



# Earnings Release 4Q23 & 2023

**RECV**  
B3 LISTED NM

IBOV IBRX100 SMLL IBRA IGC IGC-NM ITAG IGCT

# 2023: Resilience and technical competence in a challenging scenario



22% **higher** production<sup>1</sup> vs. 2022



**Positive** cash generation<sup>2</sup>



**Maturation** of the rig fleet and internal services, our greatest competitive differential

Payment of dividends in the amount of **R\$ 290 million**, **dividend yield<sup>3</sup> of 4.6%**



**Completion** of the SPE Tiêta acquisition



# Results pressured by outflow restrictions

## Production

**26 KBOE / DAY**

↑ 22% YoY ↓ 9% QoQ

## Brent

**US\$ 82.62 / BBL**

↓ 18% YoY ↓ 3% QoQ

## Net Revenue

**R\$ 2.8 billion**

↓ 5% YoY ↓ 8% QoQ

## Lifting Cost

**US\$ 13.07 / BOE**

↑ 5% YoY ↑ 18% QoQ



## EBITDA

**R\$ 1.3 billion**

↓ 21% YoY ↓ 35% QoQ

## Net Income

**R\$ 709 million**

↓ 39% YoY ↑ 29% QoQ

## Net Debt/EBITDA

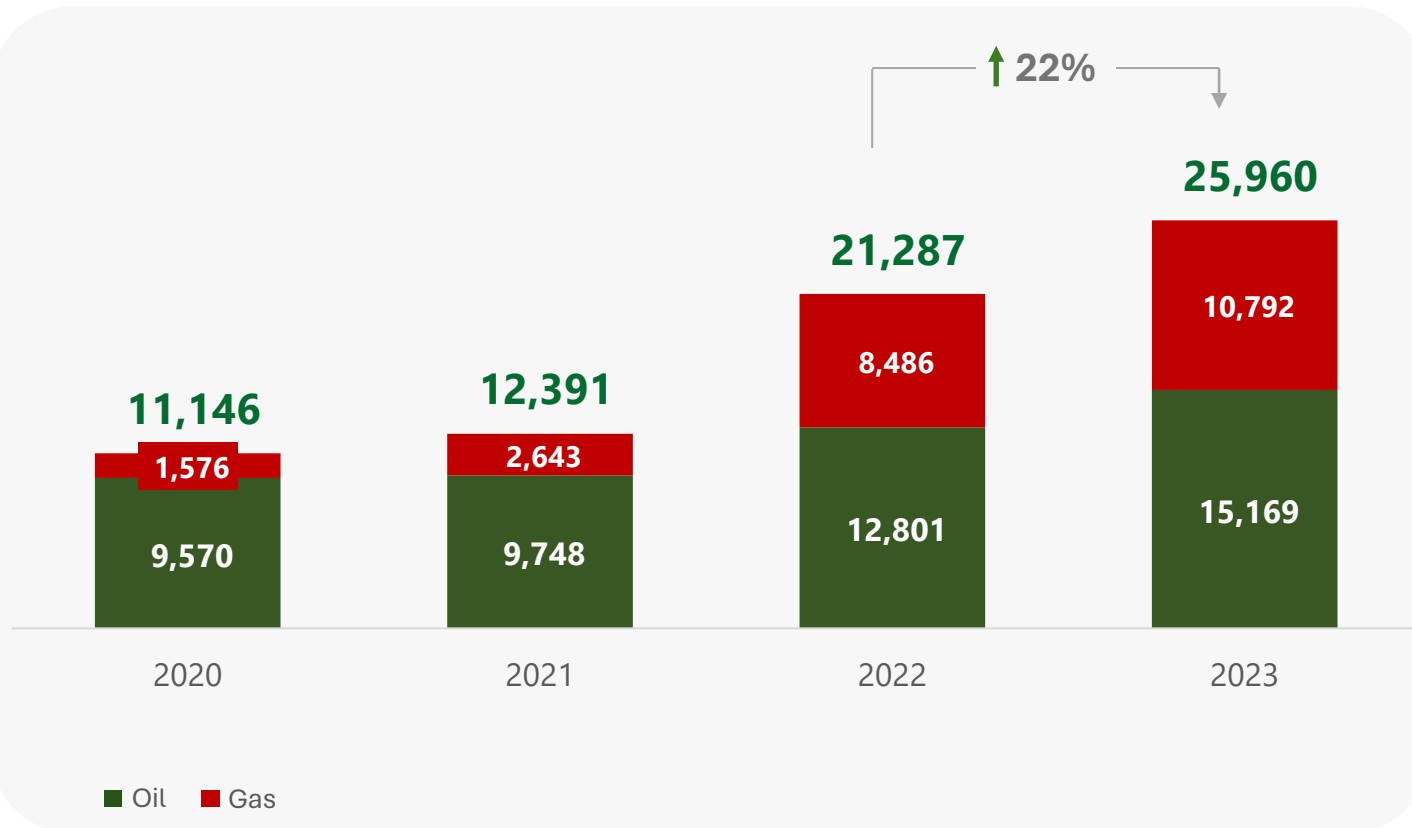
**0.69 x**

↑ 0.71 x YoY ↑ 0.13 x QoQ

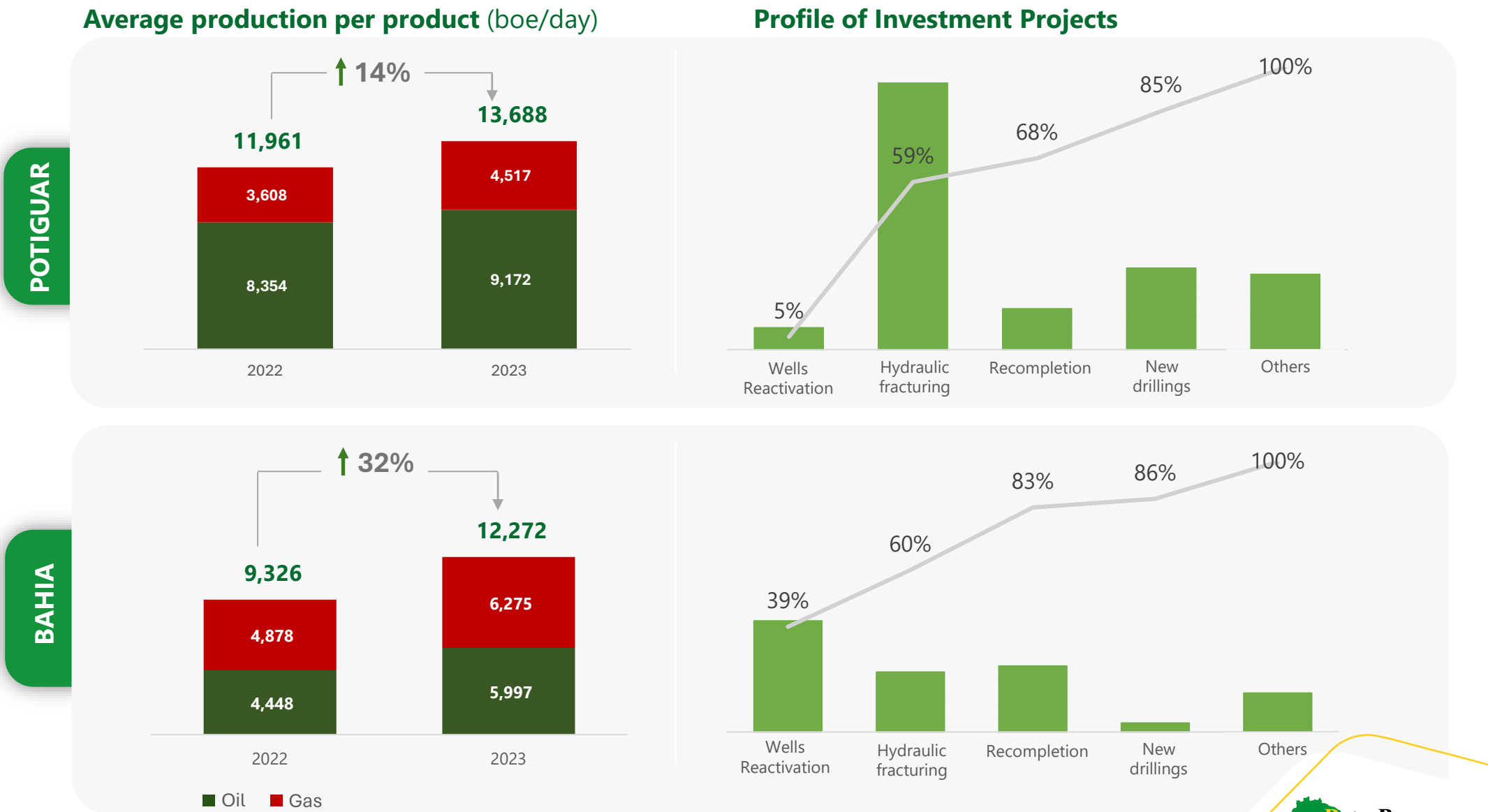


# Consistent and diversified growth with strong evolution in Production

Per product (boe/day)



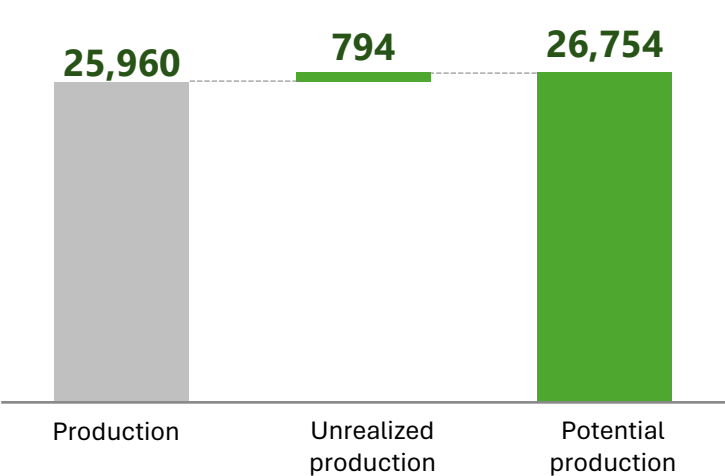
# Evolution at different stages of asset development



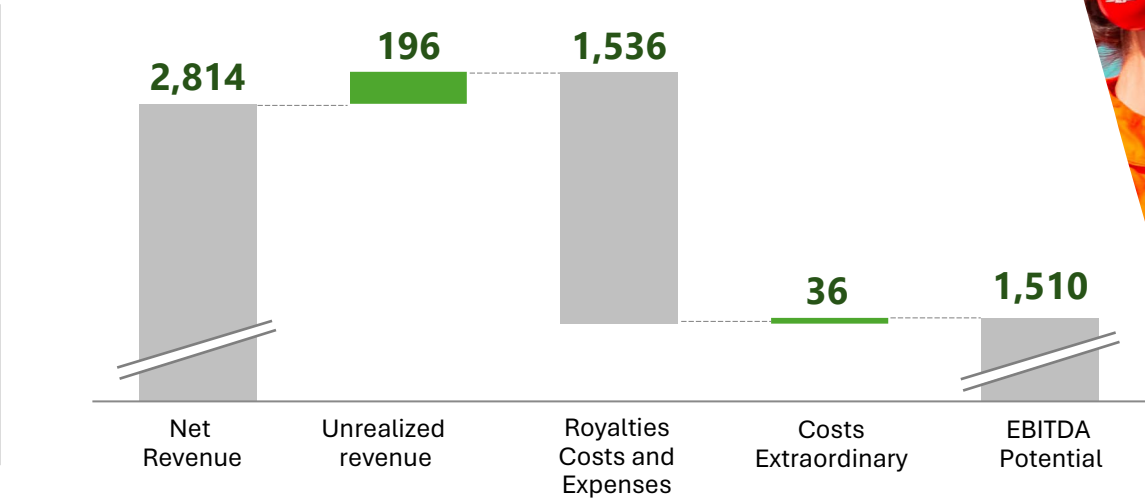
# 2023 Potential EBITDA adjusted for the effects of extraordinary outflow restrictions



## Production boe/day



## Result in R\$ Million



Impact of R\$171 million in 4Q23

The unrealized revenue in 4Q23 was calculated based on the average reference price of the contracts multiplied by the volume of production of oil and gas not produced, estimated based on production tests, and the loss of revenue from produced and unprocessed gas compared to the average of January 2023 and also considering the difference between the sales prices of oil in the cargoes of the period versus the contractual prices in force before of the beginning of these problems. The extraordinary costs in 4Q23 correspond to contractual commitments for the transportation and purchase of gas from third parties, discounted from additional royalty costs. The potential result of 4Q23 was added to the impacts of the outflow problems reported in 2Q23 and 3Q23.

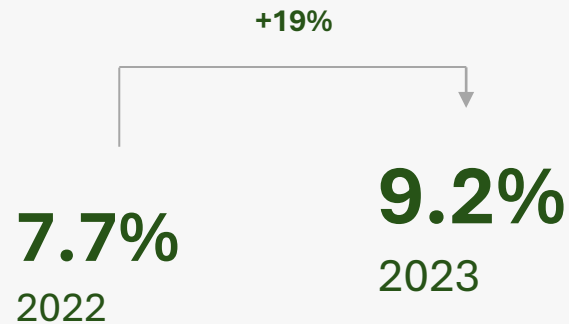


# Evolution in gas commercialization contracts and beginning of a new trajectory in oil commercialization



## Natural Gas

**Evolution of the molecule price commercialization**  
(% of Brent price )<sup>1</sup>



- New long-term contracts with minimum and maximum price clauses and reduced inefficiencies;
- Diversification of customers and consistent improvement in trading conditions.



## Oil

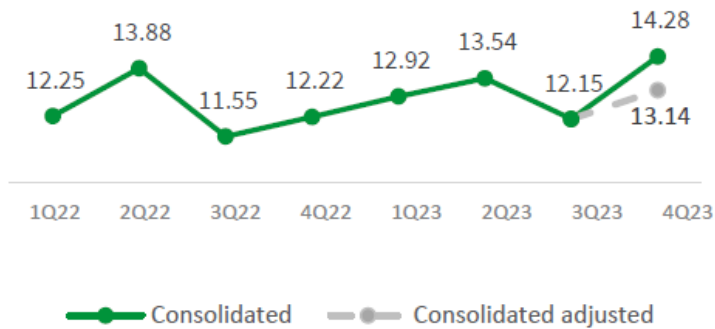
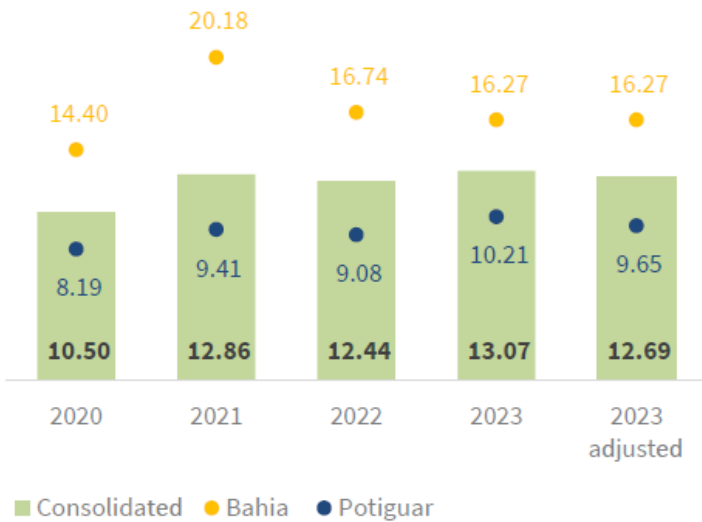
- Development of alternative routes for the production outflow from the Potiguar Asset;
- Authorization for the oil export;
- Resumption of production delivery in Bahia via pipeline (impact on the Bahia Terra interdiction);
- Commercial improvements of contracts related to the production of Tiê;
- 2024: search for logistical and commercial alternatives to maximize revenue from the oil produced.

<sup>1</sup>Refers the share of the natural gas molecule, in US\$/MMBtu divided by Brent.



# 2023 average lifting cost of \$13.07/boe

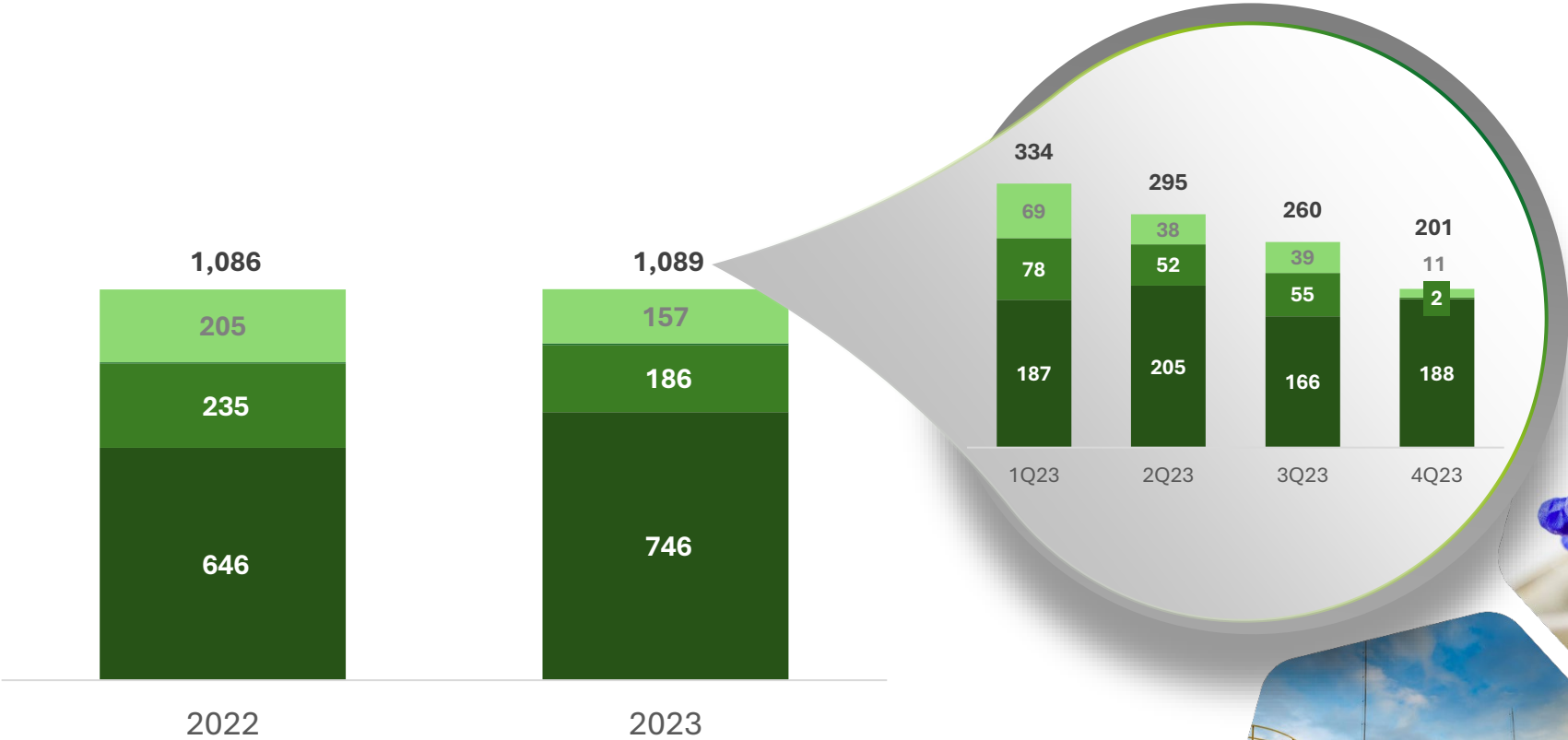
Lifting Cost (US\$/ boe)



\*Adjustments based on unrealized production



# Capex: Adequacy of development projects execution pace with the maturity of the rig fleet and internal services

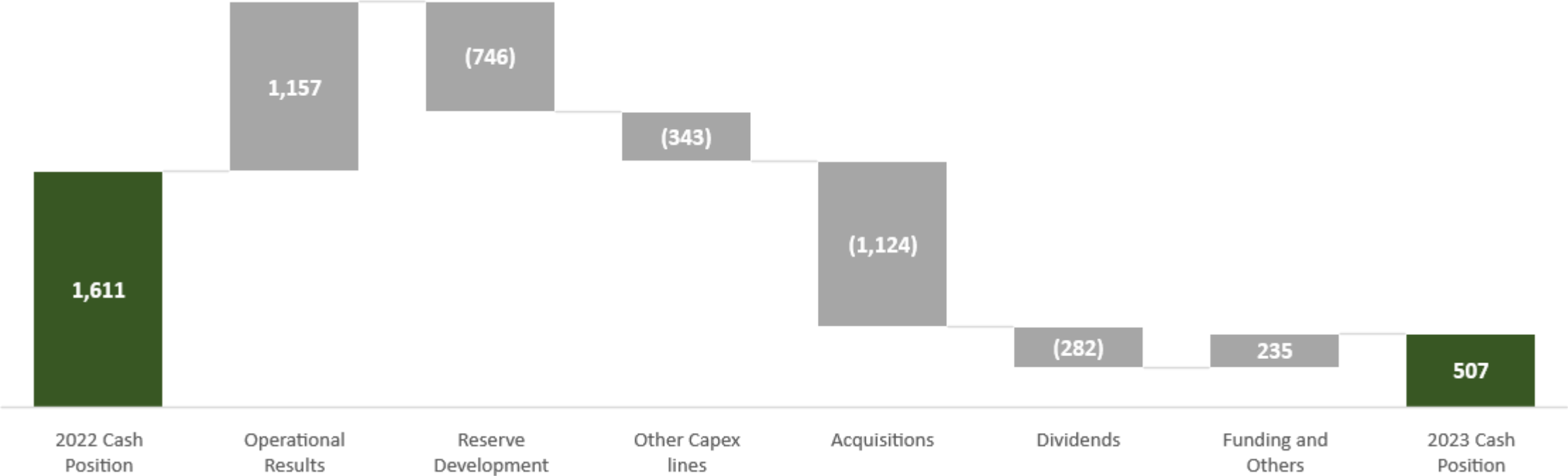


- Reserves Development
- Capital Asset Inventories
- Other Fixed and Intangible Assets



# Robust operating cash generation from acquisition payments and shareholder returns

Change in Cash Position (R\$ Million)



Cash position corresponds to the sum of the balances of Cash and Cash Equivalents and Financial Securities. Operating income reflects the Cash Change resulting from Operating Activities, adjusted for Consumption of Fixed Assets, Leases and others. Development of reserves and other Capex lines corresponds to additions to Fixed Assets and Intangibles, adjusted for Fixed Asset Consumption, Leases and ICMS CIAP tax credits. Acquisitions reflects the sum of the Acquisition of SPE Tiêta, net of Cash Received and Payment of amounts payable for acquisitions of the Riacho da Forquilha and Miranga hubs. Dividends and interest on equity are net of taxes corresponding to the amount actually paid to shareholders, net of taxes. Financing and other are the additions, net of the Costs of Raising new debt and treasury operations with the Company's shares, among others.

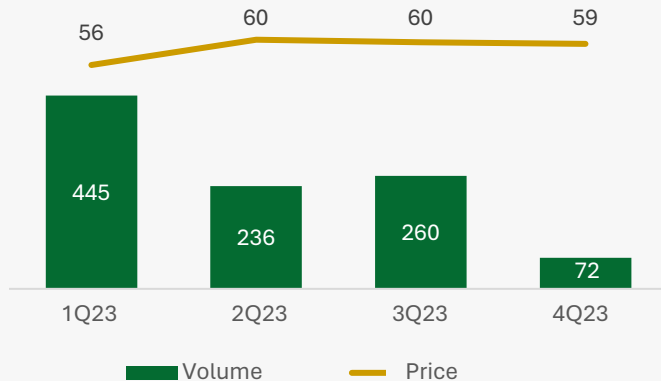
# New hedging contracts for commodity risk management. Hedged volume for 2024 ~30% of oil production<sup>1</sup>



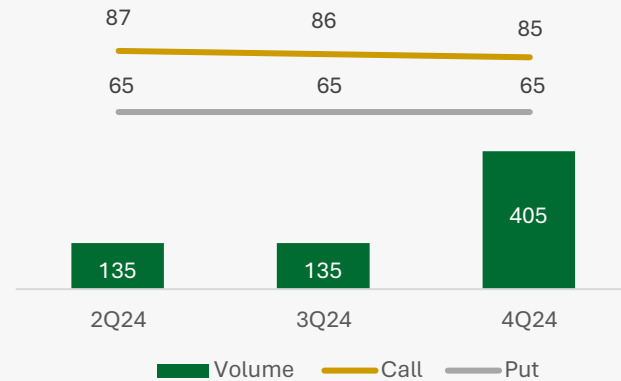
## Hedging Philosophy based on Stress Scenarios

- Oil price scenarios below \$50/bbl for 2 years<sup>2</sup>
- Considers existing price protections in natural gas contracts
- Maintain Net Debt/EBITDA < 2.0x
- Maintain minimum cash level
- Maintain mandatory minimum dividend payments

### NDF - Volume in thousands of barrels x Price (US\$/bbl)



### ZCC - Volume in thousands of barrels x Price (US\$/bbl)



<sup>1</sup> Sum of hedged volumes for 2024 over oil production in 2023.

<sup>2</sup> Price estimate considering macro scenario, which may change. Cannot be considered projection.



# ESG



Creation of the  
**Sustainability Executive Board** and **People & ESG Committee**

**Signing of the Global Compact**



**Pacto Global Rede Brasil**



Launch of the **Juntos Somos Mais Program**

**Leaders Academy**



**We support 10 social projects, operating in 21 communities**

- 10,636 people benefited from the social projects (directly and indirectly);
- 138 families participating in Viva Sabiá received technologies for coexistence with the semi-arid region for access to quality water;
- Extra income of R\$ 367 per month for rural producers participating in Ciranda Agroflorestal.



We are prepared to overcome the challenges of scale gain and achieve **new horizons of the onshore industry**

Benchmark in  
**Secondary Recovery**

Ability to execute  
and **Gain of scale**

Vertical      Direcional      Horizontal

Value  
**Levers**



# Q&A

## Investor Relations

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