

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 consolidated financial results of the Company, its subsidiaries and joint arrangements (together referred to as the “Group”) for the year ended 31 December 2025.

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 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 year ended 31 December 2025

During the year, the Group earned gross revenues of USD 348 million (AED 1.3 billion) as compared to USD 445 million (AED 1.6 billion) in 2024, a decrease of 22%. In 2024, the Group had recognized a retrospective adjustment for increase in gas price amounting to USD 46 million (AED 169 million), following agreement on improved fiscal terms in Egypt. Excluding this one-off pricing adjustment, revenue declined by 13% in 2025. This decrease was mainly due to a 23% decline in production in Egypt and lower hydrocarbon prices partly offset by a 2% increase in production in Kurdistan, following early completion of KM 250 expansion.

The average Brent price in 2025 was USD 69/bbl compared to USD 81/bbl during 2024, whereas realised price averaged USD 38/bbl for condensate and USD 33/boe for LPG compared to USD 44/bbl and USD 34/boe respectively in 2024.

The Group achieved a Net Profit of USD 130 million (AED 476 million) in 2025 as compared to a Net Profit of USD 151 million (AED 553 million) in 2024, a decrease of 14%. Net profit declined by USD 21 million (AED 77 million) mainly due to lower revenues as explained above.

EBITDA for the year was lower at USD 215 million (AED 788 million) compared to USD 263 million (AED 964 million) in 2024.

The Group’s average production during the year was 53,500* barrels of oil equivalent per day (boepd), a decrease of 5% compared to last year’s production average of 56,500 boepd*. Production in Kurdistan increased by 2% to 40,900 boepd from 40,050 boepd in the corresponding year. This was fully offset by a drop in production in Egypt which fell by 23% to 12,600 boepd as compared to 16,450 boepd in 2024, due to natural decline in producing fields.

Liquidity and Financial Resources

Cash and bank balances at the year-end decreased to USD 215 million (AED 788 million) compared to 2024 year-end balance of USD 317 million (AED 1,162 million). Cash included USD 108 million (AED 396 million) being 35% share of cash held at Pearl Petroleum.

The Group collected a total of USD 303 million (AED 1.1 billion) during the year, reflecting continued engagement with host governments and improved payment mechanisms. Collection comprised USD 99 million (AED 363 million) in Egypt and USD 204 million (AED 748 million) in Kurdistan Region of Iraq.

*Gas to barrel of oil equivalent (boe) conversion factor was changed from 6 thousand cubic feet = 1 boe to 5.658 thousand cubic feet = 1 boe for Kurdistan, to align with conversion factor used in Gaffney Cline Competent Person’s report.

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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.

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 latest 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.

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 field 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 2025. The Group’s gross proved reserves (1P) as at 31 December 2025 were assessed at 11.8 MMboe (31 December 2024: 15 MMboe). The gross proved and probable reserves (2P) as at 31 December 2025 were estimated at 19.6 MMboe (31 December 2024: 22 MMboe) and the gross proved, probable and possible reserves (3P) as at 31 December 2025 were estimated to be 27.9 MMboe (31 December 2024: 35 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.

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E&P Operations

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

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, Exterran, a leading oil and gas service provider (who was acquired by Enerflex in October 2022), was appointed by Pearl to carry out the engineering, procurement and construction ('EPC') of a 250 MMscf/d gas processing train and provide operations related technical assistance services for 5 years post hand over of the plant.

The EPC contract terms reflected Exterran's contractor financing whereby the plant will be predominantly funded by Enerflex 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. Work on the KM 250 project was suspended for 6 months whilst Pearl, together with the KRG, and with support of other stakeholders actively took steps to enhance and harden the security measures at Khor Mor. Enerflex, together with its subcontractors, remobilised to site in mid-December 2022 for a 'soft-start' resumption of site activities, and as confidence on the ground slowly returned, the workforce, gradually increased and construction activities resumed. Enerflex formally lifted its force majeure under the EPC contract on 31 March 2023. 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.

Despite initially resuming works at the end of April 2024, Enerflex subsequently declared force majeure under the EPC contract on 3 May 2024.

Following numerous defective performance issues which arose during the execution of the EPC works, combined with Enerflex's reluctance to proactively engage, 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 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. A further drone strike took place at Khor Mor on 2 February 2025, which caused no injuries to people, nor was production impacted.

Pearl has also initiated arbitration against Enerflex to recover costs and damages arising from Enerflex's defective performance on the 9th September 2024 and submitted its Statement of Case on the 2 June 2025. Work to complete the KM 250 project was successfully accelerated and Pearl successfully completed the construction several months ahead of the previously revised schedule of Quarter 1 2026. Pearl thereafter formally announced the start of commercial gas sales pursuant to Gas sales agreement 2 effective 15 October 2025. The project added 250 MMscf/d of new gas processing capacity, increasing total installed capacity at the facility by 50% to 750 MMscf/d.

On 26 November 2025, a liquid storage tank at the Khor Mor facility in the KRI was struck by a drone attack. There were no injuries to personnel. Production was shut down and force majeure was declared under the PDA and the two gas sales agreement with the KRG. By 3 December 2025, production was restored to normal levels which followed strengthened security measures implemented by the KRG and Federal Government of Iraq.

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Dana Gas's share (35%) of gross production in the KRI for 2025 was 14.9 MMboe, i.e. averaging 40,900 boe per day (2024 – DG Share 35%: 14.6 MMboe, averaging 40,050 boe per day), an increase of 2% when compared with the previous year. This increase was the result of the successful completion of KM 250 gas expansion project at Khor Mor.

Dana Gas' share of collections for the year stood at USD 204 million (AED 748 million) and hence realised 94% of the year's revenue. At year end, Dana Gas' 35% share of trade receivable balance stood at USD 80 million (AED 293 million) as compared to USD 67 million (AED 246 million) at the end of 2024.

Pearl has diversified its customer base by entering into a suite of GSAs with third party industrial users for gas deliveries from the Chemchemical filed as and when Pearl reaches a final investment decision on the development of the Chemchemical field.

(b) Egypt E&P operations

Dana Gas Egypt ended 2025 with production for the full year of operations of 4.6 MMboe i.e. averaging 12,600 boepd (2024: 6 MMboe, i.e. averaging 16,450 boepd), a decrease of 23% over the corresponding year.

Average production in Egypt declined during the year due to natural field declines, consistent with the characteristics of mature Nile Delta reservoirs. However, the successful drilling and recompletion activities carried out during 2025, together with further planned wells in 2026, are expected to stabilise production and restore growth over time. Egypt plans to drill a further seven wells in 2026 under the investment programme, with the first of these, Daffodil exploration well, spudded in January 2026.

In Egypt, the Group collected USD 99 million (AED 363 million) during 2025 and hence realized 168% of the year's revenue. At year end, the trade receivable balance stood at USD 38 million (AED 139 million) as compared to USD 78 million (AED 286 million) at the end of 2024. The collection during 2025 was boosted by a USD 50 million (AED 183 million) payment from the Egyptian Government, significantly reducing overdue receivables.

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 spend up to 31 December 2025 of USD 31.2 million (AED 114 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 which was extended upto 30 September 2026.

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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

- a) 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 books in 2021. The award accrues interest for delayed payment and at the end of December 2025 Dana Gas share of interest amounted to USD 147 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 late 2026 or early 2027. 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.

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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 Alkhooori
7. Ms. Najla Ahmed Al-Midfa
8. Mr. Omar Ibrahim Al-Mullah
9. Mr. Shaheen Al-Muhairi
10. H.E. Younis Al Khooori
11. Mr. Ziad Abdulla Ibrahim Galadari

Auditors

The consolidated financial statements have been audited by Ernst & Young.

On behalf of the Board of Directors

To the best of our knowledge, the financial information included in the report fairly presents in all material respects the consolidated financial condition, results of operation and cash flows of the Group as of, and for, the periods presented in the report.



Directors

11 March 2026