



Bahar Energy Operating Company Limited

Operational and Financial Highlights

Month Ended

31-Jul-20

(Accrual Base)

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
Operational			
Active Natural Gas Wells	11		11
Inactive Natural Gas Wells (Shut in)	11		11
Abandoned Natural Gas Wells	69		69
Total Natural Gas Wells	91		91
Active Crude Oil Wells	28		28
Inactive Crude Oil Wells (Shut in)	23		23
Abandoned Crude Oil Wells	76		76
Total Crude Oil Wells	127		127
Total Active Wells	39		39
Total Inactive Wells (Shut in)	34		34
Total Abandoned Wells	145		145
Total Wells	218		218
Non-Compensatory Petroleum Delivered (daily - 90 % of total production)			
Crude Oil and Condensate, (bbl/d)	536	722	540
Natural Gas, (mcf/d)	17,182	20,076	16,716
Non-Compensatory Production Delivered, (boe/d)	3,399	4,068	3,326
Compensatory Petroleum Delivered			
Crude Oil and Condensate, (bbl/d)	60	80	60
Natural Gas, (mcf/d)	1,909	2,231	1,857
Compensatory Production Delivered, (boe/d)	378	452	370
Total Production Delivered (daily)			
Crude Oil and Condensate, (bbl/d)	595	802	600
Natural Gas, (mcf/d)	19,091	22,306	18,573
Total Production Delivered, (boe/d)	3,777	4,520	3,695
Non-Compensatory Petroleum Joint Lifting Entitlements (monthly)			
BEL's portion, %	94.21%	95.69%	96.89%
Crude Oil and Condensate, (bbl/m)	15,643	21,416	15,689
Natural Gas, (mcf/m)	501,791	595,521	485,853
Barrel Oil Equivalent, (boe/m) - (1)	99,274	120,670	96,664
SOA's portion, %	1.87%	0.99%	2.87%
Crude Oil and Condensate, (bbl/m)	311	222	465
Natural Gas, (mcf/m)	9,976	6,161	14,395
Barrel Oil Equivalent, (boe/m) - (1)	1,974	1,248	2,864
SOFAZ's portion, %	3.92%	3.32%	0.24%
Crude Oil and Condensate, (bbl/m)	650	743	40
Natural Gas, (mcf/m)	20,861	20,662	1,226
Barrel Oil Equivalent, (boe/m) - (1)	4,127	4,187	244
Total NCP Joint Lifting Entitlements, (boe/m)	105,375	126,105	99,772
Saleable Compensatory Petroleum (monthly)			
SOA's portion, %			
Crude Oil and Condensate, (bbl/m)	1,845	2,487	1,799
Natural Gas, (mcf/m)	59,181	69,149	55,719
Barrel Oil Equivalent, (boe/m) - (1)	11,708	14,012	11,086
Total Production, (boe/m)	117,084	140,116	110,858



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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	94.21%	95.69%	96.89%
Crude Oil and Condensate, 000' \$ - (2)	647	1,231	604
Natural Gas, 000' \$ - (3)	1,350	1,602	1,307
Total BEL's Entitlement, 000' \$	1,997	2,833	1,911
SOA's portion	1.87%	0.99%	2.87%
Crude Oil and Condensate, 000' \$ - (2)	13	13	18
Natural Gas, 000' \$ - (3)	27	17	39
Total SOA's Entitlement, 000' \$	40	29	57
SOFAZ's portion	3.92%	3.32%	0.24%
Crude Oil and Condensate, 000' \$ - (2)	27	43	2
Natural Gas, 000' \$ - (3)	56	56	3
Total SOFAZ's Entitlement, 000' \$	83	98	5
Total Joint Lifting Entitlement Revenue, 000' \$	2,120	2,961	1,972
Compensatory Petroleum Revenue based on Protocol (monthly) - Based on best estimate of Oil Price			
Crude Oil and Condensate, 000' \$ - (2)	76	143	69
Natural Gas, 000' \$ - (3)	159	186	150
Total Compensatory Petroleum Revenue, 000' \$	236	329	219
Total Revenue, 000' \$	2,355	3,290	2,191
Crude Oil Revenue, \$/boe - (4)	41.37	57.50	38.49
Natural Gas Revenue, \$/mcf - (4)	2.69	2.69	2.69
Total Revenue, \$/boe - (4)	20.12	23.48	19.77
Total Marketing and Transportation Costs, 000' \$	74	55	68
Total Operating Costs, 000' \$ - (5)	2,015	2,260	1,976
Total Marketing, Transportation, Operating Costs, 000' \$	2,089	2,316	2,044
Operating Costs, \$/boe	17.84	16.53	18.44
Operating Margin, \$/boe	2.27	6.96	1.33
Capital Costs (Recoverable), 000' \$	138	1,108	141
Cash Available, 000' \$	30	-	45
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
31-Jul-20

(Cash Base) - 000'USD

Description	Current Month Actuals	Prior Month Actuals
Opening Balance	45	65
Cash Call from BEL	1,192	666
Cash Call from SOA Cash Call Account	167	72
Gas Sales Collection	1,197	682
Recovery-Transfer of Inventory	-	-
Loan	-	-
Oil Sales Collection	222	80
Reimbursement of VAT	216	123
Advances Returned	0	25
Exchange Gain	0	0
Cash In	2,994	1,647
Profit Petroleum payments to BEL	(1,257)	(691)
Profit Petroleum payments to SOA	-	-
Payments to SOA's Cash Call Account	(167)	(72)
Profit Petroleum payments to SOFAZ	-	-
Construction	(4)	(5)
Production Equipment and Facilities	(4)	(1)
CAPEX Other	-	(4)
Workover	(20)	(8)
Seismic and G&G	-	-
Drilling	-	-
Personnel Costs	(1,054)	(278)
Insurance	(0)	(25)
Electricity, Water, Sewage, Gas Usage	(116)	(98)
Fuel	(30)	(30)
SOCAR and State Services	(1)	(0)
Rental of Transportation and Other Equipment	(23)	(251)
Repair and Maintenance - Wells	-	-
Repair and Maintenance - Facilities	(61)	(14)
Materials and Spare Parts - Other	(1)	-
Third Party Services	(9)	(8)
General and Administrative Expenses	(15)	(12)
Services Provided by Shareholders	-	-
Marketing nad Transportation Cost	-	-
Non Recoverable Training Cost	-	(3)
Value Added Tax	(212)	(106)
Advances Given	(0)	(25)
Exchange Loss	(35)	(35)
Cash Out	(3,009)	(1,668)
Closing Balance	30	45



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Treasury Report

000'USD

Description	Opening Balance	Closing Balance
Cash on Hand	2	1
International Bank of Azerbaijan (IBA)	2	1
Pasha Bank (PB)	23	7
VAT Deposit Account	18	21
Total Cash Available	45	30

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	5,652	149	70	652	6,524
Receivable from Oil Sales	1,373	34	29	160	1,596
Other Income AOC	1,402	-	-	-	1,402
Other Income KGIT	59	-	-	-	59
Total Receivable	8,487	183	99	812	9,581

Note 1: Sum of Carry 1 and Carry 3 Balance (Recoverable from SOA) at the end of Q1-2020 is approximately US\$ 31.4 mln.

Note 2: VAT Receivable from Gas Sales is approximately US\$ 1.185 mln, 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	939	139	2,861	3,938	3,735
2 - Government Related Liabilities	113	243	1,882	2,238	1,958
3 - SOCAR Related Liabilities	180	147	1,125	1,451	1,370
Total Liabilities	1,232	529	5,867	7,628	7,062

Note 1: Other Liabilities related to Payroll and taxes is approximately US\$ 3.421 mln.

Note 2: Debt to SOA is US\$ 323k and debt to SOFAZ is US\$ 888k.

Inventory Movement Summary

000'USD

Description	Opening Balance	Acquisition	Consumption	Closing Balance
Drilling & Workover	10,722		15	10,707
Construction	2,188	1	213	1,975
Production	3,334	33	160	3,208
Others	50	1	2	49
Total Inventory	16,294	35	390	15,939

Note: Prepayment against inventory is approximately US\$ 505 k.