

**Bahar Energy Operating Company Limited**  
**Operational and Financial Highlights**

Month Ended

**28.Feb.22**

(Accrual Base)

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
<b>Operational</b>			
<b>Active Natural Gas Wells</b>	<b>12</b>		<b>12</b>
Inactive Natural Gas Wells (Shut in)	11		12
Abandoned Natural Gas Wells	67		67
<b>Total Natural Gas Wells</b>	<b>90</b>		<b>91</b>
<b>Active Crude Oil Wells</b>	<b>19</b>		<b>19</b>
Inactive Crude Oil Wells (Shut in)	31		32
Abandoned Crude Oil Wells	75		75
<b>Total Crude Oil Wells</b>	<b>125</b>		<b>126</b>
<b>Total Active Wells</b>	<b>31</b>		<b>31</b>
Total Inactive Wells (Shut in)	42		44
Total Abandoned Wells	142		142
<b>Total Wells</b>	<b>215</b>		<b>217</b>

**Non-Compensatory Petroleum Delivered (daily - 90 % of total production)**

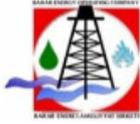
Crude Oil and Condensate, (bbl/d)	482	706	526
Natural Gas, (mcf/d)	15 202	25 128	15 386
<b>Non-Compensatory Production Delivered, (boe/d)</b>	<b>3 015</b>	<b>4 894</b>	<b>3 090</b>
<b>Compensatory Petroleum Delivered</b>			
Crude Oil and Condensate, (bbl/d)	54	78	58
Natural Gas, (mcf/d)	1 689	2 792	1 710
<b>Compensatory Production Delivered, (boe/d)</b>	<b>335</b>	<b>544</b>	<b>343</b>
<b>Total Production Delivered (daily)</b>			
Crude Oil and Condensate, (bbl/d)	535	785	585
Natural Gas, (mcf/d)	16 891	27 919	17 095
<b>Total Production Delivered, (boe/d)</b>	<b>3 351</b>	<b>5 438</b>	<b>3 434</b>

**Non-Compensatory Petroleum Joint Lifting Entitlements (monthly)**

<b>BEL's portion, %</b>	<b>93,26%</b>	<b>86,92%</b>	<b>93,26%</b>
Crude Oil and Condensate, (bbl/m)	12 580	17 184	13 737
Natural Gas, (mcf/m)	396 965	611 543	401 754
<b>Barrel Oil Equivalent, (boe/m) - (1)</b>	<b>78 741</b>	<b>119 108</b>	<b>80 696</b>
<b>SOA's portion, %</b>	<b>0,92%</b>	<b>3,02%</b>	<b>0,92%</b>
Crude Oil and Condensate, (bbl/m)	124	597	135
Natural Gas, (mcf/m)	3 914	21 248	3 961
<b>Barrel Oil Equivalent, (boe/m) - (1)</b>	<b>776</b>	<b>4 138</b>	<b>796</b>
<b>SOFAZ's portion, %</b>	<b>5,82%</b>	<b>10,06%</b>	<b>5,82%</b>
Crude Oil and Condensate, (bbl/m)	786	1 989	858
Natural Gas, (mcf/m)	24 787	70 779	25 086
<b>Barrel Oil Equivalent, (boe/m) - (1)</b>	<b>4 917</b>	<b>13 785</b>	<b>5 039</b>
<b>Total NCP Joint Lifting Entitlements, (boe/m)</b>	<b>84 434</b>	<b>137 032</b>	<b>86 531</b>

**Saleable Compensatory Petroleum (monthly)**

SOA's portion, %



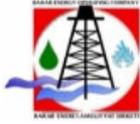
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**28.Feb.22**

**(Accrual Base)**

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
Crude Oil and Condensate, (bbl/m)	1 499	2 197	1 637
Natural Gas, (mcf/m)	47 296	78 174	47 867
<b>Barrel Oil Equivalent, (boe/m) - (1)</b>	<b>9 382</b>	<b>15 226</b>	<b>9 615</b>
<b>Total Production, (boe/m)</b>	<b>93 815</b>	<b>152 258</b>	<b>96 145</b>



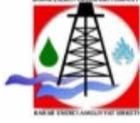
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Month Ended

**28.Feb.22**

(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>93,26%</b>	<b>86,92%</b>	<b>93,26%</b>
Crude Oil and Condensate, 000' \$ - (2)	1 092	902	859
Natural Gas, 000' \$ - (3)	1 068	1 645	1 081
<b>Total BEL's Entitlement, 000' \$</b>	<b>2 160</b>	<b>2 547</b>	<b>1 939</b>
<b>SOA's portion</b>	<b>0,92%</b>	<b>3,02%</b>	<b>0,92%</b>
Crude Oil and Condensate, 000' \$ - (2)	11	31	8
Natural Gas, 000' \$ - (3)	11	57	11
<b>Total SOA's Entitlement, 000' \$</b>	<b>21</b>	<b>89</b>	<b>19</b>
<b>SOFAZ's portion</b>	<b>5,82%</b>	<b>10,06%</b>	<b>5,82%</b>
Crude Oil and Condensate, 000' \$ - (2)	68	104	54
Natural Gas, 000' \$ - (3)	67	190	67
<b>Total SOFAZ's Entitlement, 000' \$</b>	<b>135</b>	<b>295</b>	<b>121</b>
<b>Total Joint Lifting Entitlement Revenue, 000' \$</b>	<b>2 316</b>	<b>2 931</b>	<b>2 080</b>
<b>Compensatory Petroleum Revenue based on Protocol (monthly) - Based on best estimate of Oil Price</b>			
Crude Oil and Condensate, 000' \$ - (2)	130	115	102
Natural Gas, 000' \$ - (3)	127	210	129
<b>Total Compensatory Petroleum Revenue, 000' \$</b>	<b>257</b>	<b>326</b>	<b>231</b>
<b>Total Revenue, 000' \$</b>	<b>2 574</b>	<b>3 256</b>	<b>2 311</b>
<b>Crude Oil Revenue, \$/boe - (4)</b>	<b>86,82</b>	<b>52,50</b>	<b>62,50</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>27,43</b>	<b>21,39</b>	<b>24,03</b>
<b>Total Marketing and Transportation Costs, 000' \$</b>	<b>35</b>	<b>58</b>	<b>38</b>
<b>Total Operating Costs, 000' \$ - (5)</b>	<b>1 509</b>	<b>1 565</b>	<b>1 601</b>
<b>Total Marketing, Transportation, Operating Costs, 000' \$</b>	<b>1 544</b>	<b>1 623</b>	<b>1 640</b>
<b>Operating Costs, \$/boe</b>	<b>16,45</b>	<b>10,66</b>	<b>17,05</b>
<b>Operating Margin, \$/boe</b>	<b>10,98</b>	<b>10,72</b>	<b>6,98</b>
<b>Cash Surplus/Deficit</b>	<b>1 030</b>	<b>1 633</b>	<b>671</b>
<b>Capital Costs (Recoverable), 000' \$</b>	<b>765</b>	<b>1 915</b>	<b>462</b>
<b>Cash Available, 000' \$</b>	<b>123</b>	<b>-</b>	<b>132</b>
<b>Changes in Working Capital, 000' \$</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Bahar Energy Operating Company Limited**  
**Operational and Financial Highlights**

**Month Ended**

**28.Feb.22**

**(Accrual Base)**

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
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(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**  
**28.Feb.22**

**(Cash Base) - 000'USD**

Description	Current Month Actuals	Prior Month Actuals
<b>Opening Balance</b>	<b>132</b>	<b>602</b>
Cash Call from BEL	1 577	1 928
Cash Call from SOA Cash Call Account	222	285
Gas Sales Collection	1 288	1 318
Recovery-Gas Transportation	-	-
Recovery-Transfer of Inventory	-	-
Loan	-	-
Oil Sales Collection	688	998
Reimbursement of VAT	232	237
Advances Returned	1	14
Exchange Gain	0	-
<b>Cash In</b>	<b>4 008</b>	<b>4 780</b>
Profit Petroleum payments to BEL	(1 705)	(2 052)
Profit Petroleum payments to SOA	(222)	(285)
Payments to SOA's Cash Call Account	-	-
Profit Petroleum payments to SOFAZ	(172)	-
Construction	(84)	(93)
Production Equipment and Facilities	-	-
CAPEX Other	-	(7)
Workover	(152)	(345)
Seismic and G&G	-	-
Drilling	-	-
Personnel Costs	(487)	(899)
Insurance	-	-
Electricity, Water, Sewage, Gas Usage	(80)	(80)
Fuel	(123)	(93)
SOCAR and State Services	(3)	(16)
Rental of Transportation and Other Equipment	(236)	(322)
Repair and Maintenance - Wells	(42)	(50)
Repair and Maintenance - Facilities	(38)	(71)
Materials and Spare Parts - Other	(9)	(1)
Third Party Services	(12)	(10)
General and Administrative Expenses	(17)	(12)
Services Provided by Shareholders	-	-
Marketing nad Transportation Cost	-	(17)
Non Recoverable Training Cost	(401)	(401)
Value Added Tax	(232)	(477)
Advances Given	(1)	(18)
Long-Term Bank Credits	-	-
Exchange Loss	-	-
<b>Cash Out</b>	<b>(4 017)</b>	<b>(5 251)</b>
<b>Closing Balance</b>	<b>123</b>	<b>132</b>



**Bahar Energy Operating Company Limited**  
**Month Ended**  
**28.Feb.22**

**Treasury Report**

**000'USD**

Description	Opening Balance	Closing Balance
Cash on Hand	5	5
International Bank of Azerbaijan (IBA)	-	-
Pasha Bank (PB)	127	118
VAT Deposit Account	-	-
<b>Total Cash Available</b>	<b>132</b>	<b>123</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	1 068	11	67	127	1 273
Receivable from Oil Sales	3 660	36	228	436	4 361
Other Income AOC	1 402	-	-	-	1 402
<b>Total Receivable</b>	<b>6 131</b>	<b>47</b>	<b>295</b>	<b>563</b>	<b>7 036</b>

**Note 1: Sum of Carry 1 and Carry 3 Balance (Recoverable from SOA) at the end of Q4-2021 is approximately US\$ 26.8 mln**

**Note 2: VAT Receivable from Gas Sales is approximetly US\$ 229k, and other Receivable \$ 56k.**

**Accounts Payable Summary**

**000'USD**

Description	< 30 days	> 30 days < 60 days	> 60 days	Current Month Total	Previous Month Total
1 - Other Contractors Liabilities	200	47	719	967	829
2 - Government Related Liabilitie	95	25	723	843	950
3 - SOCAR Related Liabilities	68	61	64	192	87
<b>Total Liabilities</b>	<b>363</b>	<b>133</b>	<b>1 507</b>	<b>2 002</b>	<b>1 865</b>

**Note 1: Other Liabilities related to Payroll and taxes is approximately US\$ 1.4 mln.**

**Note 2: Debt to SOA is US\$ 323k and debt to SOFAZ is US\$ 800k.**

**Inventory Movement Summary**

**000'USD**

Description	Opening Balance	Acquisition	Consumption	Closing Balance
Drilling & Workover	11 514	10	40	11 484
Construction	4 868	14	82	4 800
Production	3 162	492	322	3 332
Others	93	9	5	98
<b>Total Inventory</b>	<b>19 637</b>	<b>525</b>	<b>448</b>	<b>19 714</b>

**Note: Prepayment to Suppliers is approximetly US\$ 2.6 mln.**