



Bahar Energy Operating Company Limited

Operational and Financial Highlights

Month Ended

31.Aug.21

(Accrual Base)

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
Operational			
Active Natural Gas Wells	12		12
Inactive Natural Gas Wells (Shut in)	11		11
Abandoned Natural Gas Wells	68		68
Total Natural Gas Wells	91		91
Active Crude Oil Wells	26		29
Inactive Crude Oil Wells (Shut in)	25		22
Abandoned Crude Oil Wells	75		75
Total Crude Oil Wells	126		126
Total Active Wells	38		41
Total Inactive Wells (Shut in)	36		33
Total Abandoned Wells	143		143
Total Wells	217		217
Non-Compensatory Petroleum Delivered (daily - 90 % of total production)			
Crude Oil and Condensate, (bbl/d)	421	739	636
Natural Gas, (mcf/d)	16.682	26.441	17.341
Non-Compensatory Production Delivered, (boe/d)	3.201	5.145	3.526
Compensatory Petroleum Delivered			
Crude Oil and Condensate, (bbl/d)	47	82	71
Natural Gas, (mcf/d)	1.854	2.938	1.927
Compensatory Production Delivered, (boe/d)	356	572	392
Total Production Delivered (daily)			
Crude Oil and Condensate, (bbl/d)	468	821	707
Natural Gas, (mcf/d)	18.536	29.379	19.268
Total Production Delivered, (boe/d)	3.557	5.717	3.918
Non-Compensatory Petroleum Joint Lifting Entitlements (monthly)			
BEL's portion, %	96,93%	90,96%	96,93%
Crude Oil and Condensate, (bbl/m)	12.643	20.825	19.116
Natural Gas, (mcf/m)	501.255	745.580	521.047
Barrel Oil Equivalent, (boe/m) - (1)	96.186	145.088	105.957
SOA's portion, %	1,14%	2,09%	1,14%
Crude Oil and Condensate, (bbl/m)	149	478	225
Natural Gas, (mcf/m)	5.889	17.131	6.122
Barrel Oil Equivalent, (boe/m) - (1)	1.130	3.334	1.245
SOFAZ's portion, %	1,93%	6,95%	1,93%
Crude Oil and Condensate, (bbl/m)	252	1.591	382
Natural Gas, (mcf/m)	10.006	56.968	10.401
Barrel Oil Equivalent, (boe/m) - (1)	1.920	11.086	2.115
Total NCP Joint Lifting Entitlements, (boe/m)	99.236	159.508	109.317
Saleable Compensatory Petroleum (monthly)			
SOA's portion, %			
Crude Oil and Condensate, (bbl/m)	1.449	2.544	2.191
Natural Gas, (mcf/m)	57.461	91.075	59.730
Barrel Oil Equivalent, (boe/m) - (1)	11.026	17.723	12.146
Total Production, (boe/m)	110.262	177.231	121.463



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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	96,93%	90,96%	96,93%
Crude Oil and Condensate, 000' \$ - (2)	877	833	1.307
Natural Gas, 000' \$ - (3)	1.348	2.006	1.402
Total BEL's Entitlement, 000' \$	2.226	2.839	2.708
SOA's portion	1,14%	2,09%	1,14%
Crude Oil and Condensate, 000' \$ - (2)	10	19	15
Natural Gas, 000' \$ - (3)	16	46	16
Total SOA's Entitlement, 000' \$	26	65	32
SOFAZ's portion	1,93%	6,95%	1,93%
Crude Oil and Condensate, 000' \$ - (2)	18	64	26
Natural Gas, 000' \$ - (3)	27	153	28
Total SOFAZ's Entitlement, 000' \$	44	217	54
Total Joint Lifting Entitlement Revenue, 000' \$	2.296	3.121	2.794
Compensatory Petroleum Revenue based on Protocol (monthly) - Based on best estimate of Oil Price			
Crude Oil and Condensate, 000' \$ - (2)	101	102	150
Natural Gas, 000' \$ - (3)	155	245	161
Total Compensatory Petroleum Revenue, 000' \$	255	347	310
Total Revenue, 000' \$	2.552	3.468	3.105
Crude Oil Revenue, \$/boe - (4)	69,40	40,00	68,36
Natural Gas Revenue, \$/mcf - (4)	2,69	2,69	2,69
Total Revenue, \$/boe - (4)	23,14	19,57	25,56
Total Marketing and Transportation Costs, 000' \$	56	58	54
Total Operating Costs, 000' \$ - (5)	1.587	1.844	1.598
Total Marketing, Transportation, Operating Costs, 000' \$	1.643	1.902	1.652
Operating Costs, \$/boe	14,90	10,73	13,60
Operating Margin, \$/boe	8,24	8,83	11,96
Cash Surplus/Deficit	909	1.565	1.453
Capital Costs (Recoverable), 000' \$	513	674	429
Cash Available, 000' \$	2.217	-	847
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.Aug.21

(Cash Base) - 000'USD

Description	Current Month Actuals	Prior Month Actuals
Opening Balance	847	1.804
Cash Call from BEL	2.679	1.683
Cash Call from SOA Cash Call Account	269	206
Gas Sales Collection	1.607	1.528
Recovery-Gas Transportation	-	-
Recovery-Transfer of Inventory	-	-
Loan	4.591	-
Oil Sales Collection	1.438	538
Reimbursement of VAT	289	275
Advances Returned	15	3
Exchange Gain	-	0
Cash In	10.890	4.233
Profit Petroleum payments to BEL	(2.696)	(1.755)
Profit Petroleum payments to SOA	-	-
Payments to SOA's Cash Call Account	(269)	(206)
Profit Petroleum payments to SOFAZ	(100)	-
Construction	(2.285)	(839)
Production Equipment and Facilities	(189)	(181)
CAPEX Other	-	(3)
Workover	(1.613)	(168)
Seismic and G&G	-	-
Drilling	-	-
Personnel Costs	(940)	(811)
Insurance	(20)	-
Electricity, Water, Sewage, Gas Usage	(127)	(73)
Fuel	(2)	(77)
SOCAR and State Services	(19)	(18)
Rental of Transportation and Other Equipment	(449)	(407)
Repair and Maintenance - Wells	(64)	(23)
Repair and Maintenance - Facilities	(214)	(110)
Materials and Spare Parts - Other	(3)	(27)
Third Party Services	(28)	(42)
General and Administrative Expenses	(47)	(9)
Services Provided by Shareholders	-	-
Marketing nad Transportation Cost	(28)	(6)
Non Recoverable Training Cost	-	-
Value Added Tax	(275)	(280)
Advances Given	(0)	(19)
Long-Term Bank Credits	(150)	(136)
Exchange Loss	(0)	-
Cash Out	(9.520)	(5.190)
Closing Balance	2.217	847



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Treasury Report

000'USD

Description	Opening Balance	Closing Balance
Cash on Hand	6	9
International Bank of Azerbaijan (IBA)	1	-
Pasha Bank (PB)	565	1.919
VAT Deposit Account	275	289
Total Cash Available	847	2.217

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	1.349	16	27	155	1.546
Receivable from Oil Sales	2.188	20	63	252	2.524
Other Income AOC	1.402	-	-	-	1.402
Total Receivable	4.940	36	90	406	5.472

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\$ 279k, and other Receivable \$ 47k.

Accounts Payable Summary

000'USD

Description	< 30 days	> 30 days < 60 days	> 60 days	Current Month Total	Previous Month Total
1 - Other Contractors Liabilities	68	180	1.064	1.312	1.464
2 - Government Related Liabilities	119	236	1.003	1.358	1.468
3 - SOCAR Related Liabilities	29	39	39	107	199
Total Liabilities	217	455	2.106	2.778	3.131

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\$ 784k mln.

Inventory Movement Summary

000'USD

Description	Opening Balance	Acquisition	Consumption	Closing Balance
Drilling & Workover	10.327	33	5	10.356
Construction	2.574	185	93	2.666
Production	3.066	140	179	3.027
Others	60	7	2	64
Total Inventory	16.027	364	278	16.113

Note: Prepayment to Suppliers is approximately US\$ 7.27 mln.