

PRESS RELEASE



Elnusa's Optimism Supports Oil Production of 1 Million Barrel Per Day

Jakarta, 28 January 2021 - PT Elnusa Tbk (Elnusa), a national energy service provider company, welcomes 2021 with optimism to aggressively increase its better performance than the previous year. Efforts to improve performance are carried out through several targeted priorities and targets. One of the efforts that will be taken is to support the Government in realizing oil production of 1 million barrels / day (bpd).

The government, in this case the Special Task Force for Upstream Oil and Gas Business Activities (SKK Migas) is trying to increase the production of 1 million bpd of oil and 12 billion standard cubic feet of gas per day (bscfd) or 3.2 million barrels of oil equivalent per day (boepd) in 2030. In 2021, the oil lifting target that has been set does not change from 2020, namely 705 thousand bpd, SKK Migas and all Cooperation Contract Contractors (KKKS) supported by other ministries and government agencies have begun to pursue this target by carry out activities massively, aggressively and efficiently.

Elnusa's Managing Director, Ali Mundakir said: "Currently, Elnusa continues to strive to support the government to meet the oil production target of 705 thousand bpd in 2021. Referring to the data from the Directorate General of Oil and Gas, ESDM regarding domestic fuel consumption under normal conditions, which is around 1.5 million. bpd and if it is assumed that the need has decreased by 30% due to the pandemic then there is still 1 million bpd that must be met. Of course, it is still not enough to rely on national production in the range of 745 thousand bpd. So that to meet these needs imports must be carried out. Programs in an effort to maintain and increase national oil production are Elnusa's great opportunities. "

Ali added "Fundamentally, Elnusa's business will continue to run in accordance with the fulfillment of national energy needs and for us this is a very solid fundamental for us to do business expansion."

SKK Migas has announced four pillars of the national oil production target of one 1 million bpd in 2030. First, maintaining existing production, secondly accelerating resource to production, implementing Enhance Oil Recovery (EOR) and the last is Giant Discoveries. "Of the four pillars, Elnusa has a balanced and complete business portfolio from upstream to downstream which includes these four pillars and can support the production target of 1 million bpd. Until now, Elnusa has contributed and will continue to play an active role through its competencies," added Ali.

In the first pillar to maintain existing production, Elnusa has competence and capability in the upstream oil and gas sector through various production and maintenance operations services for oil and gas lifting. This service consists of well intervention, drilling / workover to O&M. Especially for drilling, Elnusa has developed fabrication. independently Hydraulic Workover & Drilling Unit (HWD-Unit) so that the drilling costs for new wells are more competitive. This innovation is the first in Indonesia and even the world.

The second pillar is accelerating resources to production and the third pillar of EOR implementation, both of these pillars are owned by Elnusa. the upstream oil and gas sector is reliable in EPC services in the upstream oil and gas sector such as the construction of a gas compressor station at Pertamina EP.

Meanwhile, in implementing EOR Elnusa has established strategic partnerships with leading chemical manufacturers and also has the competence to carry out EOR operations independently, namely polymer injection in the Tanjung field. In addition, Elnusa is also actively involved in field trials of the new EOR method using vibroseis in the Jambi field. This method is expected to provide faster and more significant results so that it can be applied on a wider scale in the future.

The last pillar of Giant discoveries is still in the upstream oil and gas sector owned by Elnusa. Elnusa has just supported the completion of the 32000 km long seismic sea of the Jambi Merang KKP for Pertamina. The survey was conducted using Elsa Regent, who is piloted by Indonesians and fleets. The seismic is the longest in Asia Pacific in the last 10 years. In addition, Elnusa also supports Pertamina in the 2D seismic line test with Vibroseis in the Sub-Volcanic area, Majalengka. Exploration in this Sub-Volcanic area is a new "play" which is not impossible to contribute to discoveries of oil and gas reserves in the future.

Ali added, "In 2021, from the operational side, Elnusa will continue the work that is still underway to be continued this year and work on new work that is waiting in 2021. Elnusa also seizes opportunities if there is an acceleration of the plan of development or fields that have been found. reserves and immediately produced by building production facilities. Meanwhile in the energy distribution and logistics sector, Elnusa will continue to build fuel and LPG storage infrastructure and add more fleets to distribute fuel to all communities, especially outside Java.

"With all its superior competencies and various innovations that have been carried out, Elnusa through its portfolio diversification is optimistic that it will record 2020 with a positive performance. Likewise in 2021, we are confident and optimistic that in 2021 it can also be achieved with positive results. Concluded Ali. *

Glance at PT Elnusa Tbk (ELNUSA)

ELNUSA is an energy service company with core competencies in upstream oil and gas services, namely seismic services (geoscience services: land, transition zone & marine and data processing), oil & gas field drilling & maintenance services (drilling & oilfield services), engineering services, procurement, construction & operation maintenance (EPC-OM), and other supporting services. ELNUSA currently serves national and international oil and gas companies, including Pertamina Group, British Petroleum, Conoco Phillips and others. ELNUSA has five subsidiaries engaged in the business of energy distribution & logistics services and other supporting services.

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