



Bahar Energy Operating Company Limited

Operational and Financial Highlights

Month Ended

29-Feb-20

(Accrual Base)

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
Operational			
Active Natural Gas Wells	10		9
Inactive Natural Gas Wells (Shut in)	12		12
Abandoned Natural Gas Wells	69		69
Total Natural Gas Wells	91		90
Active Crude Oil Wells	30		32
Inactive Crude Oil Wells (Shut in)	21		20
Abandoned Crude Oil Wells	76		76
Total Crude Oil Wells	127		128
Total Active Wells	40		41
Total Inactive Wells (Shut in)	33		32
Total Abandoned Wells	145		145
Total Wells	218		218
Non-Compensatory Petroleum Delivered (daily - 90 % of total production)			
Crude Oil and Condensate, (bbl/d)	571	767	617
Natural Gas, (mcf/d)	16,227	20,518	15,687
Non-Compensatory Production Delivered, (boe/d)	3,275	4,187	3,232
Compensatory Petroleum Delivered			
Crude Oil and Condensate, (bbl/d)	63	85	69
Natural Gas, (mcf/d)	1,803	2,280	1,743
Compensatory Production Delivered, (boe/d)	364	465	359
Total Production Delivered (daily)			
Crude Oil and Condensate, (bbl/d)	634	853	686
Natural Gas, (mcf/d)	18,030	22,798	17,430
Total Production Delivered, (boe/d)	3,639	4,652	3,591
Non-Compensatory Petroleum Joint Lifting Entitlements (monthly)			
BEL's portion, %	97.61%	95.69%	97.61%
Crude Oil and Condensate, (bbl/m)	16,150	21,296	18,679
Natural Gas, (mcf/m)	459,316	569,375	474,656
Barrel Oil Equivalent, (boe/m) - (1)	92,703	116,192	97,788
SOA's portion, %	0.91%	0.99%	0.91%
Crude Oil and Condensate, (bbl/m)	151	220	175
Natural Gas, (mcf/m)	4,295	5,891	4,438
Barrel Oil Equivalent, (boe/m) - (1)	867	1,202	914
SOFAZ's portion, %	1.48%	3.32%	1.48%
Crude Oil and Condensate, (bbl/m)	245	739	283
Natural Gas, (mcf/m)	6,966	19,755	7,199
Barrel Oil Equivalent, (boe/m) - (1)	1,406	4,031	1,483
Total NCP Joint Lifting Entitlements, (boe/m)	94,976	121,426	100,185
Saleable Compensatory Petroleum (monthly)			
SOA's portion, %			
Crude Oil and Condensate, (bbl/m)	1,838	2,473	2,126
Natural Gas, (mcf/m)	52,286	66,113	54,032
Barrel Oil Equivalent, (boe/m) - (1)	10,553	13,492	11,132
Total Production, (boe/m)	105,528	134,917	111,317



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Month Ended

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(Accrual Base)

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
Financial			
Joint Lifting Entitlement Revenue (monthly) - Based on best estimate of Oil Price			
BEL's portion	97.61%	95.69%	97.61%
Crude Oil and Condensate, 000' \$ - (2)	587	1,225	887
Natural Gas, 000' \$ - (3)	1,236	1,532	1,277
Total BEL's Entitlement, 000' \$	1,822	2,756	2,164
SOA's portion	0.91%	0.99%	0.91%
Crude Oil and Condensate, 000' \$ - (2)	5	13	8
Natural Gas, 000' \$ - (3)	12	16	12
Total SOA's Entitlement, 000' \$	17	29	20
SOFAZ's portion	1.48%	3.32%	1.48%
Crude Oil and Condensate, 000' \$ - (2)	9	42	13
Natural Gas, 000' \$ - (3)	19	53	19
Total SOFAZ's Entitlement, 000' \$	28	96	33
Total Joint Lifting Entitlement Revenue, 000' \$	1,867	2,880	2,217
Compensatory Petroleum Revenue based on Protocol (monthly) - Based on best estimate of Oil Price			
Crude Oil and Condensate, 000' \$ - (2)	67	142	101
Natural Gas, 000' \$ - (3)	141	178	145
Total Compensatory Petroleum Revenue, 000' \$	207	320	246
Total Revenue, 000' \$	2,075	3,200	2,463
Crude Oil Revenue, \$/boe - (4)	36.33	57.50	47.48
Natural Gas Revenue, \$/mcf - (4)	2.69	2.69	2.69
Total Revenue, \$/boe - (4)	19.66	23.72	22.13
Total Marketing and Transportation Costs, 000' \$	67	55	59
Total Operating Costs, 000' \$ - (5)	2,145	2,380	2,455
Total Marketing, Transportation, Operating Costs, 000' \$	2,212	2,435	2,515
Operating Costs, \$/boe	20.96	18.05	22.59
Operating Margin, \$/boe	(1.30)	5.67	(0.46)
Capital Costs (Recoverable), 000' \$	190	1,071	303
Cash Available, 000' \$	1,192	-	346
Changes in Working Capital, 000' \$		-	

(1) - Uses a conversion factor 6 mcf/boe;

(2) - Oil Price is based on best estimate;

(3) - Natural Gas price after 31.03.17 remains constant \$ 2.69 \$/mcf;

(4) - Revenue from and Production of Compensatory Petroleum is considered on calculation of these ratios

(5) - Following costs are not considered in this report:

* Reallocation of Expenses for IFRS Purposes; * Depreciation; * Acreage Fee; * Unrealised Forex; * Admin Overhead; * AOC WHT 6%



Bahar Energy Operating Company Limited
Cash Reconciliation Report
Month Ended
29-Feb-20

(Cash Base) - 000'USD

Description	Current Month Actuals	Prior Month Actuals
Opening Balance	346	110
Cash Call from BEL	3,470	1,774
Cash Call from SOA Cash Call Account	419	218
Gas Sales Collection	2,059	2,118
Recovery-Transfer of Inventory	-	294
Loan	9	307
Oil Sales Collection	2,167	-
Reimbursement of VAT	371	434
Advances Returned	-	1
Exchange Gain	0	0
Cash In	8,494	5,146
Profit Petroleum payments to BEL	(3,546)	(1,797)
Profit Petroleum payments to SOA	-	-
Payments to SOA's Cash Call Account	(419)	(218)
Profit Petroleum payments to SOFAZ	(100)	(50)
Construction	(109)	(75)
Production Equipment and Facilities	(224)	(62)
CAPEX Other	-	-
Workover	(357)	(452)
Seismic and G&G	(15)	(0)
Drilling	-	-
Personnel Costs	(1,275)	(925)
Insurance	(192)	-
Electricity, Water, Sewage, Gas Usage	(115)	(102)
Fuel	(41)	(40)
SOCAR and State Services	(63)	(21)
Rental of Transportation and Other Equipment	(521)	(473)
Repair and Maintenance - Wells	(178)	(268)
Repair and Maintenance - Facilities	(286)	(64)
Materials and Spare Parts - Other	(6)	(0)
Third Party Services	(48)	(10)
General and Administrative Expenses	(56)	(9)
Services Provided by Shareholders	(32)	(42)
Marketing nad Transportation Cost	(39)	-
Non Recoverable Training Cost	(7)	(0)
Value Added Tax	-	(286)
Advances Given	-	(1)
Exchange Loss	(18)	(15)
Cash Out	(7,648)	(4,911)
Closing Balance	1,192	346



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Month Ended
29-Feb-20

Treasury Report

000'USD

Description	Opening Balance	Closing Balance
Cash on Hand	2	1
International Bank of Azerbaijan (IBA)	-	-
Pasha Bank (PB)	303	923
VAT Deposit Account	41	268
Total Cash Available	346	1,192

Note 1: Restricted cash at BA in amount of \$ US 5.7 mln. Provision for Doubtful Accounts was recorded on Dec-15.

Accounts Receivable Summary

000'USD

Description	BEL's Share	SOA's Share	SOFAZ's Share	COMP's Share	Total
Receivable from Gas Sales	3,111	23	76	357	3,567
Receivable from Oil Sales	1,643	13	35	188	1,879
Other Income AOC	970	-	-	-	970
Other Income KGIT	59	-	-	-	59
Total Receivable	5,783	37	110	545	6,475

Note 1: Sum of Carry 1 and Carry 3 Balance (Recoverable from SOA) at the end of Q3-2019 is approximately US\$ 32.8 mln.

Note 2: VAT Receivable from Gas Sales is approximately US\$ 653k, and other Receivable \$ 28k.

Accounts Payable Summary

000'USD

Description	< 30 days	> 30 days < 60 days	> 60 days	Current Month Total	Previous Month Total
1 - Other Contractors Liabilities:	659	97	2,421	3,177	3,789
2 - Government Related Liabilities:	72	154	1,193	1,418	1,431
3 - SOCAR Related Liabilities	216	176	1,350	1,742	2,038
4 - Baghlan Related Liabilities	-	-	-	-	-
Total Liabilities	946	428	4,963	6,337	7,259

Note 1: Other Liabilities related to Payroll and taxes is approximately US\$ 2.355 mln.

Note 2: Debt to SOA is US\$ 323k and debt to SOFAZ is US\$ 810k.

Inventory Movement Summary

000'USD

Description	Opening Balance	Acquisition	Consumption	Closing Balance
Drilling & Workover	10,889	1	14	10,876
Construction	2,657	1	55	2,604
Production	3,631	79	209	3,501
Others	68	4	8	65
Total Inventory	17,245	85	285	17,045

Note: Prepayment against inventory is approximately US\$ 991 k.