Dana Gas Reports 47% Increase in H1 2026 Net Profit to AED 393 Million ($107 Million)

Highlights – H1 2026

- Q2 net profit increased 10% to AED 123 million ($33 million)
- Revenue of AED 946 million ($258 million), up 51% year-on-year; excluding one-off items, revenue increased by 23%
- Egypt production increased 7% year-on-year in H1
- Latest Egypt drilling identified an estimated 10 Bcf of gas resources

Sharjah, UAE; 7 August 2026: Dana Gas PJSC (the "Company"), the Middle East's largest regional private sector natural gas company, today announced its financial results for the half-year ended 30 June 2026.

The Company reported net profit of AED 393 million ($107 million) in H1 2026, compared with AED 270 million ($73 million) in H1 2025, an increase of 47%. Reported net profit included a one-off gas metering reconciliation of AED 176 million ($48 million) that was recognised in Q1. Further details are provided in the Kurdistan Region of Iraq section below. Excluding this item, net profit was AED 217 million ($59 million). Q2 2026 net profit was AED 123 million ($33 million), up 10% from AED 112 million ($30 million) in Q2 2025.

Revenue for the period increased 51% to AED 946 million ($258 million), compared with AED 627 million ($171 million) in H1 2025. Excluding the one-off item, revenue increased by AED 143 million ($39 million) year-on-year, mainly due to higher realised hydrocarbon prices, higher production in Egypt and increased sales gas volumes at Pearl Petroleum.

Profitability reflected a higher cost base following completion of the KM250 expansion, including incremental operating, depreciation and finance costs, together with the impact of short-term production disruption. These impacts are expected to diminish as the Company moves towards higher capacity utilisation.

Operationally, production growth in Egypt continued, supported by the investment programme and ongoing drilling activity. In the KRI, the additional processing capacity delivered by KM250 remained available, although regional security-related disruption constrained utilisation during parts of the period.

Richard Hall, CEO of Dana Gas, commented:

"Our results show the resilience of the business. We managed to increase production and recorded higher net profit despite the regional security situation affecting utilisation of our expanded processing capacity in the KRI.

We recognise and commend the resilience and dedication of our field employees in the KRI, who continued to operate under exceptionally challenging circumstances with safety as a key priority. The Khor Mor plant also demonstrated its reliability under demanding operating conditions. We were one of the only operators to maintain production throughout *the disruption, in recognition of our responsibility to continue supplying gas for electricity generation. We also continue to engage constructively with the Kurdistan Regional Government on strengthening collections, which is essential to support future investment.*

This week gas supplies commenced to Iraq's Ministry of Electricity. marking an important step as we begin to realise the benefits of our ongoing expansion programme. By leveraging the additional capacity created through the KM250 expansion, it lays the foundation for more cooperation on energy within Iraq's growing market, to strengthen energy security while supporting more reliable electricity services."

In Egypt, production increased year-on-year for a second consecutive quarter, while all overdue receivables were settled and payments continued in full and on time. This gives us greater confidence to continue investing in the country."

Kurdistan Region of Iraq

Khor Mor began the year at record production levels, with output exceeding 700 MMscf/d and Group production reaching 70 kboepd. During the period, regional security-related disruption led to intermittent suspensions and reduced operations at Khor Mor. This constrained average utilisation and limited the revenue contribution from KM250. While utilisation was temporarily constrained during the period, KM250 remains a key platform supporting the Company's future growth and is beginning to support the expansion of gas supplies into new domestic markets.

Following renewed regional escalation in July, after the reporting period, Dana Gas implemented short-term precautionary measures at Khor Mor. Following updated security assessments and assurances from the Kurdistan Regional Government and the Government of Iraq, operations have now resumed, and production has normalised to support electricity demand in the area.

At Chemchemal, development activities continued under the $160 million appraisal and early development programme. Long-term gas sales agreements are in place to supply up to 142 MMscf/d to industrial customers in the KRI.

Following the reporting period, gas supplies commenced to Iraq's Ministry of Electricity from the Khor Mor gas processing facility. Under the agreement, 100 MMscf/d of gas will be supplied to the Kirkuk Taza power station for an initial term of one year. The milestone represents an important step in the Company's strategy to expand gas sales following completion of the KM250 expansion, enabling the partners to open new domestic markets while supporting electricity generation in Iraq.

During the period, the Company recognised additional invoicing of AED 176 million ($48 million) following a one-off positive gas metering reconciliation at Khor Mor, relating to gas supplied between November 2018 and March 2024 that had not previously been invoiced or paid.

Egypt

In Egypt, production growth continued during H1, building on the improvement achieved at the start of the year. This was supported by the ongoing investment programme and drilling activity across the portfolio.

The Company drilled three new wells and re-completed one well during the period. Two exploration wells were completed in H1, while a further well identified an estimated 10 Bcf of gas resources, compared with the original prognosis of 3 Bcf. The result may support a further 12 Bcf of future gas resources across the licence area once developed. Dana Gas plans to drill four additional wells before the end of 2026.

The operational progress was accompanied by a significant improvement in payment performance. All overdue receivables were settled and payments continued in full and on time, supporting continued investment in the country.

Operations & Production

Group production averaged 52,900 barrels of oil equivalent per day (boepd) in H1 2026, broadly in line with 52,750 boepd in H1 2025. Production growth in Egypt offset the impact of intermittent operations in the KRI during the regional security-related disruption.

In the KRI, production averaged 39,600 boepd, 2% lower than 40,300 boepd in the prior-year period.

In Egypt, production averaged 13,300 boepd, 7% higher than 12,450 boepd in H1 2025, continuing the improvement recorded at the start of the year.

Liquidity

As of 30 June 2026, Dana Gas had a consolidated cash balance increased to AED 843 million ($230 million) compared to AED 638 million ($174 million) on the 30th of June 2025. Cash Balance includes AED 348 million ($95 million) held at the Pearl Petroleum level.

Total collections reached AED 616 million ($168 million), comprising AED 381 million ($104 million) from the KRI and AED 235 million ($64 million) from Egypt.

During the period, Dana Gas fully drew the AED 275 million ($75 million) bank facility secured earlier in the year, increasing the Group’s available liquidity and financial flexibility. The Company also completed the payment of its FY 2025 dividend of 6.5 fils per share, representing a total cash distribution of AED 455 million ($124 million) to shareholders.

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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 a daily gas processing capacity exceeding 800 MMSCF. 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

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