



## Dana Gas reports AED 183 million (\$50 million) Net Profit in Q1 2023

### Highlights – Q1 2023

- 4.5 fils approved dividend for H2 2022 to be paid to shareholders on 25<sup>th</sup> of May
- Revenues at AED 447 million (\$122 million), amid a softening of hydrocarbon prices
- Q1'23 Net profit dropped just 7% despite a 22% drop in the Company's realized selling hydrocarbon prices
- Khor Mor Gas Plant production capacity reaches record 500 million scf/d in January; with KRI production increasing 9% year-on-year to 38,700 boepd
- Expected delivery of first gas from the KM250 expansion set for April 2024

**Sharjah, UAE; 10 May 2023:** Dana Gas PJSC (the “Company”), the Middle East’s largest regional private sector natural gas company, today announced its financial results for the first quarter ended 31 March 2023.

For the first quarter of 2023, the Company generated a net profit of AED 183 million (\$50 million) as compared to AED 198 million (\$54 million) in Q1 2022. Profitability for the quarter dropped just 7% compared to a 22% decrease in the Company’s realized prices during the period. The impact of lower realized prices on the Company’s profitability was partially offset by a production increase in the KRI and reduced operating costs by 14%.

Revenue was 13% lower at AED 447 million (\$122 million) in Q1 2023 compared to AED 513 million (\$140 million) in 2022. The decrease in revenue, and subsequently net profit, was primarily due to a pullback in energy prices from high levels.

The Company’s realized prices during the period averaged \$59/bbl for condensate and \$39/boe for LPG compared to \$82/bbl and \$43/boe respectively in Q1 2022.

Dana Gas’s shareholders in April approved the Board’s recommendation for a final dividend payment of 4.5 fils per share for H2 2022. The payout of 4.5 fils per share for the second half of 2022, to be distributed on the 25<sup>th</sup> of May, will take the total dividend payment for 2022 to AED 630 million or 9 fils per share, a 12.5% increase compared to the dividend for 2021.

### **Dr Patrick Allman-Ward, CEO of Dana Gas, commented:**

*“Dana Gas has delivered a strong set of financial and operating results despite the downturn in energy prices. We remain financially disciplined and focused on maintaining production and lowering costs, despite the challenging economic situation in the KRI and Egypt. Our target date for completion of the KM250 gas expansion project is April 2024, and we are hopeful our Egypt consolidation agreement will be finalized soon. Looking ahead we are focusing our efforts on managing capital expenditure and preserving liquidity, as we continue to focus on recovering our outstanding receivable payments with both the KRG and Egyptian Government”.*



## **Operations & Production**

Group production in Q1 2023 averaged 62,900 boepd, a 1% increase as compared to 62,400 boepd in Q1 2022. KRI production grew by 9% to 38,700 boepd from 35,400 in Q1 2022, building on the production capacity increase in Q4 2022 after the Khor Mor plant de-bottlenecking enhancements were completed. Production in Egypt declined 10% to 24,200 boepd in Q1 2023 from 27,000 in Q1 due to natural field declines.

The Company has now completed the drilling of five KM250 project wells, and the testing of two wells has shown they are able to produce gas at similar daily rates as the current producing wells. The three other wells will be tested in the near term, as the Company pushes forward on delivering first gas from the project by Q2 2024.

## **Liquidity**

The Company's cash position as of March 31 stood at AED 542 million (\$148 million), including AED 374 million (\$102 million) held at the Pearl Petroleum joint venture.

To bolster its liquidity, the Company entered into a short-term loan facility of \$65 million with a local UAE bank during the first quarter. The facility was fully drawn in April 2023.

The Group collected a total of AED 231 million (\$63 million) during the first quarter, with Egypt and the KRI contributing AED 55 million (\$15 million) and AED 176 million (\$48 million) respectively.

The Company's receivables in KRI stands at AED 293 million (\$80 million) and in Egypt at AED 128 million (\$35 million) at the end of the quarter.

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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 60,200boepd in 2022. 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](http://www.danagas.com)

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