

Dana Gas PJSC and Subsidiaries

INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION

31 MARCH 2025 (Unaudited)

DANA GAS PJSC

Report of the Directors

The Board of Directors of Dana Gas PJSC (“Dana Gas” or the “Company”) are pleased to announce the interim condensed consolidated financial results of the Company, its subsidiaries and joint arrangements (together referred to as the “Group”) for three months period ended 31 March 2025 (“period”).

Principal Activities

Dana Gas was incorporated in the Emirate of Sharjah (“Sharjah”), United Arab Emirates, as a public joint stock company on 20 November 2005 pursuant to incorporation decree number 429/2005 issued by the Ministry of Economy.

Dana Gas is the Middle East’s first and largest private sector natural gas company. The Group currently operates in the MENASA (Middle East, North Africa & South Asia) Region across the natural gas value chain; from exploration and production, through gas processing and transportation, to the distribution, marketing and utilisation of gas as feedstock and fuel to the petrochemical, industrial and the power sectors. Since its establishment, the Company has grown to be a regional natural gas Company with presence in the United Arab Emirates, Egypt, and the Kurdistan Region of Iraq (KRI) and headquartered in Sharjah, United Arab Emirates.

Results for the quarter ended 31 March 2025

During the quarter ended 31 March 2025, the Group earned gross revenues of USD 91 million (AED 334 million) as compared to USD 97 million (AED 356 million) in the first quarter of 2024, a decrease of 6% mainly due to lower production in Egypt.

The Group achieved a net profit of USD 43 million (AED 158 million) as compared to USD 38 million (AED 139 million) in Q1 2024, an increase of 13%. The increase in net profit was primarily due to lower DD&A and finance cost. Earnings before interest, tax, depreciation and amortisation (“EBITDA”) were lower at USD 58 million (AED 213 million) compared to USD 61 million (AED 224 million) in Q1 2024.

Production in Kurdistan increased by 3% during the period to 39,650 boepd from 38,600 boepd in the corresponding period whilst production in Egypt declined by 31% to 12,550 boepd compared to 18,150 boepd in Q1 2024 mainly due to natural field decline. The Group’s total production for the 90 days was 4.7 million barrels of oil equivalent or 52,200 barrels of oil equivalent per day (“boepd”), a decrease of 8% compared to corresponding period production of 5.16 million boe (56,750 boepd).

Liquidity and Financial Resources

Cash and bank balance at period end stood at USD 373 million (AED 1,367 million), an increase of 18% compared to 2024 year-end balance of USD 317 million (AED 1,162 million). Cash includes USD 214 million (AED 784 million) being 35% share of cash held at Pearl Petroleum.

The Group collected a total of USD 70 million (AED 257 million) during the period with Egypt and KRI contributing USD 12 million (AED 44 million) and USD 58 million (AED 213 million), respectively.

Business Update

In line with its outlined strategy, the Dana Gas Group continues to focus on maximising the value of its existing hydrocarbon assets and projects, while pursuing growth through a strategy of organic exploration opportunities in our heartland areas and new business development in the upstream and midstream value chains. We continue to balance our capital expenditure with the available sources of cash to ensure we maintain a robust financial position.

DANA GAS PJSC

Report of the Directors

Reserves & Resources

(a) Pearl Petroleum Company Limited

As reported previously, Dana Gas and Crescent Petroleum, joint operators of Pearl Petroleum Company Limited ("PPCL"), estimates that the P50 total geologically risked¹ resources of petroleum initially in-place (PIIP) of the Khor Mor and Chemchemical Fields at 75 Tscf (of wet gas) and 7 billion barrels of oil.

PPCL appointed Gaffney Cline Associates ("GCA") to carry out a certification of the reserves for these fields as at 15 May 2019. The certification is based on the earlier work carried by GCA but updated to take into account the current understanding of the field, production data and incorporating the recent appraisal well drilling and test results.

In their report, GCA estimates the following reserves:

Khor Mor

- Proved plus probable (2P) gas, condensate and LPG reserves are 6.9 Tscf, 173 MMbbl and 18 MMt, respectively, of which Dana Gas' 35% share equates to 2.4 Tscf of dry gas, 61 MMbbl of condensate and 6 MMt of LPG.
- Proved plus probable (2P) oil reserves of 51.3 MMbbl of which Dana Gas' 35% share equates to 18 MMbbl

Chemchemical

- Proved plus probable (2P) gas, condensate and LPG reserves are 5.7 Tscf, 215 MMbbl and 20 MMt, respectively, of which Dana Gas' 35% share equates to 2 Tscf of dry gas, 75 MMbbl of condensate and 7 MMt of LPG.

Dana's share of the proved plus probable (2P) hydrocarbon reserves increased by 10% following the 2019 certification of reserves. Management's estimate of the total share of Dana Gas is equivalent to 1,087 MMboe, up from 990 MMboe when GCA first certified the fields in April 2016. This confirms that the fields located in the KRI could be the biggest gas fields in the whole of Iraq.

The balance between these 2P reserves figures and the joint operator's estimated risked initially in place (gas and oil) resources (PIIP) are classified as Contingent Resources² and Prospective Resources³.

(b) Dana Gas Egypt

Gaffney, Cline & Associates (GCA), a leading advisory firm carried out an independent evaluation of Dana Gas Egypt's hydrocarbon reserves as at 31 December 2024. The Group's gross proved reserves (1P) as at 31 December 2024 were assessed at 15 MMboe (31 December 2023: 17 MMboe). The gross proved and probable reserves (2P) as at 31 December 2024 were estimated at 22 MMboe (31 December 2023: 34 MMboe) and the gross proved, probable and possible reserves (3P) as at 31 December 2024 were estimated to be 35 MMboe (31 December 2023: 48 MMboe).

¹ Risked PIIP figures have been calculated by means of a stochastic aggregation using GeoX software with risk factors accounting for geological uncertainties calibrated by surrounding producing oil and/or gas fields.

² Those quantities of petroleum estimated to be potentially recoverable but not yet considered mature enough for commercial development due to one or more contingencies.

³ Those quantities of petroleum estimated to be potentially recoverable from undiscovered accumulations by future development projects.

DANA GAS PJSC

Report of the Directors

E&P Operations

(a) Pearl Petroleum Company Limited (KRI) E&P Operations

Dana Gas's share (35%) of gross production in the KRI for the 90 days of operations in Q1 2025 was 3.6 MMboe, i.e. averaging 39,650 boe per day (Q1 2024 – DG Share 35%: 3.5 MMboe, averaging 38,600 boe per day – 90 days)

Dana Gas' share of collections for the period stood at USD 58 million (AED 213 million) and hence realised 100% of the period's revenue. At period end, Dana Gas' 35% share of trade receivable balance stood at USD 67 million (AED 246 million) as compared to USD 67 million (AED 246 million) at year end 2024.

Pearl is proceeding with the development of its two world-class gas fields with in-place volumes of approximately 75 trillion cubic feet of wet gas and 7 billion barrels of oil. In January 2020, Pearl appointed Exterran, an engineering, procurement and construction ('EPC') contractor, for the first of two 250 MMscf/d gas processing trains and provide operations related technical assistance services for 5 years post hand over of the plant. The appointment of the contractor followed final approval by the Ministry of Natural Resources of the Kurdistan Regional Government, which oversees the project. The contract award marks a key milestone in Pearl Petroleum's long-term expansion plan.

The EPC contract terms reflect Exterran's contractor financing whereby the plant will be predominantly funded by Exterran with repayment of principal with interest over five years following completion of the plant.

Work on the KM 250 onsite EPC contract activities was suspended in June 2022 following rocket attacks in the area of the construction site and plant and a state of force majeure was declared. During 2023, following enhancement of the security arrangements, Enerflex and its subcontractors remobilized to site to recommence construction. The operator and contractor have discussed the necessary improvements in security arrangements with the Kurdistan Regional Government required for construction activities to fully get underway. Three further security incidents occurred at the Khor Mor site in 2023 and early 2024, which did not result in any harm to personnel and only a minimal impact on production operations.

On 26 April 2024, a condensate storage tank at Khor Mor was struck by a drone terror attack, tragically resulting in four fatalities and minor injuries to eight employees of Pearl's contractors while they were working to repair the tank. Although there was very minor damage to the facilities, for the safety of all staff and the facilities, Pearl suspended production and instituted specific procedural changes.

On 1 May 2024, based upon concrete actions which have been taken by the Government of Iraq and the Kurdistan Regional Government to significantly strengthen defences at the Khor Mor site as well as firm commitments from the highest levels of those authorities, Pearl took steps to recommence production from the Khor Mor field which was fully restored to normal levels on 3 May 2024.

Enerflex declared force majeure under the EPC contract on 3 May 2024.

However, following numerous performance issues which arose during the execution of the EPC works, Pearl issued a notice of termination under the EPC contract to Enerflex on 19 August 2024. That termination took effect on 9 September 2024. This action has enabled Pearl to assume direct control over the remaining phases of the KM250 project, ensuring that it is brought back on track and completed in the timeliest manner. Pearl has also initiated arbitration against Enerflex to recover costs and damages arising from Enerflex's defective performance. The KM250 project is currently expected to be completed in Q1 2026. A further drone strike took place at Khor Mor on 2 February 2025, which caused no injuries to people, nor was production impacted.

DANA GAS PJSC

Report of the Directors

E&P Operations (continued)

(b) Egypt E&P operations

The Group's production in Egypt for the 90 days of operations in Q1 2025 was 1.13 MMboe i.e. averaging 12,550 boepd (Q1 2024: 1.65 MMboe i.e. averaging 18,150), a decrease of 31% over the corresponding period.

In Egypt, the Group collected a total USD 12 million (AED 44 million) during the period and hence realized 92% of the period's revenue. At period end, the trade receivable balance stood at USD 79 million (AED 290 million) as compared to USD 78 million (AED 286 million) at the end of 2024.

On 23 December 2024, Dana Gas signed a new concession agreement with the Egyptian Natural Gas Holding Company ("EGAS") to consolidate the existing 13 development leases under the 3 concessions of El Manzala, West El Manzala and West El Qantara, named New El Manzala, with improved fiscal terms. Development leases' production includes both gas and associated gas liquids. Total area of development leases is 387.1 sq. km located in the onshore Nile Delta. New El Manzala concession is held with a 100% working interest.

Dana Gas is committed to spend a minimum of USD 28 million (AED103 million) on exploration and development activities in the original development leases before 31 December 2026. Total spending up to 31 March 2025 of USD 16.8 million (AED 62 million) is subject to EGAS review and approval.

Supplemental exploration acreage of 297.4 sq. km surrounding the development leases was also awarded under the New El Manzala concession with a 100% working interest. Dana Gas is committed to drill 3 exploration wells with minimum spend of USD 15 million (AED 55 million) during the first exploration period expiring on 31 December 2025.

UAE Gas Project

The UAE Gas Project includes Dana Gas' 35% interest in Crescent National Gas Corporation Limited (CNGCL), which is entitled to market the gas, and 100% interests in UGTC and Saj Gas, the entities that own the offshore riser platform, the offshore and onshore pipelines to transport the gas and the sour gas processing plant to process the gas.

Arbitration Cases

The Gas Sales & Purchase Contract between Dana Gas' partner Crescent Petroleum and the National Iranian Oil Company ('NIOC') for the supply of gas to the UAE has been the subject of international arbitration since June 2009. In August 2014, Dana Gas was notified by Crescent Petroleum that the Arbitral Tribunal has issued a Final Award on the merits, determining that the 25-year Contract between it and NIOC is valid and binding upon the parties, and that NIOC had been in breach of its contractual obligation to deliver gas under the Contract since December 2005.

The parties to the arbitrations are Crescent Petroleum and NIOC, who are the parties to the Gas Sales & Purchase Contract (GSPC) at issue in the arbitration. Dana Gas is not a party to the GSPC, or to the arbitration.

Dana Gas was informed by Crescent Petroleum that an award for damages in the first arbitration against NIOC was made by the international arbitration tribunal on 27 September 2021. This first arbitration covered the period of the first 8.5 years of the 25 year gas sales agreement from 2005 to mid-2014. Dana Gas' share of the award was USD 608 million (AED 2.23 billion) which was recorded in the consolidated financial statements in 2021. The award accrues interest for delayed payment and at the end of March 2025 Dana Gas share of interest amounted to USD 119 million.

In addition, a second arbitration with a much larger claim for the 16.5 years covering the remainder of the gas supply period from 2014 to 2030 is currently underway. The final hearing is now anticipated in 2026. Dana Gas will also receive a portion of the next award which is expected to be more than the sum due from the first arbitration in keeping with the longer time period.

DANA GAS PJSC
Report of the Directors

Directors

1. Mr. Hamid Dhiya Jafar, Chairman
2. Mr. Rashid Saif Al-Jarwan, Deputy Chairman
3. Mr. Ahmed Abdulhamid Alahmadi
4. Mr. Majid Hamid Jafar
5. Mr. Mohamed Al Sayed Mohamed Ebraheem Alhashmi
6. Mr. Mohamed Khalil Mohamed Sharif Foulathi Alkhouri
7. Ms. Najla Ahmed Al-Midfa
8. Mr. Omar Ibrahim Al-Mullah
9. Mr. Shaheen Al-Muhairi
10. H.E. Younis Al Khouri
11. Mr. Ziad Abdulla Ibrahim Galadari

Auditors

The Company auditors, Ernst & Young, have issued their review report on the interim condensed consolidated financial information of the Group.

On behalf of Board of Directors



Directors
7 May 2025

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF DANA GAS PJSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Dana Gas PJSC (“the Company”) and its subsidiaries (“the Group”) as at 31 March 2025, which comprise the interim condensed consolidated statement of financial position as at 31 March 2025 and the related interim condensed consolidated income statement, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the three months period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

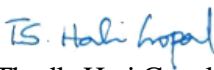
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Emphasis of Matter

We draw attention to the matter described in notes 6, 7, 9 and 11 to the interim condensed consolidated financial statements which describes the current position with respect to arbitration and enforcement proceedings initiated by a key supplier of the Group against the ultimate supplier relating to delays in commencement of gas supplies, and the uncertainty surrounding the timing and final outcome of these arbitration and enforcement proceedings. Our conclusion is not modified in respect of this matter.

For Ernst & Young



Thodla Hari Gopal
Registration No. 689

7 May 2025

Sharjah, United Arab Emirates

Dana Gas PJSC and Subsidiaries

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

Period ended 31 March 2025 (Unaudited)

	<i>Note</i>	<i>Three months ended</i>			
		<i>31 March 2025</i>		<i>31 March 2024</i>	
		<i>USD mm</i>	<i>AED mm</i>	<i>USD mm</i>	<i>AED mm</i>
Gross revenue		91	334	97	356
Royalties		(16)	(59)	(18)	(66)
Net revenue		75	275	79	290
Operating costs		(14)	(51)	(15)	(55)
Depreciation & depletion		(13)	(48)	(17)	(62)
Gross profit		48	176	47	173
General and administration expenses		(3)	(11)	(3)	(11)
Investment and finance income		4	15	3	11
Impairment of financial assets		(1)	(4)	(1)	(4)
Finance costs		(2)	(7)	(4)	(15)
PROFIT BEFORE INCOME TAX		46	169	42	154
Income tax expense		(3)	(11)	(4)	(15)
PROFIT FOR THE PERIOD		43	158	38	139
PROFIT ATTRIBUTABLE TO:					
- Equity holders of the company		43	158	38	139
		43	158	38	139
EARNINGS PER SHARE:					
Basic & Diluted earnings per share (USD/AED per share)	5	0.006	0.022	0.005	0.020

The attached notes 1 to 20 form part of these interim condensed consolidated financial information.

Dana Gas PJSC and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER
COMPREHENSIVE INCOME


Period ended 31 March 2025 (Unaudited)


	<i>Three months ended</i>		<i>31 March 2024</i>	
	<i>31 March 2025</i>			
	<i>USD mm</i>	<i>AED mm</i>	<i>USD mm</i>	<i>AED mm</i>
Profit for the period	43	158	38	139
Other comprehensive income	-	-	-	-
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	43	158	38	139
ATTRIBUTABLE TO:				
- Equity holders of the company	43	158	38	139
	43	158	38	139


Dana Gas PJSC and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 March 2025

		31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Notes	USD mm	AED mm	USD mm	AED mm
ASSETS					
Non-current assets					
Property, plant and equipment	6	1,135	4,160	1,129	4,138
Intangible assets	7	191	700	191	700
Investment property	8	21	77	21	77
Interest in joint ventures	9	359	1,316	359	1,316
Financial assets at fair value through profit or loss	10	64	235	68	249
Total non-current assets		1,770	6,488	1,768	6,480
Current assets					
Inventories		37	136	35	128
Financial assets at fair value through profit or loss	10	12	44	12	44
Sum due following arbitration award	11	608	2,229	608	2,229
Trade and other receivables	12	210	770	208	762
Cash and bank balances	13	373	1,367	317	1,162
Total current assets		1,240	4,546	1,180	4,325
TOTAL ASSETS		3,010	11,034	2,948	10,805
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	14	1,908	6,995	1,908	6,995
Legal reserve		213	780	213	780
Voluntary reserve		81	297	81	297
Retained earnings		363	1,329	320	1,171
Total equity		2,565	9,401	2,522	9,243
LIABILITIES					
Non-current liabilities					
Borrowings	15	167	612	172	630
Trade payables and accruals	16	52	191	70	258
Provisions		19	70	19	70
Total non-current liabilities		238	873	261	958
Current liabilities					
Borrowings	15	118	433	83	304
Trade payables and accruals	16	89	327	82	300
Total current liabilities		207	760	165	604
Total liabilities		445	1,633	426	1,562
TOTAL EQUITY AND LIABILITIES		3,010	11,034	2,948	10,805


Director
7 May 2025


CEO
7 May 2025


CFO
7 May 2025

The attached notes 1 to 20 form part of these interim condensed consolidated financial information.

Dana Gas PJSC and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2025 (Unaudited)

		Three months ended			
		31 March 2025		31 March 2024	
	Notes	USD mm	AED mm	USD mm	AED mm
OPERATING ACTIVITIES					
Profit before income tax		46	169	42	154
Adjustments for:					
Depreciation and depletion	6	13	48	17	62
Investment and finance income		(4)	(15)	(3)	(11)
Impairment of financial assets		1	4	1	4
Finance costs		2	7	4	15
		<u>58</u>	<u>213</u>	<u>61</u>	<u>224</u>
Changes in working capital:					
Inventories		(2)	(8)	(4)	(15)
Trade and other receivables		1	4	6	22
Trade payables and accruals		1	4	(1)	(4)
Net cash generated from operating activities		<u>58</u>	<u>213</u>	<u>62</u>	<u>227</u>
Income tax		<u>(3)</u>	<u>(11)</u>	<u>(4)</u>	<u>(15)</u>
Net cash flows generated from operating activities		<u>55</u>	<u>202</u>	<u>58</u>	<u>212</u>
INVESTING ACTIVITIES					
Payment for property, plant and equipment		(27)	(99)	(21)	(77)
Debt service reserve account		(7)	(26)	-	-
Investment and finance income received		3	11	1	4
Net cash flows used in investing activities		<u>(31)</u>	<u>(114)</u>	<u>(20)</u>	<u>(73)</u>
FINANCING ACTIVITIES					
Proceeds from borrowings		57	209	5	18
Repayment of borrowings		(28)	(103)	(26)	(95)
Finance costs paid		(4)	(15)	(8)	(29)
Net cash flows generated from / (used in) financing activities		<u>25</u>	<u>91</u>	<u>(29)</u>	<u>(106)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS					
		49	179	9	33
Cash and cash equivalents at the beginning of the period		<u>282</u>	<u>1,034</u>	<u>131</u>	<u>480</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	13	<u>331</u>	<u>1,213</u>	<u>140</u>	<u>513</u>

The attached notes 1 to 20 form part of these interim condensed consolidated financial information

Dana Gas PJSC and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2025 (Unaudited)

	Attributable to equity holders of the Company							
	Share capital		Legal reserve		Voluntary reserve		Retained earnings	
	USD Mm	AED mm	USD mm	AED mm	USD mm	AED mm	USD mm	AED mm
As at 1 January 2025	1,908	6,995	213	780	81	297	320	1,171
Profit for the period	-	-	-	-	-	-	43	158
Total comprehensive income for the period	-	-	-	-	-	-	43	158
As at 31 March 2025	1,908	6,995	213	780	81	297	363	1,329
As at 1 January 2024	1,908	6,995	198	725	66	242	199	728
Profit for the period	-	-	-	-	-	-	38	139
Total comprehensive income for the period	-	-	-	-	-	-	38	139
As at 31 March 2024	1,908	6,995	198	725	66	242	237	867
							2,409	8,829
							2,371	8,690
							38	139
							38	139
							2,409	8,829

The attached notes 1 to 20 form part of these interim condensed consolidated financial information.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

1 CORPORATE INFORMATION

Dana Gas PJSC (“Dana Gas” or the “Company”) was incorporated in the Emirate of Sharjah, United Arab Emirates as a Public Joint Stock Company on 20 November 2005 pursuant to incorporation decree number 429/2005 issued by the Ministry of Economy. Dana Gas shares are listed on the Abu Dhabi Securities Exchange (ADX).

The Company, its subsidiaries, joint operations and joint ventures constitute the Group (the “Group”). The Group is engaged in the business of exploration, production, ownership, transportation, processing, distribution, marketing and sale of natural gas and petroleum related products, including the development of gas related projects and services.

The Company’s registered head office is at P. O. Box 2011, Sharjah, United Arab Emirates with a presence in Cairo (Egypt) and Kurdistan Region of Iraq.

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporation and Businesses (Corporate Tax or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime became effective for accounting period beginning on or after 1 June 2023.

A rate of 9% will apply to taxable income exceeding AED 375,000 and a rate of 0% is applied to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

Further, on 9 December 2024, the UAE Ministry of Finance (MoF) announced further amendments to Federal Decree-Law No. 47 of 2022, including the implementation of a Domestic Minimum Top-up Tax (DMTT) and the introduction of certain tax incentives. DMTT imposes a minimum effective tax rate of 15% on multinational enterprises (MNEs) amongst other factors with global revenues exceeding €750 million in at least two of the last four financial years, effective from 1 January 2025. For UAE where Pillar Two legislation is effective from 1 January 2025, the Group continues to monitor the legislation. As at reporting date, there is no implications as a result of DMTT on the Group’s interim condensed consolidated financial information.

Principal subsidiaries and joint arrangements of the Group at 31 March 2025 and 31 December 2024 and the Company’s (direct and indirect) percentage of ordinary share capital or interest are set out below:

<i>Subsidiaries</i>	<i>%</i>	<i>Country of incorporation</i>	<i>Principal activities</i>
Dana Gas Upstream Holdings Limited	100	UAE	Holding company of Dana Gas Egypt, Dana Gas Exploration and Interest in Pearl Petroleum
Dana Gas Midstream Holdings Limited	100	UAE	Holding company of Saj Gas, UGTC and Dana Gas Midstream Operations
Dana Gas Midstream Operations Limited	100	British Virgin Islands	Holds interest in CNGCL
Dana LNG Ventures Limited	100	British Virgin Islands	Holding company of Dana Gas Red Sea Corporation
Dana Gas Red Sea Corporation	100	Barbados	Holding company of Dana Gas Egypt
Dana Gas Egypt Ltd	100	Barbados	Oil and Gas exploration & production (“Dana Gas Egypt”)
Dana Gas Explorations FZE	100	UAE	Oil and Gas exploration & production
Sajaa Gas Private Limited Company (“Saj Gas”)	100	UAE	Gas Sweetening
United Gas Transmissions Company Limited (“UGTC”)	100	UAE	Gas Transmission

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

1 CORPORATE INFORMATION (continued)

<i>Joint Operations</i>	<i>%</i>	<i>Country of incorporation</i>	<i>Principal activities</i>
Pearl Petroleum Company Limited ("Pearl Petroleum")	35	British Virgin Islands	Oil and Gas exploration & production
UGTC/ Emarat JV	50	Unincorporated	Gas Transmission
<i>Joint Ventures</i>	<i>%</i>		
Crescent National Gas Corporation Limited ("CNGCL")	35	British Virgin Islands	Gas Marketing
GASCITIES Ltd	50	British Virgin Islands	Gas Cities

2 MATERIAL ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial information has been prepared on a historical cost basis, except for investment property and financial assets at fair value through profit or loss that have been measured at fair value. The interim condensed consolidated financial statements are presented in United States Dollars (USD), which is the Company's functional currency, and all the values are rounded to the nearest million (USD mm) except where otherwise indicated. The United Arab Emirates Dirham (AED) amounts have been presented solely for the convenience to readers of the interim condensed consolidated financial statements. AED amounts have been translated at the rate of AED 3.6655 to USD 1.

Statement of compliance

The interim condensed consolidated financial information of the Group for the three months period ended 31 March 2025 ("the period") are prepared in accordance with International Accounting Standard (IAS) No 34, Interim Financial Reporting. Hence, the interim condensed consolidated financial information do not contain all information and disclosures required for full financial statements prepared in accordance with the International Financial Reporting Standards and should be read with the Group's annual consolidated financial statements for the year ended 31 December 2024. The results for the three months period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the annual financial year ending 31 December 2025.

Standards and interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards and interpretations as of 1 January 2025. These new standards and interpretations did not have any major impact on the accounting policies, financial position or performance of the Group.

The Group did not early adopt any standard, interpretation or amendment that was issued but is not yet effective.

Several other amendments and interpretations apply for the first time in 2025, but did not have an impact on the interim condensed consolidated financial information of the Group.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

3 MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's interim condensed consolidated financial information in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and accompanying disclosures, and the disclosure of contingent asset and liabilities at the date of the interim condensed consolidated financial information, and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates if different assumptions were used and different conditions existed. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

There has been no significant change in judgements, estimates and assumptions used as at the 2024 year end.

4 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer (CEO) that are used to make strategic decisions. The CEO considers the business from a geographic perspective which is divided into three geographical units. Unallocated amounts are included in general & administration expenses, investment and finance income, other income, other expenses and finance cost.

Three months ended 31 March 2025 (Unaudited)

	<i>United Arab Emirates USD mm</i>	<i>Egypt USD mm</i>	<i>Kurdistan Region of Iraq USD mm</i>	<i>Total USD mm</i>
Gross revenue	1	32	58	91
Royalties	-	(16)	-	(16)
Net revenue	1	16	58	75
Operating cost & depletion	-	(9)	(18)	(27)
Gross profit	1	7	40	48
General and administration expenses	-	-	-	(3)
Investment and finance income	-	-	-	4
Impairment of financial assets	(1)	-	-	(1)
Finance cost	-	-	-	(2)
Profit before income tax				46
Income tax expense	-	(3)	-	(3)
Net profit for the period				43
Segment assets as at 31 March 2025	1,569	195	1,246	3,010
Segment liabilities as at 31 March 2025	91	38	316	445

Other segment information

Capital expenditure:				
Property, plant and equipment	-	7	12	19
Depreciation & depletion	-	4	9	13

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

4 SEGMENT INFORMATION (continued)

Three months ended 31 March 2024 (Unaudited)

	<i>United Arab Emirates USD mm</i>	<i>Egypt USD mm</i>	<i>Kurdistan Region of Iraq USD mm</i>	<i>Total USD mm</i>
Gross revenue	1	41	55	97
Royalties	-	(18)	-	(18)
Net revenue	1	23	55	79
Operating cost & depletion	(1)	(12)	(19)	(32)
Gross profit	-	11	36	47
General and administration expenses	-	-	-	(3)
Investment and finance income	-	-	-	3
Impairment of financial assets	(1)	-	-	(1)
Finance cost	-	-	-	(4)
Profit before income tax				42
Income tax expense	-	(4)	-	(4)
Net profit for the period				38
Segment assets as at 31 March 2024	1,463	190	1,150	2,803
Segment liabilities as at 31 March 2024	124	42	228	394

Other segment information

Capital expenditure:				
Property, plant and equipment	-	2	15	17
Intangible assets	-	2	-	2
Depreciation & depletion	1	7	9	17

5 EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing profit for the period by the weighted average number of ordinary shares outstanding during the period.

	<i>Three months ended 31 March (Unaudited)</i>	
	<i>2025</i>	<i>2024</i>
	<i>USD mm</i>	<i>USD mm</i>
Earnings:		
Net profit for the period - USD mm	43	38
Shares:		
Weighted average number of shares outstanding – million	6,995	6,995
Earnings per share (Basic & Diluted) – USD:	0.006	0.005

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

6 PROPERTY, PLANT AND EQUIPMENT

	Freehold land USD mm	Building USD mm	Oil and gas interests USD mm	Plant and equipment USD mm	Other assets USD mm	Pipeline & related facilities USD mm	Capital work-in- progress USD mm	Total USD mm
Cost:								
At 1 January 2025	14	12	1,701	400	50	119	646	2,942
Additions	-	-	7	1	-	-	11	19
Transfer	-	-	-	-	1	-	(1)	-
At 31 March 2025	14	12	1,708	401	51	119	656	2,961
Depreciation/ depletion:								
At 1 January 2025	-	8	1,321	300	40	79	65	1,813
Depreciation/depletion charge for the period	-	-	9	2	1	1	-	13
At 31 March 2025	-	8	1,330	302	41	80	65	1,826
Net carrying amount:								
At 31 March 2025	14	4	378	99	10	39	591	1,135

Some of Pearl Petroleum's property, plant and equipment is pledged against a loan facility (note 15).

Property, plant and equipment include financing cost amounting to USD 52 million as at 31 March 2025 on borrowings for ongoing development and capitalised using effective interest rate of the specific borrowing.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

6 PROPERTY, PLANT AND EQUIPMENT (continued)

	Freehold land USD mm	Building USD mm	Oil and gas interests USD mm	Plant and equipment USD mm	Other assets USD mm	Pipeline & related facilities USD mm	Capital work-in- progress USD mm	Total USD mm
Cost:								
At 1 January 2024	14	12	1,688	390	47	119	608	2,878
Additions (net)	-	-	9	-	1	-	54	64
Transfer	-	-	4	10	2	-	(16)	-
At 31 December 2024	14	12	1,701	400	50	119	646	2,942
Depreciation/ depletion:								
At 1 January 2024	-	7	1,275	289	38	75	66	1,750
Depreciation/depletion charge for the year	-	1	46	11	2	4	(1)	63
At 31 December 2024	-	8	1,321	300	40	79	65	1,813
Net carrying amount:								
At 31 December 2024	14	4	380	100	10	40	581	1,129

Some of Pearl Petroleum's property, plant and equipment is pledged against loan facilities (note 15).

Property, plant and equipment include financing costs amounting to USD 49 million as at 31 December 2024 on borrowings for ongoing development and capitalised using effective interest rate of the specific borrowing.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

6 PROPERTY, PLANT AND EQUIPMENT (continued)

The majority of Saj Gas and UGTC assets have not been depreciated as commercial activity has not yet begun. Saj Gas assets were to be used for processing and sweetening of the gas received from CNGCL and UGTC assets were to be used in transportation of the same gas. CNGCL was to receive gas from Crescent Petroleum who relied on its contracted gas supplier NIOC. The failure by NIOC to supply gas meant that Saj Gas and UGTC assets could not be put to use. Crescent Petroleum is continuing with an international arbitration in relation to NIOC's supply failure in breach of its 25 year gas supply contract.

Dana Gas was informed by Crescent Petroleum that an award for damages in the first arbitration against NIOC was made by the international arbitration tribunal on 27 September 2021. This first arbitration covers the period of the first 8.5 years of the 25 year gas sales agreement from 2005 to mid-2014. Following the first arbitration award, management had carried out an assessment of the recoverable values of the Saj Gas and UGTC assets and based on the expected future cash flows to be generated by the assets had recognised an impairment provision of USD 74 million against these assets in 2021.

Oil and Gas Interests

On 23 December 2024 (with effective date of 1 July 2022), oil and gas interests in Egypt Nile Delta onshore concessions of El Manzala, West EL Manzala and West El Qantara were consolidated in one concession named "New El Manzala". The existing 13 development leases were moved to the new concession. The objective of the consolidation is to extend the economic life of the assets. Total area of development leases is 387.1 sq. km.

All the development leases are held with a 100% working interest and are producing both natural gas and associated liquids which represents 100% of Dana Gas Egypt current production.

7 INTANGIBLE ASSETS

	<i>Oil and gas interests USD mm</i>	<i>Transmission & sweetening rights USD mm</i>	<i>Total USD mm</i>
Cost at 1 January 2025	234	289	523
Less: accumulated impairment	(234)	(98)	(332)
Net book amount at 1 January 2025	-	191	191
At 31 March 2025	-	191	191
At 31 December 2024 (audited)	-	191	191

(a) Transmission and sweetening rights

Intangible assets include USD 191 million (2024: USD 191 million) which represent the rights, for the transmission and sweetening of gas and related products, acquired by the Company through its shareholdings in Saj Gas and UGTC. The fair value of the rights acquired in 2005 was determined by reference to valuation exercises undertaken by professionally qualified independent third parties based on the expected future cash flows arising from the underlying contractual relationships. The intangible assets will be amortised from the date of commencement of commercial activity in accordance with the terms of the contracts to which they relate. Commercial activity has not yet commenced. Crescent Petroleum is continuing with international arbitration to seek a ruling on its binding 25 years gas supply contract with NIOC. The parties to the arbitrations are Crescent Petroleum and NIOC, who are the parties to the Gas Sales & Purchase Contract (GSPC) at issue in the arbitration. Dana Gas is not a party to the GSPC, or to the arbitration.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

7 INTANGIBLE ASSETS (continued)

Dana Gas was informed by Crescent Petroleum that an award for damages in the first arbitration against NIOC was made by the international arbitration tribunal on 27 September 2021. This first arbitration covers the period of the first 8.5 years of the 25 year gas sales agreement from 2005 to mid-2014. Dana Gas will receive USD 608 million (AED 2.23 billion). Following the first arbitration award, management had carried out an assessment of the recoverable values of the transmission & sweetening rights and based on the expected future cash flows to be generated by these assets had recognised an impairment provision of USD 98 million in 2021.

In addition, a second arbitration with a much larger claim for the 16.5 years covering the remainder of the gas supply period from 2014 to 2030 is currently underway. The final hearing is now anticipated in 2026. Dana Gas will also receive a portion of the next award. Based on advice from Crescent Petroleum, management believes that the sums expected from the second arbitration will be sufficient to cover the remaining carrying value of the related assets.

8 INVESTMENT PROPERTY

	31 March 2025 USD mm	31 Dec 2024 USD mm <i>(Audited)</i>
Balance at 1 January	21	21
Change in fair value	-	-
Balance at 31 March / 31 December	21	21

Investment property consists of industrial land owned by Saj Gas, a subsidiary, in the Sajaa area in the Emirate of Sharjah, United Arab Emirates. The Group considers a portion of land to be surplus to their operational requirements and will be used for earning rentals or held for capital appreciation.

Investment property is stated at fair value which has been determined based on a valuation performed by an independent firm of qualified property consultants, with reference to comparable market transactions. The latest valuation exercise was carried out by the consultants as at 31 December 2024 and resulted in a valuation of USD 21.5 million.

9 INTEREST IN JOINT VENTURES

Investment in joint venture at the year end relates to Dana Gas' 35% interest in CNGCL and represents the rights for the purchase and sale of gas and related products acquired by the Company in 2005. The fair value of the rights acquired was determined by reference to valuation exercises undertaken by professionally qualified independent third parties based on the expected future cash flows arising from the underlying contractual relationships.

CNGCL is a company established on 22 July 2003 and is owned by Crescent Petroleum (65%) and Dana Gas Group (35%). Its primary purpose is to market natural gas and its associated products in the UAE purchased from Crescent Petroleum whose contracted gas supplier was NIOC. Commercial activity in CNGCL has not yet commenced. NIOC's failure to supply gas meant that CNGCL could not source any gas to on-sell to end users. Crescent Petroleum is continuing with international arbitration in relation to NIOC's default. The parties to the arbitrations are Crescent Petroleum and NIOC, who are the parties to the Gas Sales & Purchase Contract (GSPC) at issue in the arbitration. Dana Gas is not a party to the GSPC, or to the arbitration.

Dana Gas was informed by Crescent Petroleum that an award for damages in the first arbitration against NIOC was made by the international arbitration tribunal on 27 September 2021. This first arbitration covers the period of the first 8.5 years of the 25 year gas sales agreement from 2005 to mid-2014 and Dana Gas will receive USD 608 million (AED 2.23 billion). Following the first arbitration award, management had carried out an assessment of the recoverable values of the interest in joint venture and based on the expected future cash flows to be generated had recognised an impairment provision of USD 188 million in 2021.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

9 INTEREST IN JOINT VENTURES (continued)

In addition, a second arbitration with a much larger claim for the 16.5 years remainder of the contract from 2014 to 2030 is currently underway. The final hearing is now anticipated in 2026. Dana Gas will also receive a portion of the next award. Based on advice from Crescent Petroleum, management believes that the sums expected from the second arbitration will be sufficient to cover the remaining carrying value of the related assets.

Moreover, we are aware that Crescent Petroleum has made a claim against NIOC for reimbursement of the losses suffered by the Company including any third party claims where damages would ultimately be assessed and decided by a Court.

On 9 July 2005, CNGCL entered into a gas sales agreement with Oman Chemicals & Pharmaceuticals LLC ("OCP").

CNGCL was not able to supply the gas as per the agreement terms due to the failure of the main supplier, NIOC. In response, OCP filed a claim against the contracting party, its directors and sister company, claiming specific performance of the sale agreement and damages. OCP joined Dana Gas alleging joint management of CNGC and joint liability for damages.

On 26 February 2019, the Court of First Instance awarded damages of \$261 million in favor of OCP against CNGC but denied OCP's application for damages against Dana Gas. OCP filed an appeal against the said judgment, including against Dana Gas. On 14 July 2020, the Sharjah Court of Appeal issued its judgment and dismissed OCP's appeal against Dana Gas.

OCP filed an appeal to the Federal Supreme Court challenging the above judgment where it again joined Dana Gas. On 29 December 2020, the Supreme Court issued its judgment by cancelling the appealed judgment and referred the case back to the Sharjah Court of Appeal in order for the case to be re-adjudicated by a different tribunal.

After multiple hearings, on 10 October 2023, the Court of Appeal issued its judgment in which it revoked the Court of first instance judgment which ordered CNGC to pay damages to OCP and decided that the OCP's claim is inadmissible.

OCP filed two appeals before the Federal Supreme Court seeking to overturn the judgment of the Sharjah Court of Appeal. The Federal Supreme Court passed its judgment in OCP's cassation appeal and revoked/cancelled the Appealed Judgment and fixed a hearing in July 2024 to hear the merits of the case. Several court hearings were conducted during 2024 and 2025, and the hearings continue with a final judgment expected by end 2025.

OCP's claim against Dana Gas remains a live issue. The claim has been unsuccessful in the multiple decisions delivered in this case previously, and the Company does not believe that there is any sound legal or factual basis for OCP's claim against Dana Gas.

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 March 2025 USD mm	31 Dec 2024 USD mm (Audited)
Balance at 1 January	80	94
Received during the period/year	(4)	(14)
	76	80

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Financial assets classification between non-current and current assets is as follows:

	<i>31 March 2025 USD mm</i>	<i>31 Dec 2024 USD mm (Audited)</i>
Current assets	12	12
Non-current assets	64	68
	<u>76</u>	<u>80</u>

As part of the settlement agreement with RWE Supply & Trading GmbH ("RWE") the Company is entitled to and has recognised certain confined payments which are due only in case and in the amount dividends are distributed to RWE by Pearl (based on RWE's 10% equity in Pearl). During the period, the Company has received an amount of USD 4 million towards such confined payments.

11 SUM DUE FOLLOWING ARBITRATION AWARD

	<i>31 March 2025 USD mm</i>	<i>31 Dec 2024 USD mm (Audited)</i>
Sum due following arbitration award	<u>608</u>	<u>608</u>

The Company was informed by Crescent Petroleum that an award for damages in the first arbitration against NIOC was made by the international arbitration tribunal on 27 September 2021. The first arbitration covers the period of the first 8.5 years of the 25 years gas sales agreement from 2005 to mid-2014.

The damages sum due to Dana Gas is USD 608 million (AED 2.23 billion) which was recorded in 2021. The amount is expected to be fully recovered through an enforcement process being undertaken by Crescent Petroleum and the Company expects to receive the sum due to it within the next twelve months. In addition, the sum due is subject to interest for delayed payment at the rate of 12-month EIBOR + 1 percentage point, compounding annually, commencing from three months from the date of the First Award until date of payment. Accordingly, Dana Gas's share of such interest as of 31 March 2025 amounts to USD 119 million.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

12 TRADE AND OTHER RECEIVABLES

	31 March 2025 USD mm	31 December 2024 USD mm (Audited)
Trade receivables (net)	146	145
Prepaid expenses	1	1
Due from joint ventures	17	18
Accrued revenue (note c)	8	8
Other receivables (note d)	38	36
	210	208

a) Trade receivables are interest bearing and are generally on 5-60 days credit period.

b) The ageing analysis of trade receivables is as follows:

	Total USD mm	Not past due USD mm	Past due				
			<30 days USD mm	30-60 days USD mm	61-90 days USD mm	91-120 days USD mm	>120 days USD mm
31 March 2025	146	90	7	-	4	1	44
31 Dec. 2024	145	69	2	6	6	6	56

c) In July 2019, an audit of the KRI pipeline metering system revealed that a meter at the Khor Mor plant had, since November 2018, been over-reporting the volume of gas supplied by Pearl Petroleum to the KRG by 5.9%. Another issue also discovered concurrently was an under-reporting of the heating value of the sales gas.

Whilst interim steps were taken to correct the over-reporting in July 2019, Pearl Petroleum and the KRG also agreed a series of steps to install full fiscal metering to resolve this issue. In the meantime, a provisional interim adjustment, relating to the period November 2018 to July 2019, was applied to the invoices of July, August and September 2019. The implementation of the fiscal metering package was completed by end of Q1 2024 and the new system has been operational from April 2024 which is now reporting third party validated fiscal measurements for gas quantity and heating value as per the terms of the GSA. The resolution of the provisional adjustment of USD 23 million (DG Share: USD 8 million) is expected once the final adjustment and reconciliation is completed. Accordingly, the provisional adjustment to amounts due from the KRG continues to be reflected in this financial statement as an accrued revenue asset.

d) Includes USD 12.5 million (DG Share 35%) interest billed to the KRG by Pearl on delayed payments against petroleum sales in accordance with the terms of the Petroleum Development Agreement and the Gas Sales Agreement 1 with the KRG (of which USD 11 million is overdue).

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

13 CASH AND BANK BALANCES

	<i>31 March 2025</i> <i>USD mm</i>	<i>31 Dec 2024</i> <i>USD mm</i> <i>(Audited)</i>
Cash at bank		
- Local Banks within UAE	62	16
- Foreign Banks outside UAE	56	34
Short-term deposits		
- Local Banks within UAE	212	201
- Foreign Banks outside UAE	1	31
Cash and cash equivalents	<u>331</u>	<u>282</u>
Debt service reserve accounts	<u>42</u>	<u>35</u>
Cash and Bank balances	<u>373</u>	<u>317</u>

Cash at bank earns profit at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods ranging between one week and twelve months, depending on the immediate cash requirements of the Group, earn profit at the respective short-term deposit rates and are callable on demand. The fair value of cash and bank balance including short-term deposits is USD 373 million (31 December 2024: USD 317million). Debt Service Reserve Accounts (DSRA) balance relates to borrowings as disclosed in note 15. The effective profit rate earned on short term deposits ranged 2% to 4.7% (2024: 3.7% to 5.3%) per annum. As at 31 March 2025, 79% (31 December 2024: 73%) of cash and bank balance were held with UAE banks and the balance held outside UAE. Out of the total cash and bank balance of USD 373 million, 1% of the amount was held in Egyptian pounds (2024: 1%).

Cash & bank balances include USD 214 million (DG Share 35%) held by Pearl Petroleum.

14 SHARE CAPITAL

	<i>31 March 2025</i> <i>USD mm</i>	<i>31 Dec 2024</i> <i>USD mm</i> <i>(Audited)</i>
Issued and fully paid up: 6,995,373,373 (2019: 6,995,373,373) common shares of AED 1 each (USD 0.2728 each)	<u>1,908</u>	<u>1,908</u>

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

15 BORROWINGS

	31 March 2025 USD mm	31 Dec 2024 USD mm (Audited)
Non-current		
Term loan facility (a)	-	-
Loan facility/bond (c)	167	172
	<u>167</u>	<u>172</u>
Current		
Term loan facility (a)	24	28
Short term facility (b)	50	-
Loan facility (c)	44	55
	<u>118</u>	<u>83</u>
Total Borrowings	<u>285</u>	<u>255</u>
	31 March 2025 USD mm	31 Dec 2024 USD mm (Audited)
Total Borrowings (including Pearl joint operations)	285	255
Less: Pearl's Loan facility– Non recourse to Dana Gas	(211)	(227)
Dana Gas borrowings	<u>74</u>	<u>28</u>

(a) Term loan facility

Dana Gas PJSC and Dana Gas Egypt Ltd (“DGE”) together (“the borrowers”) entered into a term loan facility with a local UAE bank on 14 October 2020 (“Signing date”), for partly refinancing the Company’s Sukuk. The term loan facility amounted to USD 90 million for a period of one year at an initial 3% per annum margin over LIBOR. The facility was fully drawn down on 22 October 2020. The first repayment date was on the six-month anniversary of the signing date with original termination date falling one year from the signing date, with an option to extend for a further period of four years. In 2021, the Company had exercised its option to extend the facility for a further period of four years.

The term loan facility is secured against the shares of Dana Gas Red Sea Corporation, Dana Gas Egypt Ltd, and Dana LNG Ventures (BVI) and against certain other assets in UAE and Egypt.

Under the terms of the facility, the Group is required to comply with certain financial covenants. In December 2024 the bank had waived the requirement to comply with the financial covenant related to debt service coverage ratio of Dana Gas and Dana Gas Egypt until 31 March 2025.

As of 31 March 2025, the amount outstanding towards principal is USD 24 million. On 4 April 2025, the full outstanding amount under the facility was repaid.

(b) Short-term loan facility

Dana Gas PJSC entered into a short-term loan facility with a local UAE bank on 20 March 2025. The short-term facility amounts to USD 50 million for a period of 12 months (“the term”), maturing on 26 March 2026. The facility was fully drawn down on 27 March 2025. The facility will be repaid in equal quarterly installments commencing three months after the date of initial drawdown.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

15 BORROWINGS (continued)

(c) *Loan facility – Pearl Petroleum*

A USD 350 million senior secured bond (“Bond”) had been issued by Pearl on 14 November 2024 with a final bullet repayment date of 15 May 2028 which is classified as non-current liabilities. The net proceeds from the Bond would be mainly applied towards financing of Pearl’s development costs.

Pearl signed on 7 September 2021 a USD 250 million term loan facility with the U.S. International Development Finance Corporation (“DFC”) with a final repayment date of 17 July 2028 for financing the construction, development and operation of a new 250 MMscfd gas processing facility and associated infrastructure located in the Khor Mor gas field. The facility has a 2.5 year grace period and is repayable in eighteen equal quarterly instalments, with the first repayment taking place on 17 April 2024. As at 31 March 2025 the outstanding amount under the facility was USD 194.44 million (DG share: USD 68 million). The repayment instalments under the facility of USD 55.56 million (DG share: USD 19.4 million) which are due by 31 March 2026 have been classified as current liabilities and the balance amount of USD 138.89 million (DG share: USD 48.6 million) as part of non-current liabilities.

Pearl signed on 17 July 2024 a USD 125 million non-recourse (to its shareholders including Dana Gas) facility with local UAE bank with a final repayment date of 31 October 2025 for financing of specific working capital needs and capital expenditure required for the construction of the new 250 MMscfd gas processing facility located in the Khor Mor gas field. On 31 March 2025, final drawdown of USD 20 million was made under this facility. As at 31 March 2025, the outstanding amount under the facility was USD 72.5 million (DG share: USD 25.4 million) which is classified as current liability.

Pearl has provided pari-passu security to the Lenders by way of assignment of revenue, insurance, major construction contracts, pledge over revenue/debt service/debt service reserve account, registered pledge over Pearl’s certain existing production assets in Kurdistan and registered pledge over the new 250 mmscfd gas processing facility once the facility is fully operational. These financing are non-recourse to Dana Gas.

The borrowings under the non-current liabilities are stated net of transaction costs and are carried at amortised cost as at 31 March 2025.

Pearl’s facilities are collectively subject to the following financial covenants:

- Debt to EBITDA: Maintain total debt to EBITDA Ratio of not more than 4.0 to 1
- Reserve Tail Ratio: Maintain the ratio of not less than 20% (Latest 2P reserves / 2P reserves in May 2019)
- Historical Debt Service Coverage Ratio: Maintain at or above 1.5 to 1
- Prospective Debt Service Coverage Ratio (defined as (LTM Operating Cash Flow – LTM maintenance capex) / 12 months projected debt service): Maintain at or above 1.5 to 1
- Operating Current Ratio (defined as (Current Assets – amounts held in the debt service reserve accounts) / (Current Liabilities – Debt service)): Maintain at or above 1.5 to 1
- Book Equity Ratio (defined as shareholders’ equity / total assets): Maintain at or above 40%
- Liquidity (defined as cash and bank deposits minus amounts held in certain debt service reserve accounts): Maintain at least USD 70 million (at all times)

All covenants are tested at each quarter end and Pearl has no indication that it will have difficulty complying with the above covenants.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

16 TRADE PAYABLES AND ACCRUALS

	31 March 2025 USD mm	31 Dec 2024 USD mm
Trade payables	22	23
Accruals and other payables (a)	91	102
Accrued interest on EPC contract (b)	11	10
Asset decommissioning obligation	1	1
Other liabilities	16	16
	141	152

Trade payables and accruals classification between non-current and current liability is as follows:

	31 March 2025 USD mm	31 Dec 2024 USD mm
Current liabilities	89	82
Non-current liabilities (a)	52	70
	141	152

- (a) Accruals against the KM 250 project amounts to USD 48 million (DG Share 35%). This includes USD 41 million (DG Share 35%) in respect of value of work done under EPC contract (net of USD 27 million (DG Share 35%) recoverable from Enerflex) disclosed under non-current liabilities since the settlement, if any, is not expected to be made until the expiry of the Defects Notice Period, likely to be in 2027, 18 months after the mechanical completion date. In addition it also includes non-current portion of implied finance costs of USD 11 million (DG Share 35%).
- (b) Represents interest accrued by Pearl on the Engineering, Procurement and Construction (EPC) contract with Enerflex amounting to USD 11 million (DG Share 35%), being the implied finance cost.

17 COMMITMENTS

Pearl Petroleum

As at 31 March 2025, Pearl had capital commitments of circa USD 98 million (DG Share: USD 34 million) – (2024: USD 92 million – DG share: USD 32 million) which mainly includes commitments relating to the development of 250 MMscfd gas processing train in Khor Mor and the Khor Mor Interim Compressor Solution project.

Egypt

On 23 December 2024, Dana Gas Egypt signed a new concession agreement with EGAS to consolidate the existing 13 development leases under the 3 concessions. As part of the agreement, Dana is committed to spend a minimum amount of USD 28 million in exploration and development activities before 31 December 2026. Total spend upto 31 March 2025 is USD 16.8 million (subject to EGAS review and approval). In addition, Dana was also awarded supplemental exploration acreage of 297.4 sq.km surrounding the development lease. Dana is committed to drill 3 exploration wells with minimum spend of USD 15 million during the first exploration period expiring on 31 Dec 2025.

18 RELATED PARTY DISCLOSURES

Note 1 provides information about the Company's structure, including details of the subsidiaries and joint arrangement.

	Period ended 31 March 2025 USD mm	Period ended 31 March 2024 USD mm
Fees for management services to Joint arrangement	1	1

Fees for management services relates to actual cost charged in respect of time spent by Dana Gas personnel on Joint venture activities.

Dana Gas PJSC and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months period ended 31 March 2025 (Unaudited)

19 DIVIDEND

At the Annual General Meeting of the Company held on 16 April 2025, the shareholders approved a final cash dividend of 5.5 fils per share for 2024.

20 FAIR VALUE ESTIMATION

Set out below is a comparison by category of carrying amounts and fair values of all of the Group's financial instruments that are carried in the financial statements:

	<i>Carrying amount March 2025 USD mm</i>	<i>Fair value March 2025 USD mm</i>	<i>Carrying amount 2024 USD mm</i>	<i>Fair value 2024 USD mm</i>
Financial assets				
Trade and other receivables (excluding prepaid)	209	209	207	207
Financial assets at fair value through profit or loss	76	76	80	80
Cash and short term deposits	373	373	317	317
Financial liabilities				
Borrowings	285	285	255	255
Trade payables and accruals	141	141	152	152

The fair value of borrowings is determined as the present value of discounted future cash flows using market based discount rate. The fair value is not materially different from its carrying value.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (Level 3)

Valuation of investment property is determined with reference to comparable market transactions.

The following table presents the Group' assets that are measured at fair value on 31 March 2025:

	Level 1 USD mm	Level 2 USD mm	Level 3 USD mm	Total USD mm
Assets				
Financial assets at fair value through profit or loss	-	-	76	76
Investment property	-	21	-	21
Total	-	21	76	97

The following table presents the Group' assets that are measured at fair value on 31 December 2024:

	<i>Level 1 USD mm</i>	<i>Level 2 USD mm</i>	<i>Level 3 USD mm</i>	<i>Total USD mm</i>
Assets				
Financial assets at fair value through profit or loss	-	-	80	80
Investment property	-	21	-	21
Total	-	21	80	101

20 FAIR VALUE ESTIMATION (continued)

There have been no transfers between Level 1 and Level 2 during the three months ended 31 March 2025 and year ended 31 December 2024.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates.