



**H1 2023
NEWSLETTER**

Bankers
PETROLEUM ALBANIA LTD.

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INTRODUCTION

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GENERAL OVERVIEW

Bankers Activity in Focus

Bankers Newsletter serves as the primary reference for an in-depth analysis of Bankers Petroleum Albania endeavors spanning six months. Accessible online at bankerspetroleum.com, this Newsletter offers a meticulous overview of the company's operations.

The Newsletter's content is meticulously curated, drawing from reports generated across various departments and units within the organization. Its purpose is to furnish readers with an extensive comprehension of Bankers undertakings and the prevailing industry landscape.

Incorporating updates and noteworthy subjects related to the company, market sector, and the industry at large, it delivers insights into ongoing or initiated projects. Such insights prove invaluable to investors and stakeholders keen on tracking Bankers strategic initiatives and progress.

In summary, Bankers Newsletter stands as an indispensable resource for those with an interest in Albania's oil and gas sector. It presents a holistic view of Bankers' operations; with the information it contains being of immense value to anyone seeking to remain informed about the industry's latest developments. As Bankers Petroleum Albania continues its unwavering commitment to responsible growth and sustainability, the future is promising, and this newsletter remains an indispensable tool for staying abreast of this dynamic company.



LETTER FROM THE CEO

I am delighted to share with you the latest developments and initiatives undertaken by Bankers Petroleum Albania as we navigate through the first half of 2023. Our commitment to being at the forefront of oil production in Albania remains unwavering, but equally important is our dedication to safeguarding the environment in which we operate.

As the largest oil producer in Albania, we understand the significance of our role in protecting and preserving our natural surroundings. With this in mind, we have embarked on an ambitious journey to enhance our environmental stewardship through hydrocarbon waste treatment.

This year, Bankers Petroleum Albania is investing over US\$ 7 million in hydrocarbon waste treatment, a crucial project that not only aligns with our corporate responsibility but also significantly improves the environment.

Our partnership with ANTEA Cement, one of the country's leading cement producers, exemplifies our commitment to responsible waste management. This collaboration embodies our commitment to responsible waste disposal and environmental protection.



But our journey doesn't end here. In our ongoing dedication to environmental sustainability, we are proud to announce the construction of a sludge treatment facility in the Patos-Marinza oilfield.

This initiative marks an innovation in the Albanian oil industry and underscores our ambition to be eco-friendly in all our operations.

Bankers Petroleum Albania has been a steadfast presence in the Albanian market for years, contributing not only to the regions where we operate but also to the well-being of local residents. As we move forward, our pledge to the environment remains resolute, and we will continue making substantial investments in projects that promote environmental responsibility.

We extend our gratitude to all our stakeholders for their support and belief in our mission. Together, we are charting a course toward a sustainable and environmentally responsible future.

Huanqin Xiao

CEO of Bankers Petroleum Albania

ABOUT BANKERS PETROLEUM ALBANIA

Pioneering Progress in Albania's Oil and Gas Sector

Bankers Petroleum Ltd. (Bankers) stands as an independent global player in the realm of oil and gas exploration and production, deeply committed to the responsible development of its exceptional oil assets worldwide. Our technical team, rooted in Albania, manages and operates some of Eastern Europe's most significant and promising oil fields.

Our dedication to being a trusted partner in the responsible harnessing of Albania's natural resources is unwavering. Bankers takes immense pride in our impeccable track record, marked by the delivery of secure, sustainable operations, all while unlocking the full potential of our assets. We've honed our technical expertise and cultivated a profound understanding of the local market, positioning ourselves as the preferred partner within Albania's energy sector.

Notably, we've harnessed our expertise to achieve oil production levels exceeding those recorded in the previous 85-year history of the field. As the largest foreign direct investor and taxpayer in Albania, we've channeled over \$3 billion into the country's economy, fostering the creation of thousands of jobs and propelling economic growth.

Even in the face of recent oil price fluctuations, Bankers remains steadfast in its unwavering commitment to its long-term strategy of responsible development and sustainable growth.

We've proactively implemented measures to optimize our operations and trim costs, all the while upholding the highest benchmarks for safety and environmental responsibility.

Peering into the future, we harbor steadfast confidence in the potential of Albania's oil and gas industry. Our pledge is to persist in our leadership role within the sector. With our world-class technical team, extensive reservoir of experience, and steadfast commitment to responsible development, Bankers is primed to continue its trajectory of success in Albania and beyond.



H1 AT GLANCE

Average oil production for the three months ended March was **9,012.6 barrels of oil per day (bopd)**

There were **401** oil producer wells at the end of H1- 2023.

Total sales and deliveries were **280,583.6 m³** (1,765,484.0 bbl) during H1-2023 (including solar as diluent), like export sales shipment, domestic market sales and deliveries to Albpetrol. Oil sales (net of solar used as diluent) during the half averaged **9,287.6 bopd**, about 0.8 % more than the previous half H2-2022 average of **9,212.7 bopd**

Bankers' first half average oil price was approximately **\$63.4 per barrel** (representing 79.5 % of the Brent oil price of \$79.8 per barrel), as compared with the previous half H2-2022 average oil price **\$83.9 per barrel** (representing 84.8% of the Brent oil price of \$98.9 per barrel).

Sales to the export market during the first half of 2023 represented **96.5%** of total sales, at an average export price of **79.6%** of the Brent oil price. Sales prices in the first half 2023 decreased compared to the previous half H2- 2022 because there was a decrease on the Brent oil price.



HSSE

09 Health & Safety

10 Environment & Security



HEALTH & SAFETY

H1 2023 HS Information

At Bankers Petroleum Albania, the health and safety of our team members and the preservation of the environment are paramount in all our operations. We are thrilled to report that in the first quarter of this year, we achieved a significant milestone: zero Lost Time Injuries (LTIs). This accomplishment underscores our unwavering commitment to ensuring the well-being of our workforce.

Our dedication to maintaining a safe workplace continued into the second quarter, with no LTI incidents recorded as a result of IOGP 'Lost Time' injury events. This achievement is a testament to the vigilance and dedication of our entire team in upholding the highest safety standards.

When we compare our incident frequencies to IOGP European Regional data, we take pride in our track record of consistently maintaining low incident rates. This demonstrates our commitment to continual improvement in health and safety practices.

H1 Trainings & Inspections	Hours
HSE Training Manhours	1,156
HSE Audits & Inspections	1,087

HSE Training Manhours, HSE Audits & Inspections

Bankers Petroleum is constantly striving to enhance safety measures and reduce the frequency of incidents. In H2, the company conducted 1,156 hours of training covering various areas such as H2S refreshers, work at height, emergency response, man down drills, eGSO/LSR, and SCBA training.

Additionally, HSE audits and inspections totaled 1,087, covering work sites, trucks, leases, facility & safety, fire suppression and rigs.

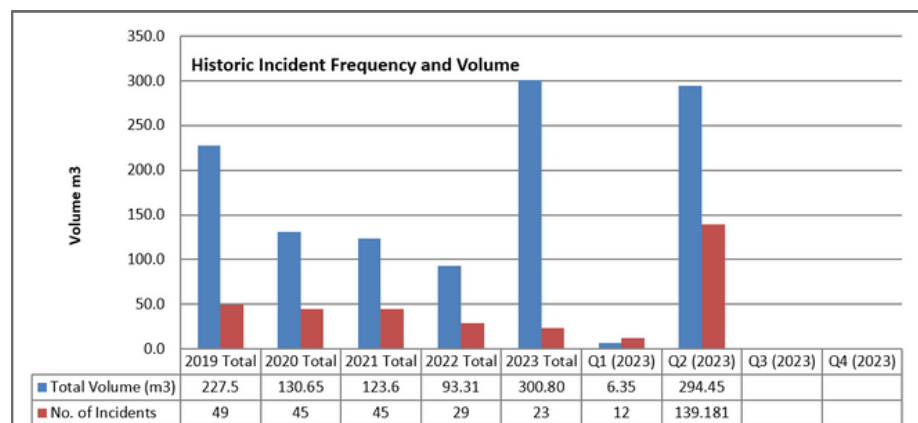
ENVIRONMENT

H1 2023 Environmental Information

As we stride into the first half of 2023, Bankers Petroleum Albania remains steadfast in our commitment to environmental stewardship and sustainability. We take full responsibility for our environmental impact and recognize our role in safeguarding the environment for future generations.

In the realm of environmental incidents, we are pleased to report that we have maintained a trend similar to that of the previous year. This continuity demonstrates our dedication to learning from past experiences and implementing proactive measures to reduce environmental risks.

In particular, the second quarter of 2023 saw over 65% of incidents attributed to equipment failure. This echoes our ongoing analysis, emphasizing that equipment-related issues, particularly corrosion, have been the primary culprits behind environmental incidents. We acknowledge these challenges and are resolute in our efforts to prevent such incidents from occurring.



SECURITY

Security Enhancements in H12023

A Focus on Safety and Vigilance. As we advance through the first half of 2023, Bankers Petroleum Albania remains dedicated to strengthening security measures to ensure the safety and well-being of our team members and partners.

Aerial Imaging and Mapping (A.I.V)

Our commitment to leveraging cutting-edge technology for security purposes continues with our A.I.V initiatives. Aerial mapping and imagery play a pivotal role in supporting our operational requirements. This technology aids us in maintaining a comprehensive view of our facilities, allowing us to proactively address security concerns and ensure the continued safety of our operations.

CONTRIBUTION TO SOCIETY

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WORKING FOR BANKERS

Gurim Pence

Manager
Well Servicing Department

We are thrilled to feature Gurim Pence, one of the distinguished founding members of our Bankers family, in this special newsletter edition. Gurim's journey within the oil and drilling industry spans an impressive two decades, marking a remarkable contribution to our company's growth and success. Join us as we explore the remarkable narrative of Gurim Pence, shedding light on the challenges, accomplishments, and profound insights gained throughout this extraordinary career.

You are one of the founding employees at Bankers. Could you please provide us with an overview of your journey?

After a 9-year experience in Drilling Companies as a Drilling Engineer, I began my tenure at AAP Company in 2002 as an assistant to the Drilling Supervisor. That year marked the commencement of drilling operations for new wells in pads D and H, totaling 20 wells in all, each with a deviated drilling profile. This phase provided me with invaluable experience and an opportunity to enhance my knowledge in drilling lateral wells.



The drilling project concluded in April 2003. Subsequently, I moved to the Department of Work Safety in a role as an assistant and coordinator of work safety until March 2004. At that point, AAP transitioned into a state-owned company under the name Q.ZH.T.N.N.R Albpetrol sha.

In July 2004, Q.ZH.T.N.N.R Albpetrol sha. transitioned to SAXON INTERNATIONAL LIMITED ALBANIA. I continued in my role for another 9 months as an assistant and work safety coordinator.

In March 2005, I assumed the position of Service Rig Supervisor. The primary focus was cleaning out production wells, well completions, cementing, and other related activities associated with production wells, injection, etc.

WORKING FOR BANKERS

Additionally, several smaller rigs, referred to as a single rig, were used for minor works on production wells. I recall Engineer Arben Senka being the Supervisor when I started at Bankers along with Engineer Koli Veshi.

I later replaced Arben Senka, who had moved to Canada. Since that year, the number of rigs has steadily increased, along with the staff of Rigs Supervisors.

In subsequent years, the number of working rigs exceeded 12. In early 2013, I transitioned to the role of Well Servicing Manager, succeeding Mark Moretti, the Canadian manager. This marked the initial years when the Albanian staff began assuming senior management positions, a significant achievement for me. I have continued in this role to date.

This journey has presented its unique challenges, difficulties, and achievements. Being part of the well servicing team is no easy task; it is a challenging sector with its unexpected surprises. In my opinion, the most challenging aspects are breakdowns in production and injection wells, which keep you under constant pressure as the rigs are active 24 hours a day.

Safety at work takes precedence, ensuring every employee works in a safe environment and safeguards the surroundings and property. It is imperative that every task is completed according to the program. Working with foreign colleagues who bring international experience in oil fields worldwide has been a tremendous opportunity. A heartfelt "thank you" to all these colleagues.



WORKING FOR BANKERS

How do you perceive Bankers today compared to 20 years ago?

Bankers has undergone a complete transformation in these 20 years, encompassing advancements in technology, equipment, tools, mentality, and environmental considerations. The technology of utilizing depth and pumpjacks has transitioned to using progressive-cavity pumps (PCP). Initially, the entire site was covered by well derricks and accessing the wells required tractors on rudimentary roads. Winter posed challenges, making it impossible to reach these wells with auto probes or other vehicles.

Following the transfer of Alb Petrol's wells to Bankers, the field and roads underwent significant transformation to accommodate auto probe works. Well fields were flattened, covered with gravel and buffer, and roads were constructed, allowing service rigs, trailers, and other vehicles with tires to navigate easily. Each well now has its designated pit for the disposal of oil waste, greenhouses, clay, etc., which are cleaned and deposited in specially approved spaces like ecological pits.

I must emphasize the extensive work done in securing inactive, stopped wells, particularly in the areas of Kallmi, Verria, and Bubullima.

Previously, these wells contributed to environmental pollution with water and H₂S gas and were under high pressure, posing a significant risk of entering into the fountains.

Over the years, an extraordinarily large number of horizontal wells have been drilled, and drilling activities are ongoing. Bankers initially had zero horizontal wells, but today it boasts over 800.

Another notable achievement is in transportation. Initially, Bankers transported oil to refineries by trucks, but through various investments, oil pipelines were constructed to Fier. Furthermore, from there oil is transported to the terminal by train.

Oil treatment processes have significantly improved. Initially, only two pads, D and H, were utilized for crude oil treatment. However, over the years, additional pads such as Z, Satelit 3, etc., have been established for oil treatment.



WORKING FOR BANKERS

An achievement worth mentioning is the construction of a new bridge in Kallm over the Seman river. Initially, there was only a footbridge accessible to pedestrians. The new bridge has effectively connected both sides of the oilfield, becoming a communication node for the community and enhancing connectivity between the two river banks.

In recent years, new equipment has been added to Bankers, including 3 service rigs produced in China for oil well repairs, and 1 Coil tubing device that serves various well services, among others.

Bankers has evolved significantly compared to 20 years ago, not only in terms of technology and equipment but also in fostering a global work mentality, discipline, professional growth, etc., by adopting best practices from countries with extensive experience and know-how in the oil industry, such as Canada, China, and many others.

The number of employees working directly or indirectly at Bankers has doubled compared to 20 years ago. All these achievements are a collective contribution from all the dedicated employees who have worked and continue to work tirelessly!

Could you describe your daily work routine?

My daily routine begins upon arrival at the Marinez office. I conduct a brief meeting with the two supervisors of the night shift to gather information about the previous night's activities and the challenges encountered.

Subsequently, there is a morning technical meeting with the supervisors, the Rig manager, and the engineers responsible for the production department to discuss the day's tasks involving auto rigs.

The day continues with checking and signing various reports, rig tickets, means of transport, materials designated for repair works in the warehouse, etc. I maintain constant communication with rig supervisors to monitor progress, assign tasks, provide instructions, and address any concerns. I conduct field visits to inspect rig activities and have meetings with other specialists within the department.

Additionally, I attend planned and impromptu company meetings. Continuous internal communication and vigilance, particularly during critical situations, is maintained, even during time off. The entire day is dedicated and engrossed in work, as well repair is a 24-hour non-stop endeavor with numerous unforeseen challenges.

WORKING FOR BANKERS

You were recently honored with the "CEO Award." Could you elaborate on the project associated with this accolade and its progression?

I would like to express my gratitude to the CEO and the Bankers management for this recognition.

The exceptional work undertaken on well 5100, an injection well, was the reason behind this acknowledgment. The well faced severe challenges, including high pressure, ruptured injection pipes, and a faulty well packer. Through the collective efforts of everyone involved, and with unwavering determination, we successfully rectified the issues and reinstated the well into operation, significantly enhancing the injection rate.

I extend my heartfelt appreciation to all those who played a part in achieving this milestone. The intense efforts persisted for approximately 20 days (24/7) without a break.

What advice would you offer to young individuals embarking on a career in this sector?

It is heartening to witness young individuals becoming part of Bankers or the oil industry and contributing to this sector. The oil industry, like any other sector, experiences its ups and downs.

However, it has weathered all challenges, and as long as the world requires oil, this industry will endure for many years and decades, necessitating the involvement of young talent. Young professionals entering the oil industry, particularly in reputable companies like Bankers, have ample opportunities to gain exposure to cutting-edge technology and contemporary equipment used in oil extraction and treatment, especially for heavy oil.

A few words about your family.

I reside in Lushnjë and am married with a son who works and resides in Tirana.

Thank you for providing me with this opportunity for an interview. I extend my well wishes to the extended Bankers family, hoping for good health, fulfilling work, and happiness!



COMMUNITY



Energy Fair and Forum

We are proud to announce that Bankers Petroleum Albania participated in the 5th Edition of the International Energy Fair and Forum organized by Expocity Albania from March 29-31, 2023.

During the event, we presented our new sludge treatment facility, which reduced oil-related waste and ensured there was no secondary pollution. This technology allowed us to use alternative raw materials to produce alternative fuel with minimum modification and fewer costs. It also allowed us to reduce the quantity of Ecco Pits in use.

At the Energy Expo & Forum 2023, we addressed the current situation of the energy sector in which the world was at that time. The event focused on energy policies, legal aspects, energy efficiency, and ecological planning, among other topics. Bankers Petroleum Albania showcased its commitment to promoting sustainable and environmentally-friendly practices in the energy sector.

We invited everyone to join us at the Energy Expo & Forum 2023 to learn more about our sludge treatment facility and how we were contributing to a more resilient and diverse energy sector.



COMMUNITY

"Apollon" International Acting Festival.

Bankers Petroleum Albania had the privilege to be the Main Sponsor at the "Apollon" International Acting Festival. This festival is an extraordinary cultural event, which is organized every year by the Municipality of Fier to promote art and culture in our country.

The festival took place for the 14th time on April 24-28 and was considered a great success by critics. Mr. Xiao, CEO of Bankers, was pleased to present the award for the leading actress, which was won by Ms. Olta Dako, a well-known theater and film actress.



Partners with "JANAQ KILICA" Gymnasium for a Sustainable Future

In a remarkable partnership that reflects our commitment to the community, Bankers joined forces with "JANAQ KILICA" gymnasium to create a positive impact. Thanks to the generous contribution from Bankers, "Janaq Kilica" Gymnasium is now equipped with solar panels, aligning itself with the growing trend of harnessing renewable energy for the well-being of our planet and future generations.



COMMUNITY

Bankers Petroleum Albania: A Key Revenue Contributor

Bankers maintains its leading role in Albania's revenue landscape, with a notable 80% share of customs royalties. In the first quarter of this year, the company paid over US\$ 6 million in royalty taxes, contributing significantly to the total customs royalty income of approximately US\$ 7.7 million. This trend continued from the previous year, where Bankers Petroleum's 2022 contributions of approximately US\$ 29 million comprised 80% of the overall royalty tax revenue, amounting to US\$ 37 million.

Beyond royalties, the company also played a pivotal role in bolstering national and local finances by paying over US\$ 14.2 million in taxes during the first quarter of this year, with a significant portion allocated for royalty payments and the transfer of pre-existing production to Albpetrol, the state oil company. Furthermore, Bankers Petroleum's local impact was felt, contributing nearly US\$ 1.65 million in taxes to regional governments, reflecting a substantial year-on-year increase.

Since its inception in Albania in 2004, Bankers Petroleum has consistently demonstrated its commitment to supporting Albania's development, channeling a cumulative sum of US\$ 900 million in taxes and duties. These contributions underline the company's dedication to advancing Albania's progress and prosperity.



A Gateway to Opportunities at the Polytechnic Job Fair

For the second consecutive year, Bankers Petroleum Albania proudly participated in the Job Fair at the Polytechnic University of Tirana, joining over 50 companies in creating a vital link between students and the job market.

The event served as a platform to offer aspiring young talents both internship and employment prospects.

SOCIAL PERFORMANCE



Continuous Support to Local Schools

Bankers Petroleum Albania remains dedicated to local communities, with a focus on education and youth support. One of our latest initiatives involves funding sports classes and teams in nearby schools.

"Kallmi i Madh" School, with 104 students aged 6-15, is the latest recipient of our support, further reinforcing our role in the community. Bankers donated sports equipment and clothing to the school, promoting student participation in sports activities.

Empowering Young Language Learners at "Chinese Bridge" Competition

The vibrant spirit of cultural exchange and language learning shone brightly at the sixth annual "Chinese Bridge" competition, hosted at the Confucius Institute in Tirana. This enriching event, supported by Bankers, offers a valuable platform for young students to explore diverse languages.

Bankers' CEO, Mr. Huanqin Xiao, expressed the company's commitment to supporting Confucius Institute initiatives and programs designed for young learners, recognizing the immense importance of language and cultural diversity in today's interconnected world.



WORKING TOGETHER

At Bankers Petroleum Albania, the well-being and success of our employees are paramount. We cultivate a culture characterized by collaboration, respect, integrity, and genuine care for one another, all rooted in our shared core values that serve as our guiding principles in every endeavor.

Our organization provides purpose-driven career opportunities where your contributions have the potential to generate positive change in your life, your community, and beyond. Joining our team means becoming part of a close-knit community that places immense value on personal and professional growth while actively striving to make a meaningful impact.

If you seek a career that aligns with your values and opens doors to opportunities for substantial and purposeful contributions, we invite you to consider Bankers Petroleum Albania. Together, we can shape a brighter future not only for ourselves but also for those in our sphere of influence. Join us in our journey towards a better tomorrow.

Vacant Positions for this period included

- 1.Senior Legal Manager
- 2.Legal Assistant



MEDIA PRESENCE

February

During February Bankers was present in several media portals showing that oil production reached about 540,000 tons last year.

While in total, the taxes paid to the government reached about 890 million dollars at the end of 2022.

euronews.
ALBANIA

Kryefaqja Vendi Rajoni Evropa Botë Kulturë Jetesë Sport Video Programe

AKTUALITET

Taksat e paguara nga Bankers Petroleum në arkën e shtetit kapin vlerën e 890 mln \$

KOMENTE

High Economics Albania 22-02-2023 11:22



March

On February, the focal point was the the starting of hydrocarbon waste treatment,

7 million dollars will be invested. Focus on environmental protection.



April

Bankers, Revolution in the environment! US\$ 20 Million investment from the company, There is no more waste in Patos-Marinez.

Bankers plan for the environment! Hydrocarbon waste is treated in cement factories



May

Bankers paid over 6 million dollars in royalties in 3 months, 80% of the total revenue from this tax.

Bankers Petroleum Albania continues to dominate customs revenues from mining rents.

[Shqiptarja.com]

E premte 15 Shtator 2023 - Përditësimi i fundit 09:59

Facebook Twitter Instagram YouTube

Bankers paguan mbi 6 milionë dollarë rentë minerare në 3 muaj, 80% e totalit të të ardhurave nga kjo taksë

Kompania e prodhimit të naftës në vendburimin Patos-Marinez, Bankers Petroleum Albania vijon të dominojë të ardhurat doganore nga renta minerare.



PRODUCTION & SALES

25 Overview & Sales



OVERVIEW & SALES

Production Performance

The producer well count at the end of H1, 2023 was **401**

Category	Well Breakdown					
	January	February	March	April	May	June
Active Wells	603	603	608	602	604	609
Oil Producers	399	397	402	398	398	401

Production H1 - 2023

There was no well taken over from Albpetrol during the second or fourth quarter.

- A total of **15** new wells were drilled during H2.
- Net oil production for H1 totaled **259,255.0 m³** (1,631,284.8 bbl), which averages **9,012.6 bopd**.
- Total solar and gasoil used during H1 was **13,416.91 m³** (84,421.9 bbl), which is about **5.2 %** of net oil production.

Total sales and deliveries were **280,583.6 m³** (1,765,484.0 bbl) during H1 (including solar as diluent), like export sales shipment, domestic market sales, and deliveries to Albpetrol .

Year 2023	Monthly Prod (exc.solar)		Daily Avg. Oil Prod	Sales	
				Sales (inc.solar)	
	m ³	bbl	bopd	m ³	bbl
January	44,601.9	280,645.9	9,053.1	43,375.7	272,930.2
February	40,164.3	252,713.9	9,025.5	41,922.2	263,774.7
March	45,850.3	288,488.2	9,306.1	64,974.3	408,815.8
April	43,101.5	271,209.6	9,040.3	45,001.5	283,165.0
May	44,214.7	278,212.9	8,974.6	43,613.7	274,431.4
June	41,322.3	260,014.3	8,667.1	41,696.2	262,366.9
End H1-2023	259,255.0	1,631,284.8	9,012.6	280,583.6	1,765,484.0

