

BPRL International Ventures B.V.
Amsterdam, The Netherlands

FINANCIAL STATEMENTS
For the year ended 31 March 2020

Entry number in the trade register of the Dutch Chamber of Commerce : 70 754 667

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Balance sheet as at 31 March 2020
(after appropriation of result for the year)

	Notes	31 March 2020	31 March 2019
		USD	USD
ASSETS			
NON CURRENT ASSETS			
Financial fixed assets			
Investments	1	220,494,745	203,554,380
Total financial fixed assets		<u>220,494,745</u>	<u>203,554,380</u>
CURRENT ASSETS			
Cash	2	104,785	9,153,468
Accounts receivable and prepaid expenses	3	1,024	20,537
Total current assets		<u>105,809</u>	<u>9,174,005</u>
TOTAL ASSETS		<u>220,600,554</u>	<u>212,728,385</u>
EQUITY			
Issued and paid-up capital	4	100,000	-
Share premium		184,000,000	193,030,430
Accumulated results		36,487,782	19,575,067
Total equity		<u>220,587,782</u>	<u>212,605,497</u>
CURRENT LIABILITIES			
Accounts payable	5	3,481	49,517
Other payables and provisions	6	9,291	73,371
Total current liabilities		<u>12,772</u>	<u>122,888</u>
TOTAL EQUITY & LIABILITIES		<u>220,600,554</u>	<u>212,728,385</u>

Profit and loss account for the year ended 31 March 2020

	Notes	1 April 2019 to 31 March 2020	1 April 2018 to 31 March 2019
		USD	USD
Operating expenses			
Legal and corporate expenses		-	(923)
Bank charges		(2,750)	(4,309)
Professional expenses - Others		(31,398)	(38,544)
Total operating expenses		<u>(34,148)</u>	<u>(43,776)</u>
Financial income & expenses			
Exchange result		(462)	(1,126)
Interest income bank		6,960	11,754
Total financial income & expenses		<u>6,498</u>	<u>10,628</u>
Profit/(Loss) before tax		<u>(27,650)</u>	<u>(33,148)</u>
Tax on income	7	-	-
Share of profit/(loss) from investments		16,940,365	18,790,800
Net Profit/(Loss) after tax		<u>16,912,715</u>	<u>18,757,652</u>

Cash Flow Statement for the year ended 31 March 2020

	Notes	1 April 2019 to 31 March 2020	1 April 2018 to 31 March 2019
<i>(in USD)</i>			
Operating activities			
Profit/(Loss)		16,912,715	18,757,652
Adjustment to reconcile Profit/ (Loss) before taxation to net cash provided by operating activities			
Share of Loss/(Profit) from joint venture	1	(16,940,365)	(18,790,800)
Operating Profit/(Loss) before working capital changes		<u>(27,650)</u>	<u>(33,148)</u>
Changes in working capital			
Decrease/ (Increase) in current assets		19,513	(20,537)
(Decrease)/ Increase in current liabilities		(110,116)	107,054
Cash generated from/ (used in) operating activities		<u>(118,253)</u>	<u>53,369</u>
Investing activities			
Investment in joint venture- Falcon Oil & Gas BV	1	-	(1,500,000)
Cash generated from/ (used in) investing activities		<u>-</u>	<u>(1,500,000)</u>
Financing activities			
(Decrease) Increase Share premium		(8,930,430)	10,500,000
Cash generated from/ (used in) financing activities		<u>(8,930,430)</u>	<u>10,500,000</u>
Net increase/ (decrease) in cash and cash equivalents		<u>(9,048,683)</u>	<u>9,053,369</u>
Cash and cash equivalents at the beginning of the year		9,153,468	100,099
Cash and cash equivalents at the end of the year		<u><u>104,785</u></u>	<u><u>9,153,468</u></u>

The accompanying notes form an integral part of the consolidated financial statements.

Notes to the financial statements

General

Activities

administer, to finance, to conduct the management of and to render advice and service to other companies and enterprises.

The statutory seat of the Company is in Amsterdam and the principal executive office of the Company is located at Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands. The Company is registered in the trade register under file number 70.754.667.

Reporting currency

The policy of the directors is to make use of the provisions of Article 362, paragraph 7 of Title 9 of Book 2 of the Dutch Civil Code to present the financial statements of the Company in a currency other than Euro. In line with the international character of the group of which the Company forms a part, the financial statements of the Company are prepared and presented in US Dollar (USD) which is the presentation currency and functional currency of the Company.

Book year

In accordance with Article 26 of its Articles of Association, the financial year of the Company runs from the first day of April to thirty first day of March of the following calendar year.

Summary of principal accounting policies

Basis of preparation

These financial statements are prepared in accordance with Dutch GAAP and with statutory provisions of Title 9, Book 2 of the Dutch Civil Code. The principles of valuation are based on the historical cost convention. Assets and liabilities are valued at face value, unless otherwise indicated. Notes to the items of the balance sheet, the profit and loss account are numbered.

The cash flow statement has been prepared according to the indirect method and reflects the cash flows arising from the activities from the Company.

Going concern

The Company has a net equity of USD 220,587,782 as per 31 March 2020. Management does not intend to refinance the Company in the short term. Management has assessed the liquidity situation of the Company and does not foresee any issues with meeting its current liabilities as they fall due, due to the Letter of Support given by the majority shareholder of the Company. Management has a reasonable expectation that the Company has adequate resources available to continue in operational existence for the foreseeable future.

In respect of recent events particularly the impact of coronavirus and recent fall in the Oil/LNG prices, the potential impact on the project is not considered to be major as the Company does not anticipate major revisions to the longer-term oil and gas price forecasts. It is expected that the current events are unlikely to have multi-year impacts, and the negative impacts are expected to be concentrated in 2020/21. Considering the above and considering that management do not have any plans to stop the development of the project, the Company do not foresee any impairment on the carrying value recognized in respect of its project. We also refer to note 1 on page 9 in the report.

Notes to the financial statements

Use of estimates

Inherent in the application of many of the accounting policies used in preparing the financial statements is the need for the management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may ultimately differ from those estimates and assumptions used. Any such differences will affect the financial statements for future accounting periods. The estimates and underlying assumptions are reviewed on an ongoing basis.

Investments

Non-consolidated participating interests over whose financial and operating policies the group exercises significant influence are valued using the net asset value method. The group's share in the results of the participating interests is recognized in the profit and loss account. For determining whether an impairment charge should be made in respect of an investment, reference is made to the respective note. Included in the investment valuation of the financial fixed assets are certain estimates on key accounting items, eg. tangible fixed assets, provisions, contingent liabilities.

Participations, in which the Company exercises significant influence are stated at net asset value.

Participations acquired are initially measured at the fair value of the identifiable assets and liabilities upon acquisition. Any subsequent valuation is based on the accounting policies that apply to these financial statements, taking into account the initial valuation. Participations with an equity deficit are carried at nil.

Impairment of Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less cost to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflow that are largely independent of those from other assets. In assessing value in use, the estimated future cash flow expected to be generated by the asset are discounted to their present value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

Impairment losses are recognized in the profit and loss account except for assets that are previously revalued where the revaluation was taken to equity. In this case the impairment is also recognized in equity up to the amount of any previous revaluation.

Notes to the financial statements

Cash

Cash comprise of cash at bank. Cash at bank are stated at nominal value and are at the free and unrestricted disposal of the Company.

Accounts payable

Accounts payable are initially recognized at fair value, less directly attributable transaction costs. After initial recognition, these liabilities are carried at amortized cost using the effective interest method.

The difference between the carrying value determined and the ultimate repayment value, together with the interest due, is determined in such a manner that the effective interest rate is taken to the profit and loss account during the term of the liabilities.

Translation of foreign currencies

All monetary assets and liabilities denominated in foreign currencies have been translated into US Dollars at the rate of exchange ruling at the balance sheet date, where as non-monetary assets denominated in foreign currencies are translated at historical rate when transaction took place. All transactions denominated in foreign currencies made during the period under review are translated into US Dollars at rates of exchange ruling on or around the date of the transactions. Foreign exchange gains and losses arising as a result of the application of the above accounting policies are disclosed separately in the profit and loss account.

1 USD as at balance sheet date equal to:

EUR 0.9127 (31 March 2019: EUR 0.8901)

Income and expenses

Profits on transactions are recognized in the year they are realized; losses are recognized when foreseen. Expenses are based on the historic cost convention and attributed to the financial year to which they pertain.

Tax on income

Taxation is determined in accordance with Dutch guidelines and directives for corporate income taxes, which take into account tax exempted items and non-deductible amounts. Tax benefits arising from available losses are only recognized in the event that such losses can be compensated against prior year's taxable profits or, to the extent deemed realizable by the managements, against future taxable profits.

Fiscal unity

The Company together with its holding company BPRL International B.V. forms a fiscal unity for Dutch income tax purpose.

The Company and its holding company, which form a fiscal unity, are jointly and severally liable for payment of the full corporate income tax liability. A corporate income tax charge is recognized in the annual accounts of the Company and the total corporate tax liability is recognized in the annual account of its holding company.

Notes to the financial statements

	31 March 2020	31 March 2019
	USD	USD
Notes to the balance sheet		
1. Investments		
Falcon Oil & Gas BV		
% Holding	30%	30%
Balance as at 1 April	203,554,380	183,263,580
Additions	-	10,500,000
Dividend	-	(9,000,000)
Correction previous year	-	209,771
Share of result	16,940,365	18,581,029
Net asset value as at 31 March	<u>220,494,745</u>	<u>203,554,380</u>

During the period, there were no transactions with Falcon Oil & Gas B.V.

As at 31 March 2020, the Company holds 30 issued shares C of Falcon Oil & Gas B.V.

BPRL International Ventures B.V. has a 30% stake in Falcon Oil & Gas BV (FOGBV) which acquired a 10% participation interest in Lower Zakum area Concession of ADNOC Offshore, Abu Dhabi in 2018. Lower Zakum is a super-giant field, discovered in 1963 and went on production in 1967. Oil is found in six zones of the Lower Cretaceous Thamama Carbonates (I-VI). Lower Zakum produces from IV-VI zones of Thamama. The Offshore Oil Field is about 84 km north-west of Abu Dhabi. The project has a term of 40 years with an effective date of 9 March 2018. Other partners in the concession agreement are Abu Dhabi National Oil Company (ADNOC) with 60%, JODCO Lower Zakum Limited (JODCO) with 10%, China National Petroleum Corporation (CNPC) with 10%, Total with 5% and Eni with 5%.

The Company has concluded that no impairment is required considering that the recoverable value of investment in FOGBV calculated by the Company is higher than the book value recorded in the Financials. Further, the PI in Lower Zakum field has been recently acquired (i.e. in 2018) and given that the current price volatility is only expected to be concentrated in 2020/21 only, the Company do not foresee any impairment on the carrying value recognized in respect of carrying value of its investment in Falcon Oil & Gas B.V.

2. Cash

BNP Paribas S.A., EUR - current account	1,236	30,379
BNP Paribas S.A., USD - current account	78,564	9,098,093
SBI, EUR - current account	-	2
SBI, USD - current account	24,985	24,994
	<u>104,785</u>	<u>9,153,468</u>

3. Accounts receivable and prepaid expenses

Prepaid expenses	982	9,278
Interest receivable	42	11,259
	<u>1,024</u>	<u>20,537</u>

Notes to the financial statements

	31 March 2020	31 March 2019
	USD	USD

Notes to the balance sheet

4. Equity

	Issued and paid-up capital	Share premium	Accumulated results	Total
	USD	USD	USD	USD
Balance as at 1 April 2019	-	193,030,430	19,575,067	212,605,497
Transfer share premium to share capital	100,000	(100,000)	-	-
Repayment share premium		(8,930,430)		(8,930,430)
Profit/(loss) for the period	-	-	16,912,715	16,912,715
Balance as at 31 March 2020	<u>100,000</u>	<u>184,000,000</u>	<u>36,487,782</u>	<u>220,587,782</u>

	Issued and paid-up capital	Share premium	Accumulated results	Total
	USD	USD	USD	USD
Balance as at 1 April 2018	-	182,530,430	817,415	183,347,845
Additions during the year	-	10,500,000	-	10,500,000
Profit/(loss) for the period	-	-	18,757,652	18,757,652
Balance as at 31 March 2019	<u>-</u>	<u>193,030,430</u>	<u>19,575,067</u>	<u>212,605,497</u>

The authorized share capital of the Company consists of 100,000 shares of USD 1 nominal value each. The issued share capital as at 31 March 2020 consist of 100,000 shares of USD 1 nominal value each, all of which are fully paid (31 March 2019 : 0).

Appropriation of result

In anticipation of a resolution being passed to that effect at the general meeting to be held to consider and adopt the financial statements for the year ended 31 March 2020, the profit for the year of USD 16,912,715 has been added to accumulated results brought forward from previous years.

5. Accounts payable

Creditors	3,481	49,517
	<u>3,481</u>	<u>49,517</u>

6. Other payables and provisions

Current account shareholder	-	62,153
Professional fees	9,291	11,218
	<u>9,291</u>	<u>73,371</u>

Notes to the financial statements

	1 April 2019 to 31 March 2020	1 April 2018 to 31 March 2019
	USD	USD

Notes to the Profit and Loss account

7. Tax on income

Dutch corporate income tax charge for the period

-	-
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8. Employees

The average number of employees of the Company during the period were

Nil	Nil
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9. Contingent assets and liabilities

The Company did not have any contingent assets or liabilities on the balance sheet date.

10. Subsequent events

There have been no events since the balance sheet date that need to be included which have a material effect on financial situation of the Company as at that date.

11. Directors

The Company had four directors during the period under review. Mrs F.A. van Gelderen resigned on 12 June 2019 and Mr. P. Kumar resigned on 27 August 2019.

The Company does not have a Board of supervisory directors.



Athos Business Services (Asia) B.V.
Richard Verwoert
Director



V.V. Maheshwari
Appointed on 27 August 2019



M. Gholghesaei
Appointed on 12 June 2019



S.K.K.V. Shenoy

Date : 4 May 2020
Place : Amsterdam

Other information

Statutory Provision on appropriation of result

According to Article 28 of the Articles of Association of the Company the result of the company is at the disposal of the general meeting of shareholders.

Auditor's report

Auditor's report is set out in the following page.