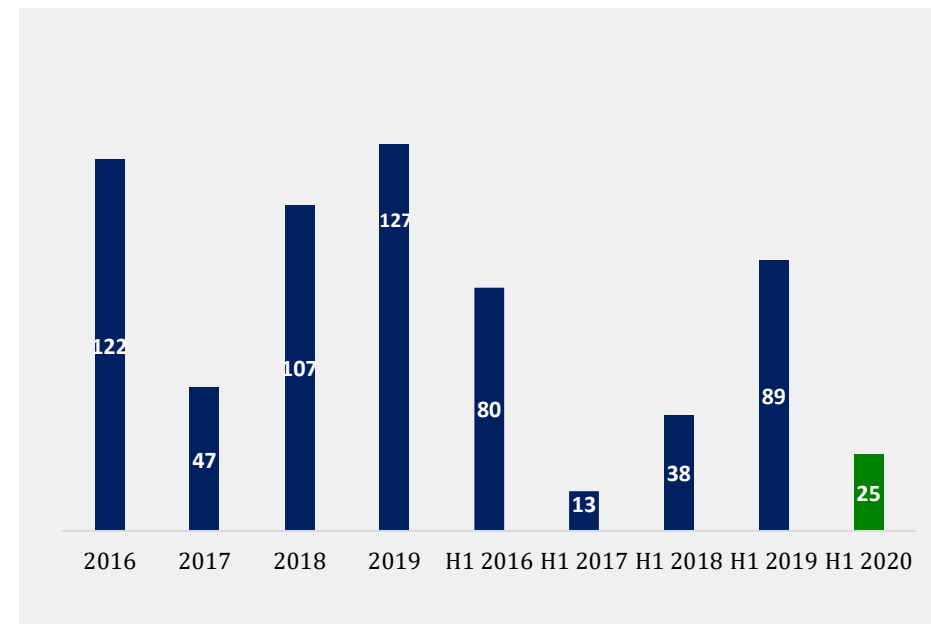
G&A / OPEX (\$mm)



G&A / OPEX

- Company continues to optimise costs with additional cost reduction measures to deal with current price environment
- \$2mm in G&A saved in H1 2020; with further savings in H2 2020 expected

CAPEX (\$mm)



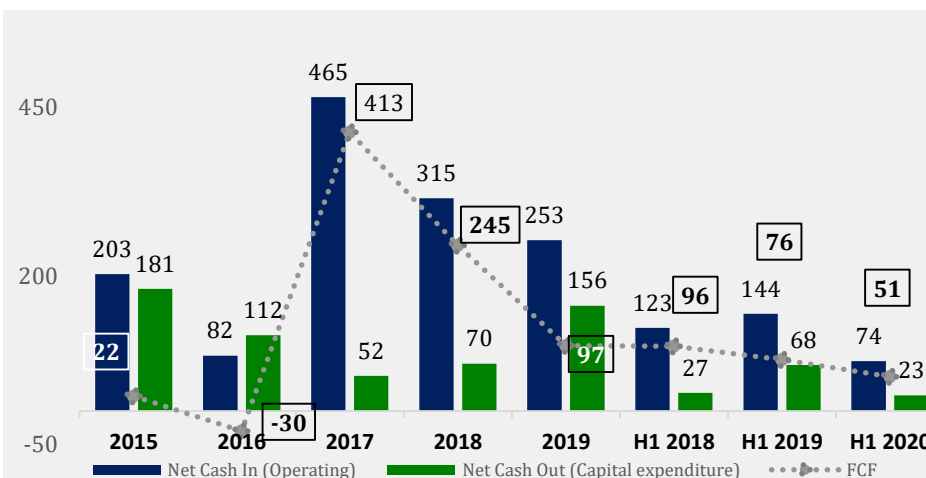
CAPEX

- Reduced Capex by 72%
- Total \$25mm vs \$89mm (H1'19)
 - \$15mm in Egypt and \$10mm in KRI
- All non-essential capex was differed

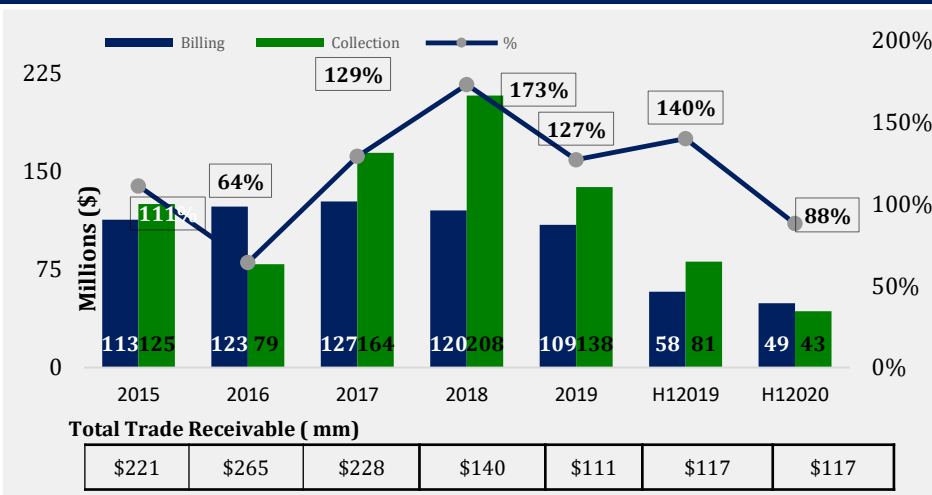
Cash Flow, Liquidity & Receivables

- \$366mm cash balance vs. \$425mm FY'19; excellent cash management
 - \$58 mm of cash held at Pearl Petroleum
 - Cash Dividend of \$104mm paid in May
 - Sukuk buyback \$18mm, profit payment \$8mm
- Positive FCF - \$51mm
- Company's total borrowings stands at \$452m
 - \$380m of outstanding sukuk
 - \$72m non-recourse project debt at Pearl
- Sukuk buyback of \$70.7mm subsequent to 30 June 2020 – now stands at \$309mm
- Sukuk is due for repayment 31 October 2020. Any proceeds from Egypt will go to paying this down. In case we don't sell Egypt, we are considering various options
- Collected \$90mm in H1 2020
 - \$43mm in Egypt; Egypt trade receivables stands at \$117mm
 - KRI realized 76% of billed revenue with \$47mm of collections (DG share)
- Received a \$50 million in dividends from Pearl during 1H 2020.

Free Cash Flow (mm\$)



Egypt Receivables (mm\$)



Note: % calculated as collection divided by net revenue

The background of the slide is a photograph of several tall industrial distillation columns, likely from a refinery or chemical plant. The columns are metallic and feature multiple levels of platforms, ladders, and piping. The lighting is somewhat dim, with some bright spots reflecting off the surfaces. In the lower-left portion of the image, there is a semi-transparent blue rectangular area. To its right, there are two slanted, parallel bars: the first is blue and the second is green, both with white outlines. These elements serve as a decorative header for the section.

4. Summary

- Strong and resilient financial and operational performance in H1 2020
 - Net profit \$18mm (before impairments)
 - Sustainable revenue through gas sales that account for 50% of income and are sold under long-term gas sale contracts with host government
 - Collections of \$90mm and 51mm of free cash flow
- Demonstrated ability to operate successfully in low-cost environments
 - Big cutbacks on G&A and capex - \$6mm (\$8 H1'19) and \$25mm (\$89 H1'19) respectively
- Swiftly executed safety measures to ensure assets remained operational despite difficulty of working through a pandemic
 - Maintained average production of 63,250 boepd
- Focused on strengthening balance sheet to better position the Company in the future
 - Plan to press ahead with certain strategic actions such as Egypt sale and Sukuk

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