



**H2 2023  
NEWSLETTER**

**Bankers**  
PETROLEUM ALBANIA LTD.

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# INTRODUCTION

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# GENERAL OVERVIEW

## A Comprehensive Look at Bankers' Activities

Welcome to the latest edition of the Bankers Petroleum Albania Newsletter, providing you with a detailed overview of our company's endeavors throughout the second half of 2023. As with previous editions, this newsletter serves as your essential reference point for understanding our operations and industry trends.

Accessible online at [bankerspetroleum.com](http://bankerspetroleum.com), our newsletter continues to offer meticulous insights into our activities. We meticulously curate content from various departments and units within our organization to provide you with a comprehensive understanding of our ongoing initiatives and the broader industry landscape.

In this edition, we bring you updates on our latest projects and significant developments in the market sector. From exploration to production, we delve into the challenges and successes encountered by Bankers Petroleum Albania in the dynamic oil and gas industry.

Our commitment to responsible growth and sustainability remains unwavering as we navigate through the ever-changing landscape of the energy sector. As we look towards the future, this newsletter serves as an invaluable tool for investors, stakeholders, and industry enthusiasts alike to stay informed about our progress and contributions to Albania's oil and gas sector.

Thank you for your continued support, and we invite you to explore the latest insights and updates in this edition of the Bankers Petroleum Albania Newsletter.



# LETTER FROM THE CEO

## Shaping the Future of Patos-Marinza

As we review Bankers Petroleum Albania's achievements in H2 2023, I'm excited to share our vision for the year ahead. Our commitment to innovation and sustainable growth propels us to explore new avenues in the oil and gas industry.

An upcoming highlight is our steam injection project in the Patos-Marinza oilfield. This initiative aimed to boost production and maximize this vital asset's potential, setting new efficiency standards.

In 2024, we aim to maintain production levels and open new wells, including thermal wells, leveraging cutting-edge technology.

Recruiting skilled talent is a priority, and we're dedicated to fostering continuous learning. Despite challenges in aligning university curricula with industry needs, initiatives like our Polytechnic University internship program bridge the gap



We remain focused on export markets, particularly in Europe, despite currency devaluation challenges. Our investment strategy emphasizes innovation and sustainability, with plans for a waste treatment plant in Patos-Marinza and community-focused infrastructure projects.

Addressing key challenges like regulatory streamlining and corruption mitigation is crucial for fostering a conducive business environment in Albania.

In closing, I thank our stakeholders for their unwavering support. Together, we're shaping a sustainable and prosperous future for Patos-Marinza

**Huanqin Xiao**

CEO of Bankers Petroleum Albania

# ABOUT BANKERS PETROLEUM ALBANIA

## Spearheading Progress in the Oil and Gas Sector

Bankers Petroleum Ltd. (Bankers) remains a leading global entity in oil and gas exploration and production, dedicated to responsible development worldwide. With our roots deeply embedded in Albania, our technical team oversees some of Eastern Europe's most significant oil fields, positioning us as a trusted partner in harnessing natural resources responsibly. We pride ourselves on our flawless track record, delivering secure, sustainable operations while maximizing asset potential.

Our expertise has propelled us to achieve unprecedented oil production levels, surpassing 85 years of historical data. As the largest foreign direct investor and taxpayer in Albania, we've injected over \$3 billion into the economy, driving job creation and economic growth.

Despite recent oil price fluctuations, Bankers remains steadfast in our long-term strategy of responsible development and sustainable growth. We continuously optimize operations and reduce costs while maintaining the highest safety and environmental standards.

Looking ahead, we are confident in the potential of Albania's oil and gas industry, pledging to maintain our leadership role. With our technical prowess, extensive experience, and unwavering commitment, Bankers is poised to continue its successful trajectory in Albania and beyond.



# H2 AT GLANCE

Average oil production for the six months ended December was **8,936.2 barrel s of oil per day (bopd)**

There were **399** oil producer wells at the end of H2- 2023.

Total sales and deliveries were **268,897.4 m<sup>3</sup>** (1,692,081.7 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 **8,872.8 bopd**, about 4.5 % less than the previous half H1-2023 average of **9,287.6 bopd**

Bankers' second half average oil price was approximately **\$67.8 per barrel** (representing 79.4 % of the Brent oil price of \$85.4 per barrel), as compared with the previous half H1-2023 average oil price **\$63.4 per barrel** (representing 79.5% of the Brent oil price of \$79.8 per barrel).

Sales to the export market during the first half of 2023 represented **90.0%** of total sales, at an average export price of **79.5%** of the Brent oil price. Sales prices in the second half 2023 increased compared to the previous half H1- 2023 because there was a increase on the Brent oil price.



## NEW SLUDGE TREATMENT FACILITY

TREATMENT CAPACITY

**30,000**

TONS/YEAR

ALL SKIDDED,  
HIGHLY AUTOMATED,  
REAL-TIME  
MONITORING

TPH

**<1%**

OIL RECOVERY  
RATE UP TO

**85%**

ENVIRONMENTAL  
FRIENDLY

# HSSE

09 Health, Safety & Environment

10 Security





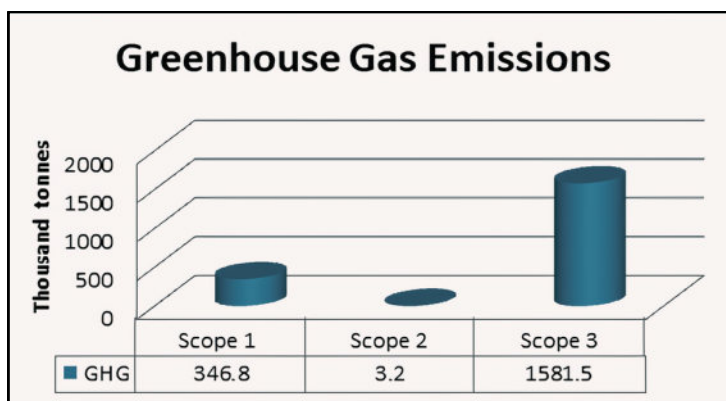
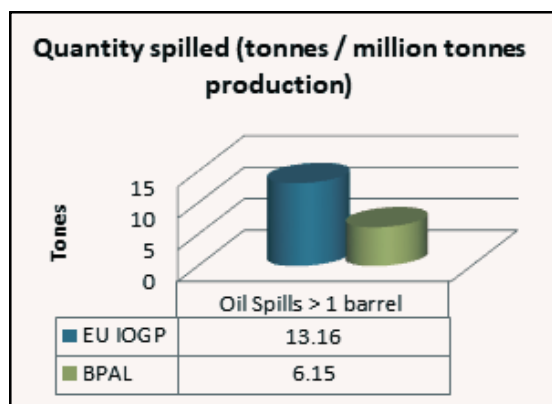
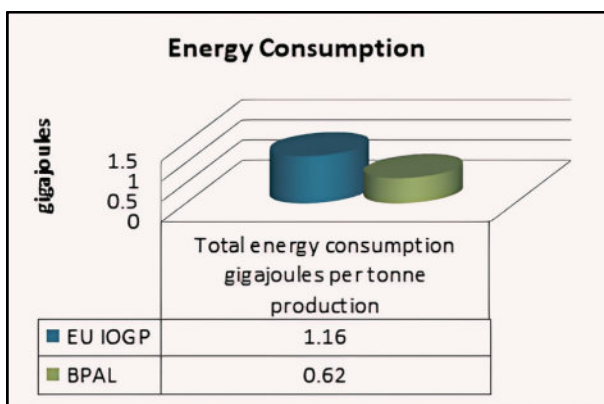
# HEALTH SAFETY & ENVIRONMENT

## H2 2023 HSE Information

Social sustainability is vital for resilience, emphasizing that occupational safety and health are crucial for sustainable workforces and communities. Putting people first, we prioritize the value of our workers, adopting forward-looking strategies for social sustainability and human capital.

In environmental management, we comply with regulations, manage resources efficiently, and minimize waste. Transitioning from linear economies, we emphasize reuse and recycling to maximize value and minimize waste. For instance, we treat waste oil sludge in cement kilns for energy input, reduce energy usage, and invest in oil sludge treatment projects to recover oil and modify waste for other purposes.

Our total environmental spending for 2023, including waste treatment and monitoring, is approximately \$4 million.



# SECURITY

## Security Contract Adjustments: Enhancing Efficiency and Effectiveness

In response to security needs, we closely monitor performance and adjust as necessary. Recently, we've negotiated a 28% increase in rates with our security provider. Additionally, effective August 1, 2023, we've reduced our guard force by 36.5% to align with our budgetary constraints. The savings generated from this reduction will be redirected toward enhancing security infrastructure, including investments in fencing pads and technology. This strategic realignment ensures that we maintain effective security measures while optimizing resource allocation for long-term sustainability.

## Enhancing Security Measures: CCTV System Upgrades and Aerial Mapping Support

We are diligently overseeing the performance of our CCTV system, ensuring its effectiveness in enhancing security measures. As part of our ongoing security enhancement efforts, we have completed phase one of the installation of CCTV cameras at strategic locations. This initiative aims to bolster surveillance capabilities and provide comprehensive coverage across key areas. Additionally, our aerial mapping and imagery operations, vital for operational support, are ongoing. We remain committed to advancing our capabilities, including continued mapping support for the GIS Department, to optimize security protocols and ensure the safety of our operations.



# CONTRIBUTION TO SOCIETY

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# WORKING FOR BANKERS

## A Journey with Mr. Altin Mata

*In this edition of our Bankers Newsletter, we have the privilege of featuring Mr. Altin Mata, a seasoned manager with 20 years of dedicated service to Bankers. Let's delve into Mr. Mata's journey and insights as one of the founding employees of our esteemed company.*

**You are one of the founding employees of Bankers. Can you share with us a description of your journey?**

My journey with Bankers began two decades ago, filled with challenges, growth, and immense pride in contributing to the company's success. Starting from the ground up, I've witnessed Bankers evolve into a dynamic organization, driving innovation and excellence in the oil and gas sector.

**How do you see Bankers today?**

Today, Bankers stands as a beacon of stability and progress in the global economy. With a workforce of 1,500 dedicated professionals, we continue to lead in the continental oil and gas production sector, particularly in the Patos-Marinza oil field.



# WORKING FOR BANKERS

## Could you walk us through your daily work routine?

My days at Bankers are dynamic and varied. They typically begin with a strong cup of coffee and a review of the day's agenda. Morning meetings set the tone for strategic decisions, followed by field inspections and logistics supervision. Troubleshooting flowline replacements and optimizing gas generators are integral parts of my routine, ensuring efficient operations.

## What advice would you give to young people starting in this sector?

Safety first, continuous learning, and collaboration are key. Stay updated with industry advancements embrace environmental stability, and be open to change. Invest in your growth within the company and engage with colleagues across departments.



## Lastly, a few words about your family?

My family is my rock, providing unwavering support throughout my journey. I express heartfelt gratitude to my beloved wife, two sons, and daughter, as well as my parents, whose sacrifices have shaped my character and fueled my success.

*As we reflect on Mr. Altin Mata's journey, we recognize the invaluable contributions of our dedicated employees to Bankers' continued success. Join us in celebrating their commitment and achievements as we look towards a bright future together.*

# COMMUNITY

## Swift Response Averts Disaster: Bankers Fire Fighting Team Saves Houses Near Kallmi Village

On the afternoon of August 2nd, at approximately 02:30 PM, a fire erupted near Kallmi village, posing a threat to three nearby houses situated close to well 2070S. Thanks to the swift and courageous response of our dedicated Bankers Fire Fighting Team, the situation was swiftly brought under control. Acting with utmost professionalism, they bravely extinguished the fire, ensuring the safety of the nearby houses and preventing any damage to Bankers Petroleum Albania's assets.

The successful containment of the fire was made possible through the collective efforts of our team, local authorities, and the supportive community. We extend our sincere gratitude to everyone involved for their quick action and assistance in protecting the affected houses from the fire.

At Bankers, safety and community well-being are paramount. We are committed to maintaining a safe environment for all, and we take great pride in serving and being part of such a supportive community.





# COMMUNITY

## Educatio Celebration Concert in Partnership with Fier Municipality

Bankers Petroleum Albania partnered with Fier Municipality to host a spectacular concert on the evening of September 10 at the central square of the city. The event served as a celebration of the first school bell, signifying the beginning of the new academic year.

As a company dedicated to the local community, Bankers Petroleum Albania was honored to sponsor initiatives that foster education and unite people in celebration. We firmly believe that education is fundamental to advancement and prosperity, and we are excited to play a part in commemorating this special occasion.

## Bankers Petroleum Albania at 57th CEEC Event

The 57th Continental Europe Energy Council (CEEC) Event, hosted by the Energy Development Group, that took place in Tirana, from October 5th to 7th, 2023. With 150 energy professionals and experts from across Europe attending, the event offers diverse networking opportunities.

Bankers Petroleum Albania actively participated in this prestigious gathering, highlighting our expertise by presenting EOR (Enhanced Oil Recovery) Results in Applying New Technologies.



# COMMUNITY

## Mr. Huanqin Xiao Interview for Monitor Steam Injection, Our Ambitious Project that Will Change Patos-Marinza



In a recent interview with Monitor, Bankers Petroleum Albania's CEO, Mr. Huanqin Xiao, discussed the company's upcoming steam injection project in Patos-Marinza, aiming to boost oil production. Despite challenges like fluctuating Brent prices, the company maintained resilience in 2022, producing 540 thousand tons of oil. Looking forward, they plan to open 28 new wells in 2023, emphasizing the importance of aligning university curricula with industry demands for a skilled workforce.

Assessing the business environment in Albania, Mr. Xiao identified challenges such as regulatory alignment, infrastructure investment, and corruption mitigation.

## Bankers Petroleum Albania Supports Reconstruction of Irrigation Canals in Belina Community

Bankers Petroleum Albania recently extended its support to the Belina community in the Patos Municipality by backing the reconstruction of irrigation canals. This initiative, underscores Bankers Petroleum's commitment to local development and sustainability. By investing in crucial infrastructure like irrigation canals, the company demonstrates its dedication to improving the lives of community members. Through such endeavors, Bankers Petroleum reaffirms its role as a responsible corporate citizen, always striving to make a positive impact in the areas where it operates.







### Marking Five Years of Environmental Progress with Rail Oil Transportation

It's been five years since the inaugural departure of the first train from Bankers' collection station to the 'Petroliofera' port in Vlora, marking a significant milestone in environmentally friendly oil transportation. The 35-kilometer railway, serving as the sole crude oil export line, has completed over 4,050 routes during this time.

In addition to the railway, an 11.3-kilometer pipeline from the Patos-Marinza oilfield to the collection station has eliminated the need for trucks over a 17-kilometer stretch, resulting in a nearly 60% reduction in greenhouse gas emissions. Bankers' commitment to environmental sustainability is evident in its investment in services and technologies that reduce costs, pollution, and elevate standards.

# SOCIAL PERFORMANCE

## Bankers Petroleum Albania hits the field alongside the Patos football team!

Bankers has supplied the city team with brand new sports kits and essential materials. Present at the ceremony organized for this occasion were the Mayor of Patos, Fation Duro, Bankers' CEO Huanqin Xiao, team chief Endrit Cako, coach Bledar Borova, and the team's footballers.

We believe in fostering community spirit and supporting local talent. This partnership reflects our commitment to contributing to the growth and success of the community we serve.

Together, for a successful and inspiring journey!



## Celebrating with a Purpose

During the holiday season, Bankers has added a touch of warmth and joy to the lives of 150 families in need across the Patos, Fier, and Roskovec areas. We're proud to share the spirit of giving and make a positive impact on the communities we serve.

In collaboration with the Municipalities of Patos, Roskovec, and Fier, Bankers has continued its annual tradition of distributing food packages to those who need it the most. It's our commitment to focus on activities of social significance, always striving to make a difference where it matters most.



# WORKING TOGETHER

## Bankers Bold Investments Set to Transform Patos-Marinza Oilfield

A groundbreaking steam injection project poised to revive oil production in the Patos-Marinza oilfield. With an investment exceeding US\$ 20 million, this innovative venture promises a transformative chapter for the area, aiming to increase oil production by 5-15%.

CEO Huanqin Xiao emphasizes Bankers' commitment to innovation and sustainability, positioning the company for continued success. The project targets the Gorani zone, harboring over 50 million tons of Original Oil in Place, with forecasts predicting remarkable growth in total production by 2029.

Furthermore, Bankers plans to address the oil sludge issue, with CEO Xiao outlining an upcoming project aimed at its permanent solution. This initiative underscores Bankers' dedication to environmental responsibility and marks a significant step forward in the company's journey.

As Bankers Petroleum approaches its 20th year in Albania's oil industry, the year 2024 symbolizes two decades of perseverance, ambition, and remarkable progress.



# WORKING TOGETHER

At Bankers Petroleum Albania, we prioritize the well-being and success of our employees above all else. Our workplace culture is built on collaboration, respect, integrity, and genuine care for one another, guided by our shared core values.

We offer purpose-driven career opportunities where your contributions can make a positive impact on your life, your community, and beyond. Joining our team means becoming part of a tight-knit community that values personal and professional growth while actively working to create meaningful change.

If you're looking for a career that aligns with your values and offers opportunities for significant and purposeful contributions, consider joining Bankers Petroleum Albania. Together, we can create a brighter future for ourselves and those around us. Join us on our journey toward a better tomorrow.

Vacant Position for this period included

Legal Supervisor



# MEDIA PRESENCE

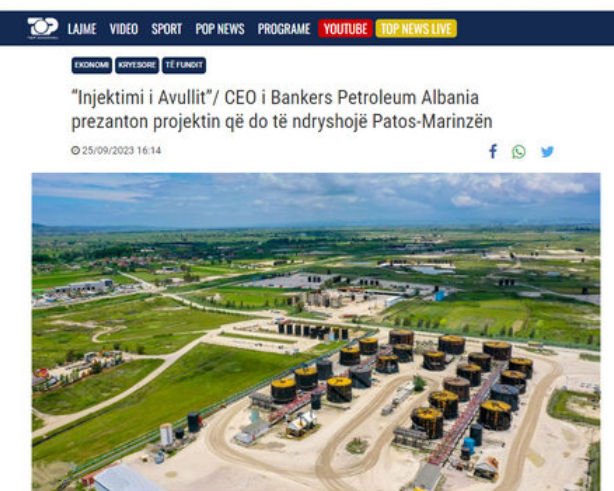
## July

*Bankers improves the infrastructure in Marinëz and Belian areas, Investments for urbanization and recreational spaces.*



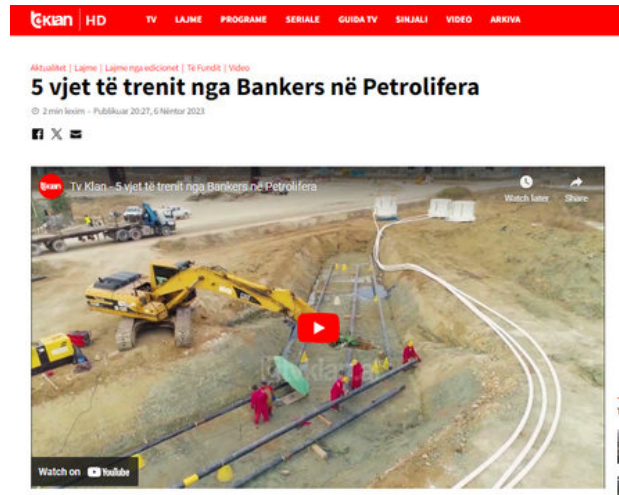
## September

*Monitor Magazine, Special Edition / Interview with CEO of "Bankers Petroleum Albania", Mr. Huanqin Xiao: "Steam Injection, Our Ambitious Project that Will Change Patos-Marinza"*



## November

*Rail transport of crude oil/In 5 years, Bankers Petroleum Albania reduced the greenhouse gas emission by 60%*



## December

*Bankers new technology for the revitalization of Patos-Marinza! CEO, Huanqin Xiao: Project increases oil production by 5-15%*



# PRODUCTION & SALES

23 Overview & Sales



# OVERVIEW & SALES

## Production H2 - 2023

- A total of **14** new wells were drilled during H2.
- Net oil production for H2 totaled **261,296.23 m<sup>3</sup>** (1,644,270.03 bbl), which averages **8,936.25 bopd**.
- Total solar and gasoil used during H2 was **9,452.069 m<sup>3</sup>** (59,479.21 bbl), which is about **3.52 %** of net oil production.

Total sales and deliveries, gross of diluent used as solar, were **268,897.43 m<sup>3</sup>** (1,692,081.71 bbl) during H2, including exports, domestic sales and deliveries to Albpetrol.

Year 2023	Monthly Prod (exc.solar)		Daily Avg. Oil Prod	Sales	
				Sales (inc.solar)	
	m <sup>3</sup>	bbl	bopd	m <sup>3</sup>	bbl
<b>July</b>	43,807.27	275,637.20	8,891.52	57,457.60	361,525.8
<b>August</b>	44,333.14	278,968.23	8,998.97	41,205.30	259,286.4
<b>September</b>	43,217.20	271,957.33	9,065.24	44,073.64	277,346.9
<b>October</b>	45,296.14	285,048.27	9,195.11	48,305.20	303,984.5
<b>November</b>	42,359.56	266,598.02	8,886.60	30,057.29	189,171.4
<b>December</b>	42,282.93	266,060.98	8,582.61	47,798.40	300,766.7

**Bankers**  
PETROLEUM ALBANIA LTD.