

# Clean Energy for the Future

## FY 2022 – Financial Results

8 February 2023



# Disclaimer

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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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## 1. Highlights

## Operations

- Group existing operations continued uninterrupted
- FY Group production at 60,200 boepd
  - 3% down vs FY 2021
  - KRI production 1% up at 34,300 boepd
  - Egypt production 8% lower due to natural field decline
- Progress on drilling continues for KM250 – four development wells completed, fifth underway
- Coordination with KRG ongoing to enhance security and enable resumption of EPC activities

## Liquidity

- Current cash balance of \$151mm, compared to \$185mm at year end 2021
  - \$88mm held at Pearl level
- Collected \$318mm in total – \$233mm in KRI and \$85mm in Egypt
- Company's Egypt and KRI receivables increased to \$30mm and \$64mm respectively
- Received \$149mm in dividends from Pearl in 2022

## Financials

- FY Net Profit \$182mm vs \$317mm 2021
- FY *adjusted* Net Profit (excluding one-off items) \$196mm vs \$128mm, up 53%, which reflects Company's strong operational performance
- FY Gross Revenue at \$529mm, up 17% due to higher realized prices
- FY EBITDA and Gross Profit \$332mm and \$249mm, up 23% and 28% respectively
- Operational and G&A expenses reached \$69mm, a multi-year low as Company continues to successfully optimise costs

## Corporate

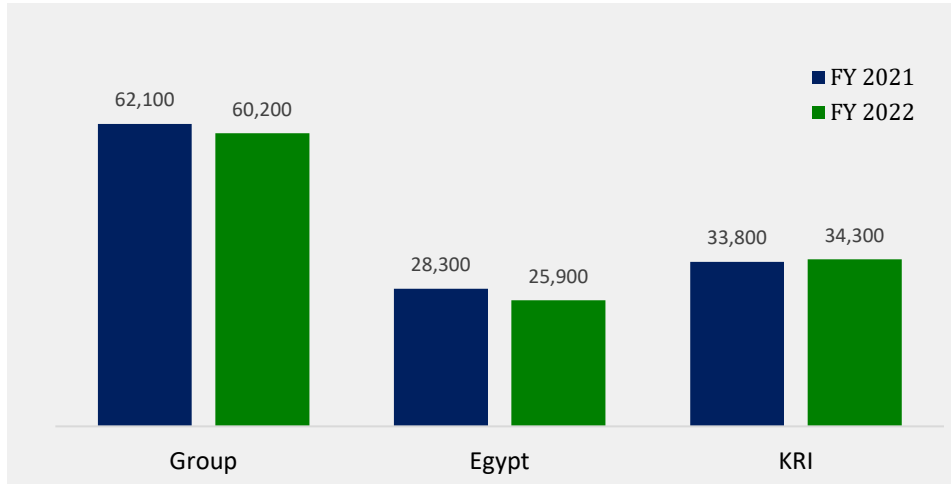
- \$172mm (9 fils per share) total dividend paid in 2022
  - 4.5 fils paid in May for the second half of 2021
  - 4.5 fils paid in November for the first half of 2022
- finalized new concession terms with EGAS and looking to increase investments in our fields next year
- New agreement will extend the economic life of Dana Gas' assets and help the Company maximize value for all stakeholders

The background of the slide is a photograph of an industrial facility, likely a refinery or chemical plant. It features a complex network of pipes, valves, and large circular gauges. The lighting is somewhat dim, and the overall color palette is dominated by blues and greys. In the foreground, two large, circular pressure gauges are prominently displayed. They have white faces with black markings and numbers (0, 2, 4, 6, 8, 10). The gauges are mounted on a vertical pipe. To the right of the gauges, there are several large, spoked handwheels for manual valve operation. The image has a slightly desaturated, industrial feel.

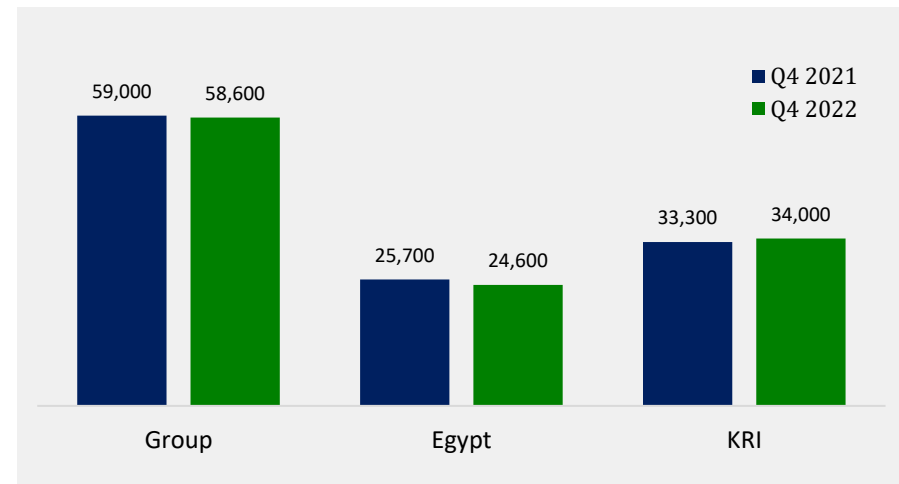
## 2. Operation Update

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

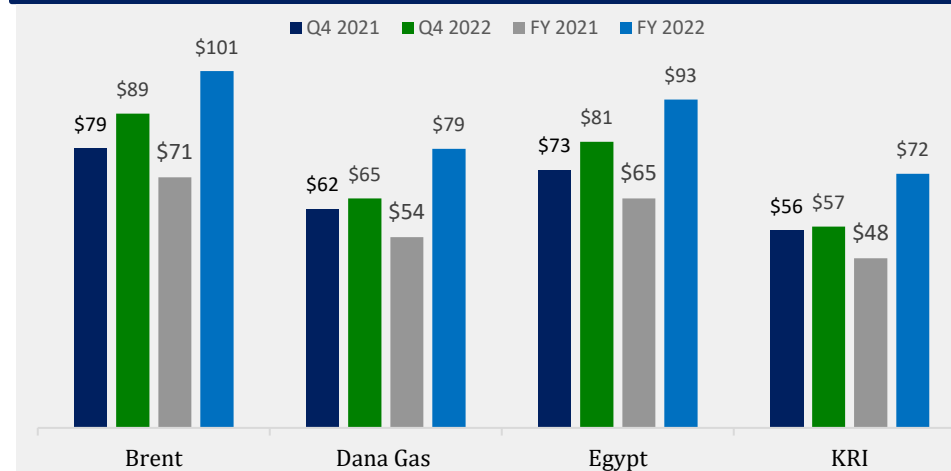
## Average production FY 2021 vs FY 2022



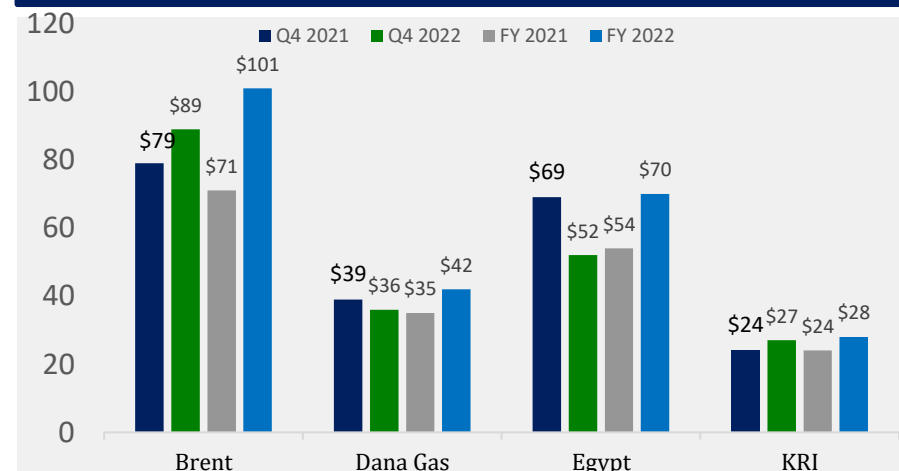
## Average production Q4 2021 vs Q4 2022



## Average Realized Price-Condensate (USD/bbl)



## Average Realized Price-LPG (USD/boe)

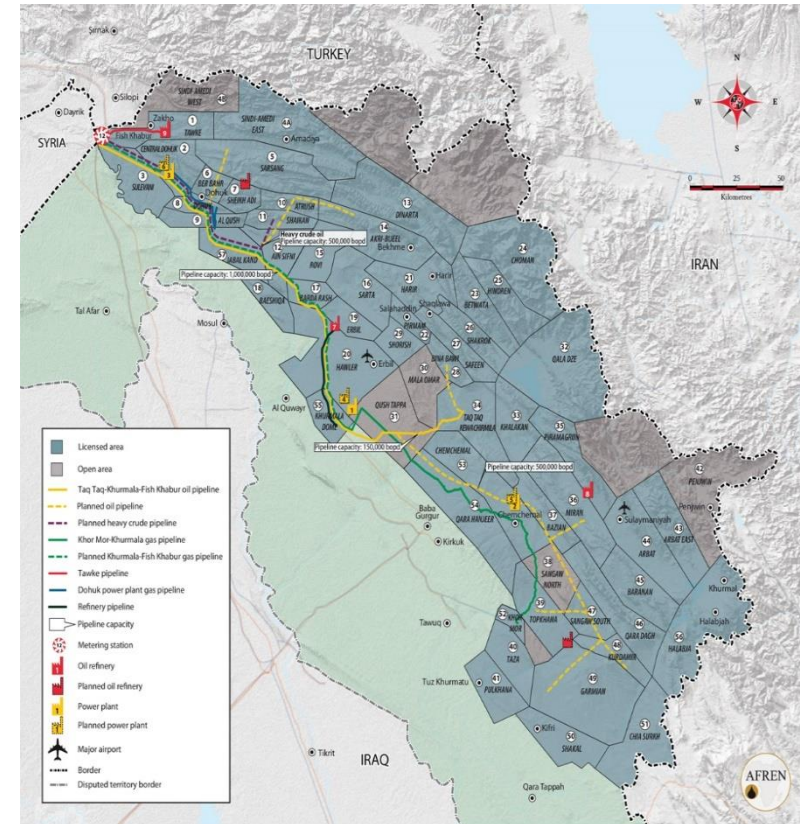


## Operations

- Operations continued as normal
- Produced 34,300 boepd in FY 2022 (148 MMscf of gas; 5,100 bbl/d of condensate and 375 MTPD of LPG)
- Completed a plant debottlenecking project that increased current plant capacity by 50 MMscf/d
- Khor Mor plant produced record 500 MMscf in January 2023

## Expansion project update

- Expansion to add an additional 500 MMscf/d through 2x 250 MMscf/d gas processing trains, KM250 (first train) approved and under construction
- KM 250 EPC activities were temporarily suspended pending a security review
- Ongoing coordination with the KRG to resume construction activities as early as possible
- Started drilling fifth development well having successfully completed the first four



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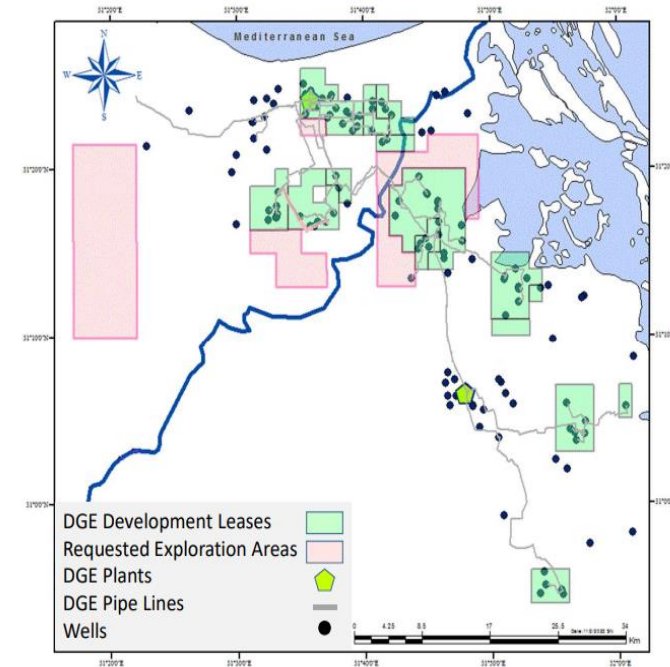
# Egypt: Operations Overview

## Operations

- Produced 25,900 boepd in 2022 (125 MMscf of gas; 2,757 bbl/d of condensate and 206 MTPD of LPG); 8% drop compared to FY 2021 as a result of limited investment and natural field declines
- The decline is lower than the 20% production decrease that is expected from Nile Delta fields and was the result of active reservoir management and optimization of production from the existing well stock

## Onshore concession

- To boost production/reserves, Dana has identified several exploration/development opportunities on its existing onshore acreage
- 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 is currently being finalized for ratification by parliament. The new terms include improved economical terms and will allow Dana Gas to unlock the remaining potential of its concessions and to extend the life of its assets
- This will allow the Company to make meaningful investments in the future and re-start its drilling activities, which will have a positive impact on the Company's production in Egypt and will further enhance shareholder value



## UAE Gas Project

- Following the notification by Crescent Petroleum of the positive outcome of the long-standing case against the National Iranian Oil Company, an amount of \$607.5 million will be payable to Dana Gas due to the arbitration award on 27 September 2021 relating to the first 8.5-year period from 2005 to mid-2014.
- A second arbitration involving a claim for 16.5 years, covering the remainder of the GSPC period from 2014 to 2030, is currently underway. The final hearing was scheduled to commence in October 2022 in Paris, however the hearing has now been delayed to March 2023. The final award on damages is expected by the end of 2023 or early 2024.

## MOL/OMV Arbitration

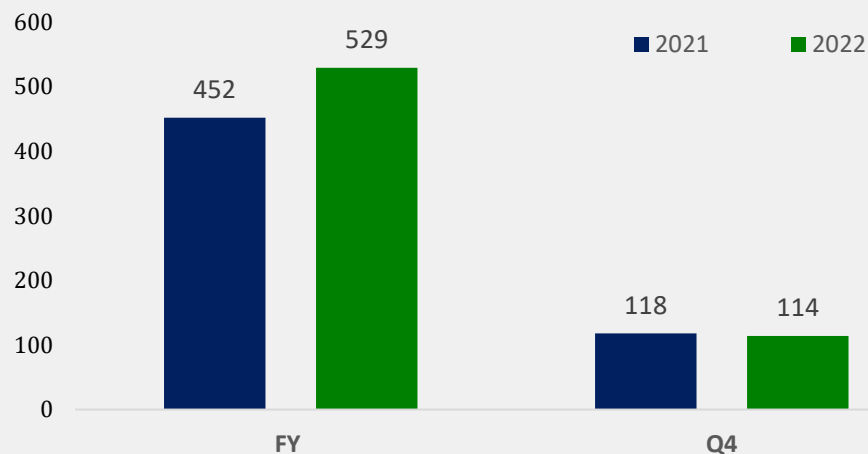
- Dana Gas had filed claims in February 2020, along with Crescent Petroleum, against MOL Hungarian Oil and Gas Public Limited Company (MOL) and OMV Upstream International GMBH (OMV) to recover reserve-based earn out payments claimed to be due to the claimants in accordance with the terms of the Sale and Purchase Agreement entered into between the Parties in 2009, through which MOL and OMV acquired their 10% shareholdings in Pearl Petroleum.
- Dana Gas has now received the Final Awards in both arbitrations from the LCIA. The arbitration panel dismissed the claims and ruled that the claimants are not entitled to the earn-out payments.
- The carrying value of the MOL and OMV earn out payments amounts were fully written-off.

The image shows an industrial wellhead in the foreground, with a blurred background of an oil field. The wellhead is a vertical metal structure with various valves and pipes. The image has a blue and green color overlay. In the bottom left corner, there is a dark blue rectangular area with the text '3. Financial Update' in white. To the right of this area, there are two overlapping diagonal shapes: a blue one and a green one, both with white outlines.

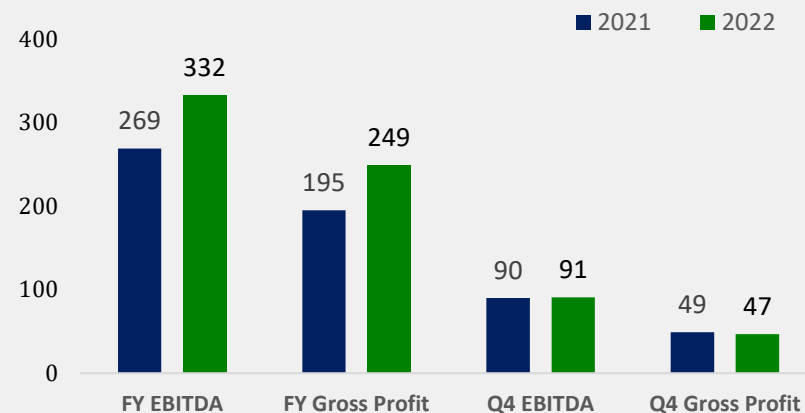
### 3. Financial Update

# Financial Highlights

## Gross Revenue (\$mm)



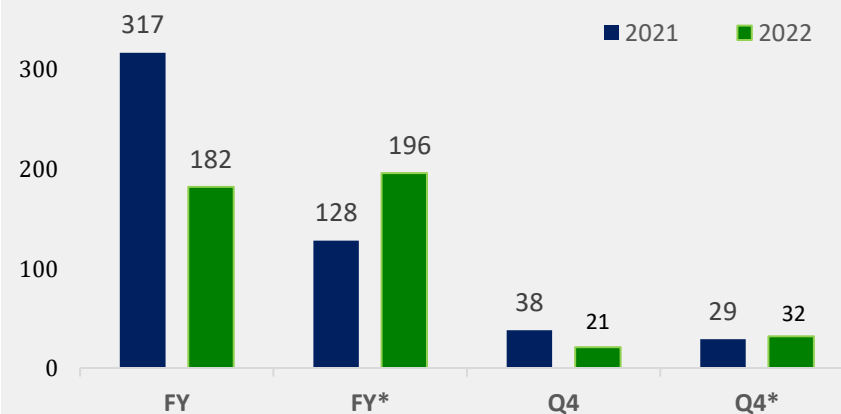
## Gross Profit and EBITDA (\$mm)



## Adjusted Net Profit (\$mm)

Item	FY 2021	FY 2022
Net Profit	317	182
Other income	(642)	(35)
Impairment of PP&E, Intangible, investment in Joint venture and financial assets	453	49
<b>Adjusted Net Profit</b>	<b>128</b>	<b>196</b>

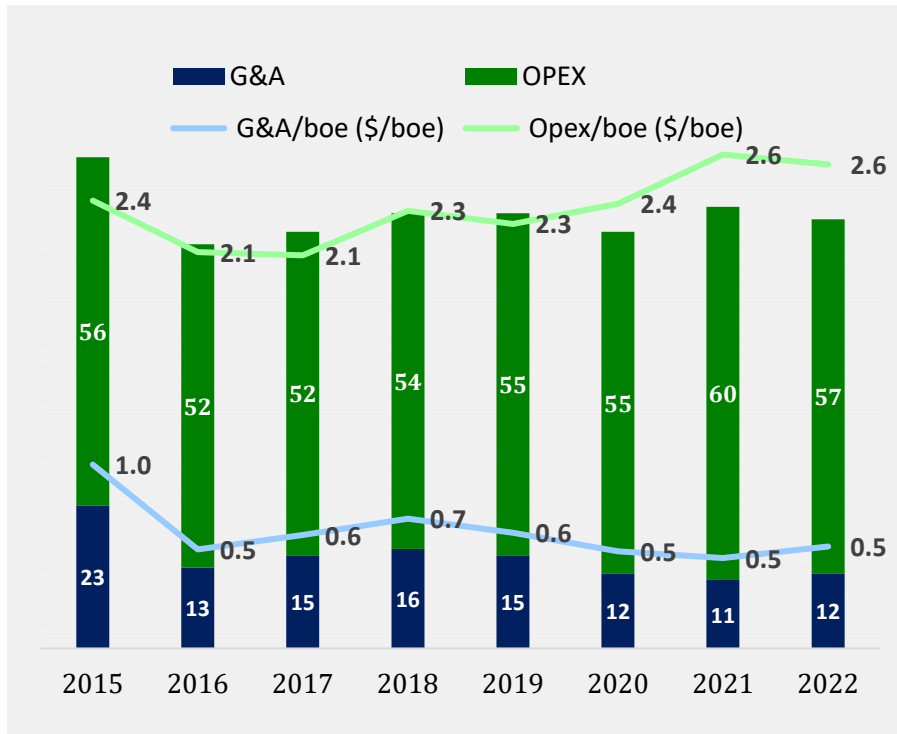
## Net Profit (\$mm)



\* Adjusted (Normalized) Net profit

# CAPEX & OPEX

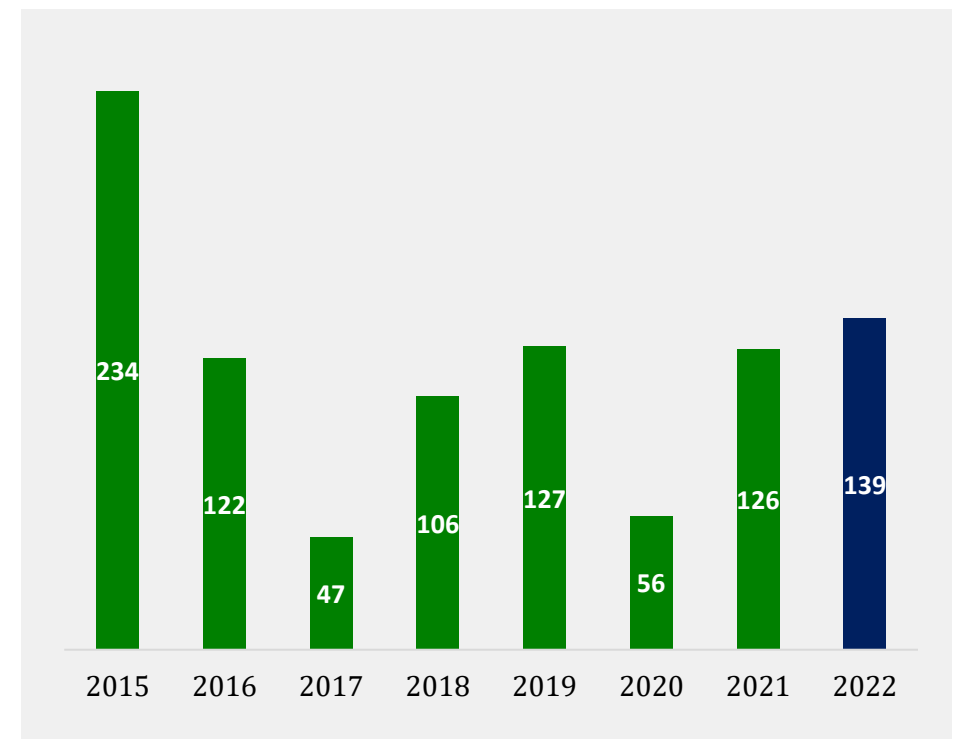
## G&A / OPEX (\$mm)



### G&A / OPEX

- Company continues to optimise costs
- 5% decrease in Opex, mainly in relation to devaluation of Egyptian pound
- Opex and G&A per boe remains within industry's top quartile at \$2.6 and \$0.5 per boe respectively.

## CAPEX (\$mm)



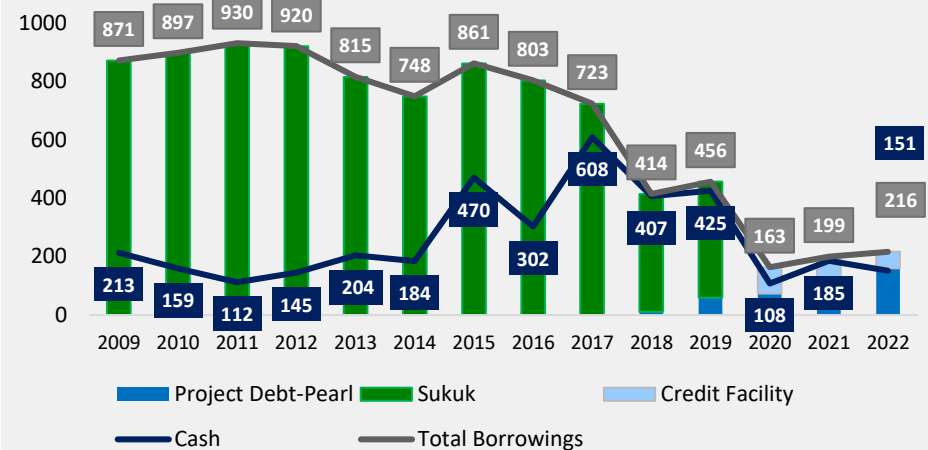
### CAPEX

- Total 2022 Capex of \$139 mm vs \$126mm in 2021
  - \$38mm in Egypt and \$101mm in the KRI
- Plans to invest \$100 mm in Egypt in the coming two years

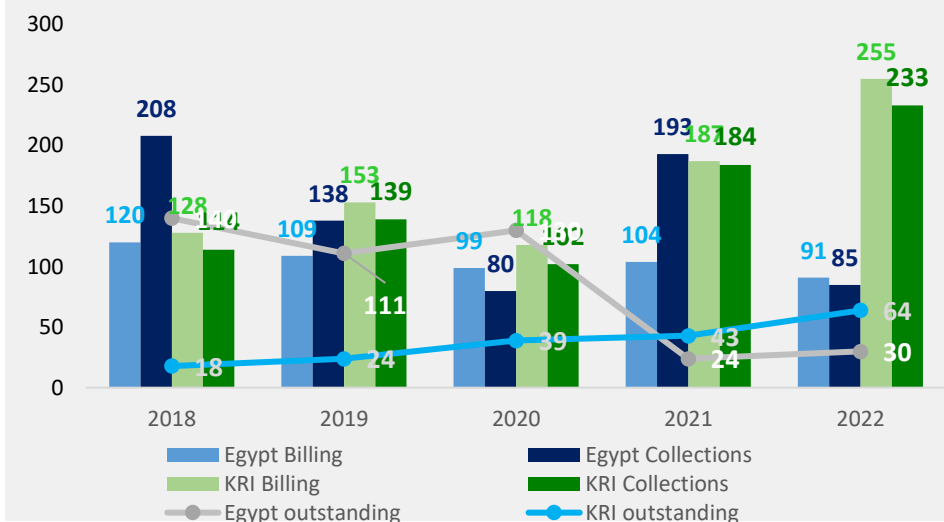
# Cash Flow, Liquidity & Receivables

- Year-end 2022 cash of \$151mm vs. \$185mm FY 2021;
  - \$172mm dividend payment in 2022
  - \$88mm of cash currently held at Pearl Petroleum
- Group's total borrowings stands at \$216mm consisting of:
  - \$57 mm credit facility following a \$19mm repayment in 2022
  - \$159 mm non-recourse project debt at Pearl
- Collected \$318mm in 2022 vs \$377m in 2021
  - \$85mm in Egypt; Egypt trade receivables stands at \$30mm with 93% billing realization
  - KRI realized 91% of billing with \$233mm of collections (DG share); KRI receivables stands at \$64mm
- Received \$149mm in dividends from Pearl in 2022

## Debt and Cash Balance (\$mm)



## Billings and Collections (\$mm)





## 4. Summary

## ▪ **Delivered a solid set of financial results**

- Produced some of the Company's strongest yearly results
- *Adjusted* Net Profit \$196mm, up 53%
- Revenue over \$500m+ due to higher realized prices
- \$172mm total dividend paid in 2022 for H2 2021 and H1 2022 (4.5 fils each)
- Maintaining collection levels remains one of management's top priorities

## ▪ **Sustained strong and resilient operational performance in 2022**

- Operations uninterrupted despite security challenges
- In KRI, completed Khor Mor plant debottlenecking project, increasing capacity by 50 MMscf/d to 500 MMscf/d
- January 2023 witnessed production at or close to 500 MMscf/d
- Dana Gas Egypt in the process of finalizing new concession terms with EGAS – new agreement will help extend and maximize the value of assets





Reach Us:  
Dana Gas PJSC  
P. O. Box 2011, Sharjah, UAE

[www.danagas.com](http://www.danagas.com)  
E-mail : [mohammed.mubaideen@danagas.com](mailto:mohammed.mubaideen@danagas.com)  
Direct : +971 6 519 4401

