

**Bahar Energy Operating Company Limited**

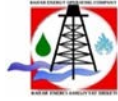
**Operational and Financial Highlights**

**Month Ended**

**30-Jun-21**

**(Accrual Base)**

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
<b><u>Operational</u></b>			
<b>Active Natural Gas Wells</b>	<b>12</b>		<b>12</b>
Inactive Natural Gas Wells (Shut in)	11		11
Abandoned Natural Gas Wells	68		68
<b>Total Natural Gas Wells</b>	<b>91</b>		<b>91</b>
<b>Active Crude Oil Wells</b>	<b>29</b>		<b>29</b>
Inactive Crude Oil Wells (Shut in)	22		22
Abandoned Crude Oil Wells	75		75
<b>Total Crude Oil Wells</b>	<b>126</b>		<b>126</b>
<b>Total Active Wells</b>	<b>41</b>		<b>41</b>
Total Inactive Wells (Shut in)	33		33
Total Abandoned Wells	143		143
<b>Total Wells</b>	<b>217</b>		<b>217</b>
<b>Non-Compensatory Petroleum Delivered (daily - 90 % of total production)</b>			
Crude Oil and Condensate, (bbl/d)	472	709	397
Natural Gas, (mcf/d)	17,046	26,211	16,794
<b>Non-Compensatory Production Delivered, (boe/d)</b>	<b>3,313</b>	<b>5,077</b>	<b>3,196</b>
<b>Compensatory Petroleum Delivered</b>			
Crude Oil and Condensate, (bbl/d)	52	79	44
Natural Gas, (mcf/d)	1,894	2,912	1,866
<b>Compensatory Production Delivered, (boe/d)</b>	<b>368</b>	<b>564</b>	<b>355</b>
<b>Total Production Delivered (daily)</b>			
Crude Oil and Condensate, (bbl/d)	525	788	441
Natural Gas, (mcf/d)	18,939	29,123	18,660
<b>Total Production Delivered, (boe/d)</b>	<b>3,682</b>	<b>5,641</b>	<b>3,551</b>
<b>Non-Compensatory Petroleum Joint Lifting Entitlements (monthly)</b>			
<b>BEL's portion, %</b>	<b>93.98%</b>	<b>90.96%</b>	<b>93.98%</b>
Crude Oil and Condensate, (bbl/m)	13,320	19,341	11,567
Natural Gas, (mcf/m)	480,570	715,248	489,261
<b>Barrel Oil Equivalent, (boe/m) - (1)</b>	<b>93,415</b>	<b>138,549</b>	<b>93,111</b>
<b>SOA's portion, %</b>	<b>0.00%</b>	<b>2.09%</b>	<b>0.00%</b>
Crude Oil and Condensate, (bbl/m)	-	444	-
Natural Gas, (mcf/m)	-	16,434	-
<b>Barrel Oil Equivalent, (boe/m) - (1)</b>	<b>-</b>	<b>3,183</b>	<b>-</b>
<b>SOFAZ's portion, %</b>	<b>6.02%</b>	<b>6.95%</b>	<b>6.02%</b>
Crude Oil and Condensate, (bbl/m)	854	1,478	741
Natural Gas, (mcf/m)	30,795	54,650	31,352
<b>Barrel Oil Equivalent, (boe/m) - (1)</b>	<b>5,986</b>	<b>10,586</b>	<b>5,967</b>
<b>Total NCP Joint Lifting Entitlements, (boe/m)</b>	<b>99,401</b>	<b>152,319</b>	<b>99,077</b>
<b>Saleable Compensatory Petroleum (monthly)</b>			
<b>SOA's portion, %</b>			
Crude Oil and Condensate, (bbl/m)	1,575	2,363	1,368
Natural Gas, (mcf/m)	56,818	87,370	57,846
<b>Barrel Oil Equivalent, (boe/m) - (1)</b>	<b>11,045</b>	<b>16,924</b>	<b>11,009</b>
<b>Total Production, (boe/m)</b>	<b>110,446</b>	<b>169,243</b>	<b>110,086</b>



**Bahar Energy Operating Company Limited**  
**Operational and Financial Highlights**  
 Month Ended  
**30-Jun-21**

(Accrual Base)

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
<b>Financial</b>			
<b>Joint Lifting Entitlement Revenue (monthly) - Based on best estimate of Oil Price</b>			
<b>BEL's portion</b>	<b>93.98%</b>	<b>90.96%</b>	<b>93.98%</b>
Crude Oil and Condensate, 000' \$ - (2)	913	1,112	764
Natural Gas, 000' \$ - (3)	1,293	1,924	1,316
<b>Total BEL's Entitlement, 000' \$</b>	<b>2,206</b>	<b>3,036</b>	<b>2,080</b>
<b>SOA's portion</b>	<b>0.00%</b>	<b>2.09%</b>	<b>0.00%</b>
Crude Oil and Condensate, 000' \$ - (2)	-	26	-
Natural Gas, 000' \$ - (3)	-	44	-
<b>Total SOA's Entitlement, 000' \$</b>	<b>-</b>	<b>70</b>	<b>-</b>
<b>SOFAZ's portion</b>	<b>6.02%</b>	<b>6.95%</b>	<b>6.02%</b>
Crude Oil and Condensate, 000' \$ - (2)	59	85	49
Natural Gas, 000' \$ - (3)	83	147	84
<b>Total SOFAZ's Entitlement, 000' \$</b>	<b>141</b>	<b>232</b>	<b>133</b>
<b>Total Joint Lifting Entitlement Revenue, 000' \$</b>	<b>2,347</b>	<b>3,338</b>	<b>2,214</b>
<b>Compensatory Petroleum Revenue based on Protocol (monthly) - Based on best estimate of Oil Price</b>			
Crude Oil and Condensate, 000' \$ - (2)	108	136	90
Natural Gas, 000' \$ - (3)	153	235	156
<b>Total Compensatory Petroleum Revenue, 000' \$</b>	<b>261</b>	<b>371</b>	<b>246</b>
<b>Total Revenue, 000' \$</b>	<b>2,608</b>	<b>3,709</b>	<b>2,460</b>
<b>Crude Oil Revenue, \$/boe - (4)</b>	<b>68.56</b>	<b>57.50</b>	<b>66.07</b>
<b>Natural Gas Revenue, \$/mcf - (4)</b>	<b>2.69</b>	<b>2.69</b>	<b>2.69</b>
<b>Total Revenue, \$/boe - (4)</b>	<b>23.61</b>	<b>21.91</b>	<b>22.34</b>
<b>Total Marketing and Transportation Costs, 000' \$</b>	<b>42</b>	<b>49</b>	<b>46</b>
<b>Total Operating Costs, 000' \$ - (5)</b>	<b>1,880</b>	<b>1,851</b>	<b>1,917</b>
<b>Total Marketing, Transportation, Operating Costs, 000' \$</b>	<b>1,922</b>	<b>1,900</b>	<b>1,963</b>
<b>Operating Costs, \$/boe</b>	<b>17.40</b>	<b>11.22</b>	<b>17.83</b>
<b>Operating Margin, \$/boe</b>	<b>6.21</b>	<b>10.69</b>	<b>4.51</b>
<b>Capital Costs (Recoverable), 000' \$</b>	<b>519</b>	<b>1,310</b>	<b>1,131</b>
<b>Cash Available, 000' \$</b>	<b>1,804</b>	<b>-</b>	<b>2,441</b>
<b>Changes in Working Capital, 000' \$</b>	<b>-</b>	<b>-</b>	<b>-</b>

(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**  
**30-Jun-21**

(Cash Base) - 000'USD

Description	Current Month Actuals	Prior Month Actuals
<b>Opening Balance</b>	<b>2,441</b>	<b>2,453</b>
Cash Call from BEL	2,351	2,410
Cash Call from SOA Cash Call Account	286	233
Gas Sales Collection	1,556	1,550
Recovery-Gas Transportation	-	-
Recovery-Transfer of Inventory	-	-
Loan	-	-
Oil Sales Collection	1,326	785
Reimbursement of VAT	280	279
Advances Returned	25	9
Exchange Gain	0	-
<b>Cash In</b>	<b>5,825</b>	<b>5,266</b>
Profit Petroleum payments to BEL	(2,432)	(2,011)
Profit Petroleum payments to SOA	-	-
Payments to SOA's Cash Call Account	(286)	(233)
Profit Petroleum payments to SOFAZ	(204)	(200)
Construction	(402)	(217)
Production Equipment and Facilities	(0)	(128)
CAPEX Other	(3)	-
Workover	(598)	(185)
Seismic and G&G	-	-
Drilling	-	-
Personnel Costs	(1,094)	(1,022)
Insurance	(19)	(1)
Electricity, Water, Sewage, Gas Usage	(85)	(91)
Fuel	(55)	(4)
SOCAR and State Services	(18)	(19)
Rental of Transportation and Other Equipment	(442)	(426)
Repair and Maintenance - Wells	(100)	-
Repair and Maintenance - Facilities	(186)	(140)
Materials and Spare Parts - Other	(3)	(5)
Third Party Services	(33)	(26)
General and Administrative Expenses	(34)	(62)
Services Provided by Shareholders	-	-
Marketing and Transportation Cost	(29)	(17)
Non Recoverable Training Cost	-	-
Value Added Tax	(279)	(293)
Advances Given	(25)	(25)
Exchange Loss	(136)	(172)
<b>Cash Out</b>	<b>(6,462)</b>	<b>(5,277)</b>
<b>Closing Balance</b>	<b>1,804</b>	<b>2,441</b>



**Bahar Energy Operating Company Limited**  
**Month Ended**  
**30-Jun-21**

**Treasury Report**

**000'USD**

Description	Opening Balance	Closing Balance
Cash on Hand	7	7
International Bank of Azerbaijan (IBA)	4	55
Pasha Bank (PB)	2,152	1,462
VAT Deposit Account	279	280
<b>Total Cash Available</b>	<b>2,441</b>	<b>1,804</b>

**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	1,677	-	107	198	1,983
Receivable from Oil Sales	1,293	-	83	153	1,529
Other Income AOC	1,402	-	-	-	1,402
<b>Total Receivable</b>	<b>4,373</b>	<b>-</b>	<b>190</b>	<b>351</b>	<b>4,915</b>

**Note 1: Sum of Carry 1 and Carry 3 Balance (Recoverable from SOA) at the end of Q4-2020 is approximately US\$ 29 mln.**

**Note 2: VAT Receivable from Gas Sales is approximately US\$ 275k, and other Receivable \$ 37k.**

**Accounts Payable Summary**

**000'USD**

Description	< 30 days	> 30 days < 60 days	> 60 days	Current Month Total	Previous Month Total
1 - Other Contractors Liabilities	298	44	1,122	1,464	1,373
2 - Government Related Liabilities	75	162	1,254	1,491	1,538
3 - SOCAR Related Liabilities	19	16	119	153	151
<b>Total Liabilities</b>	<b>392</b>	<b>222</b>	<b>2,495</b>	<b>3,109</b>	<b>3,062</b>

**Note 1: Other Liabilities related to Payroll and taxes is approximately US\$ 1.6 mln.**

**Note 2: Debt to SOA is US\$ 323k and debt to SOFAZ is US\$ 779k mln.**

**Inventory Movement Summary**

**000'USD**

Description	Opening Balance	Acquisition	Consumption	Closing Balance
Drilling & Workover	10,314		3	10,311
Construction	2,005	6	117	1,894
Production	3,049	151	136	3,064
Others	59	9	2	66
<b>Total Inventory</b>	<b>15,427</b>	<b>166</b>	<b>258</b>	<b>15,335</b>

**Note: Prepayment against inventory is approximately US\$ 3.8 mln.**