

Webcast - 1st Quarter Results 2025 May 13, 2025

Eduardo de Nardi:

Good afternoon, and welcome to Petrobras' presentation for analysts and investors about the 1Q25. It's a pleasure to be here with you.

This event will be presented in Portuguese with simultaneous translation into English. The links for both languages are available on our Investor Relations website.

We would like to inform you that all participants are connected to the webcast in listen-only mode. After our introductions, we will have a questions and answer session, and you will be able to send your questions via e-mail to petroinvest@petrobras.com.br.

Joining us today are Magda Chambriard, Petrobras' President, who will start our session, but will not remain for the Q&A due to a prior commitment; Clarice Coppetti, Executive Director of Corporate Affairs; Claudio Schlosser, Executive Director of Logistics, Commercialization and Markets; Fernando Melgarejo, Executive Director of Finance and Investor Relations; Ricardo Wagner, Director of Governance and Compliance; Mauricio Tolmasquim, Executive Director of Energy Transition and Sustainability; Renata Baruzzi, Executive Director of Engineering, Technology and Innovation; Sylvia dos Anjos, Executive Director of Exploration and Production; and William França, Executive Director of Industrial Processes and Other Products.

So to begin, I will hand over to our President, Magda Chambriard, for her initial remarks. Please go ahead, ma'am.

Magda Chambriard:

Ladies and gentlemen, good afternoon. It's a great pleasure to join you today to talk a little bit about our performance in the 1Q25.

I believe that they were excellent results, but I will take this opportunity to also draw your attention to the challenging scenario that we have currently with the price of oil. This requires from us redoubled efforts.

Going from US\$84 per barrel in the 1Q24 to face this 1Q25 with an average of US\$75 per barrel and to post the results that we are posting was not an easy task. This is an arduous task that was carried forward with a lot of dedication and a lot of wisdom by the Petrobras Board and all of its technical staff.

What we will have in the future will be even more challenging. This is the 2Q25 and oil is at US\$65 per barrel, a difference of about US\$20 versus the 1Q24. We are certain, and we are committed to resolving this issue, delivering good results and dedicating a lot of our effort in capital discipline for 2025.

This challenging scenario of US\$65 per barrel requires, and will require from us simplified projects and assurance that we will have good trading margins for our products, a significant cost reduction and a lot of cooperation between the different areas in the Company, so that we can have the best results possible for our business.

This is what we are already addressing, and this is what all main oil companies are doing. And of course, we have to make this effort to have better results in such a challenging scenario. Again, it's US\$65 per barrel.

So in this scenario, we are going to talk about a few words that you will hear constantly such as austerity, simplification, optimization, reducing investment costs, reducing operational costs and overhead.

Our products, and we know this very well, are priced by the international market. And they vary according to their prices and the exchange rate, and this is out of our control. What we know, and we are certain of this, is that we have the obligation to react to these fluctuations. Petrobras is absolutely aware of its obligations to react to these fluctuations.

When prices go up, we have more comfort to expand our initiatives. But when prices go down, it's time to tighten our belts. But that being said, this is my message to you. Please remain confident, we are addressing this cost reduction in face of a challenging scenario so that we can have the best results possible for our investors, whether they are in the government or private.

But also, I have to highlight the excellent results that we have had in the 1Q25. First of all, I would like to say that there is no future foreign oil company without exploration. And I like saying that this is what we have been doing. This is what we have been bringing as a result for our Company.

We are constantly expanding our reserves and building up our efforts to expand the Brazilian equatorial margins. We believe in this potential, and we will carry on pursuing the opportunity to show Brazilian society and our investors that we will have relevant gains that we can seek from exploring oil and gas in the Brazilian Equatorial Margin. So in that aspect, as I mentioned, we have been very successful.

We have added more reserves constantly, especially with the pre-salt layer. Last week, we disclosed a new discovery in the pre-salt layer and the Aram block. And if everything works out, we believe that we will have advanced production for the Aram block. More pre-salt with good quality oil without contaminants, but still with a challenging rock for our project. But this is within our potential. This is what we know how to do.

Before the second discovery in Aram, we made a new discovery in the Campos Basin in the North Brava area. We also made discoveries in Colombia, and we had an excellent test in Colombia's offshore area. This is a block that, if all works out, will be responsible for supplying all of the gas consumption in Colombia, and let's hope that this will happen.

But that's not all, ladies and gentlemen. We still have many opportunities ahead of us, whether it is in the Brazilian Eastern Margin or in the Equatorial Margin. We have to remember the Pelotas Basin, where we are also exploring, and soon, we will consider drilling wells there.

As we will hear later on, we have about 50 exploratory wells to drill in the next years. And this repeats what I mentioned before. We are very proud of it because an oil company will not have a future without exploration. And we want a strong, long-lasting company

that contributes to our investors, whether they are in the government or private investors, and also contributes to Brazilian society in general.

We are seeking new reserves at the same time as we work to develop the fields that have already been discovered. And you have been seeing our results. In the 1Q25, our production went up 5.4% versus the previous quarter. This increase was a decisive contribution to our financial results. Oil is our main product, and with it, and especially because of it, we are generating US\$8.5 billion in cash with our operations. And we reached a net income of US\$6 billion.

After my message, our Director Melgarejo will go into details about our financial performance, and he will draw our attention to the impact of variations in Brent oil prices and our exchange rate.

And you will be reminded that in the previous quarter, the foreign exchange for the BRL had a negative impact in our Company's results. This quarter, the opposite happened. We recovered a part of those losses. The appreciation of the BRL had an impact on our results again. And without these foreign exchange effects, our results would have been US\$4 billion, which is not bad, but it was even better in the fact that it was US\$6 billion. Our results are often impacted by the price of oil and by the foreign exchange rate, as happens with all oil companies, and both of these variables are out of our control.

And that is why we are saying that right now is a moment for austerity. It's a moment in which we will have to control our costs in general. We will have to do what we still do well, which is exploring, producing oil and its byproducts and trading these byproducts and our oil with the best profit margins as we can have. But we need to do it, and this moment is propelling us in that direction, but we need to do it with capital discipline and seeking major cost reductions, the highest we can have.

So after that message, which I think will soothe your thoughts about how much the Company is spending, we are not here for that. I have to repeat. We are going to highlight our physical results for the 1Q. And as I said, they were very good, and they justify the capacity that the Company has.

On February 15, FPSO Almirante Tamandaré went into production in the Búzios field. It was the first of a series of 5 oil rigs that will make Búzios field the biggest field in Brazil by far. That rig has a production capacity of 225,000 barrels of oil per day, in addition to gas. As I said, it was the first of a series of 5 giant rigs that will comprise the facilities around the Búzios field.

On March 3, Alexandre de Gusmão went into the Mero field. Alexandre de Gusmão will also operate in the pre-salt in the Santos Basin, and it was finally anchored in 10 days. I need to draw your attention to these 10 days, which is a record-breaking period for Petrobras. It will begin its production towards the end of the 2Q25, the beginning of 3Q. And with that, it will be another 180,000 barrels a day operated by Petrobras in the pre-salt, along with refining.

Along with refining, we also completed the revamping of Train 1 of our refinery going from 80,000 barrels per day of refined oil to 130,000 barrels a day in terms of processing capacity. So with very little investment with the introduction of the SNOX unit, plus a small revamp involving maintenance, we basically doubled the capacity of RNEST Train 1.

It may sound simple, but it's no small feat. We are talking about 50,000 additional barrels per day in terms of process load, 7% of this capacity generating diesel, which is our main product.

As I said, this means more diesel on the market. And once we complete Train 2, which is undergoing a bidding process, it will be 260,000 barrels per day processed in the Northeast of Brazil, a market that's hungry for diesel.

I used to say that among all of the refineries, we are undertaking more efforts around diesel and S10 diesel, which emits much less and adds more value. But especially at RNEST, among all of the refineries, this has the highest conversion of crude into diesel. We are talking about a conversion of around 70%, which shows how modern and economically feasible this refinery is.

And the second module of natural gas processing well going to operations in the 2H, the Boaventura Complex in Itaboraí, Rio de Janeiro. Added to the first module, the total processing capacity of that unit will achieve 21 million m³ per day, increasing the supply of natural gas and also of its products, including liquid natural gas.

We are also on the brink of inaugurating the new RDT at REPLAN. This new unit will have the capacity to produce 63,000 barrels per day of S10 diesel. As I told you, our efforts around increasing capacity and increasing the supply and production of diesel, especially the S10 diesel, is real. These are our highest added-value products. And as I told you, we are seeking the highest possible level of attractiveness for our investments.

The S10 diesel has a high added value in that it emits much less. It throws much less sulfur into the atmosphere. It's almost negligible. And this added value also shows us that not only are we looking for more value, but we are also looking for products with the lowest possible emissions. We are still on the lookout for the opportunities to decarbonize. That is why in February, we sold the first bunker of vessel fuel with 24% of renewable content in the Asian market.

This is a huge achievement. We now set foot in the Asian market with a high added-value product that is produced and traded by Petrobras. The product is a mixture of 76% of mineral fuel oil and 24% of biofuels produced from used cooking oil. And again, the mixture of these 2 components allows us to create a product that's highly valued in the international market.

We are developing new products also involving the low carbon market, which is extremely attractive as a market to us, innovating to generate value and enabling solutions around new energies and decarbonization.

In March, we signed a contract with the National Development Bank of Brazil to reforest the Amazon in the ProFloresta+ program, one of the biggest programs for acquiring carbon credits in Brazil. We will promote the reforestation of up to 50,000 hectares of now degraded areas in the Amazon.

To give you one idea, this is equivalent to 50,000 football fields, and to capturing 15 million carbon tonnes, which is equivalent to what is annually emitted by around 9 million gas-fueled cars. This is a structuring project around the climate, but also in terms of reputation. And it is a project, an initiative that sows the seed of decarbonization.

When Petrobras is planning on making money with the capture of CO₂, we are confident in our 2050 strategic plan, not forgetting that a low Brent price brings about additional challenges and that we should review on our plan generating a 2026-2030 business plan

considering the need for us to overcome these extremely high challenges imposed by price reductions. We will do that by preserving our cash, reducing costs and through capital discipline.

This is part of our values. The commitment with Brazil and with our investors, whether they are governmental or private, all of that is part of our values. And that is why we will keep on investing and keep on focusing on more projects that are financially feasible and making money for our investors, whether from the government or from the private market. This is what we are doing here with the highest possible dedication and strictness.

We are now here to believe in the potential of Brazil, knowing that if we are doing well, Brazil will also be well. It's fundamental that we all understand this because our results depend on the optimal conditions of the Brazilian market. The Brazilian market is currently the sixth highest consuming market of oil products in the world. So it is a market that should be seen for the value, for the importance it has. That's why I say that we walk hand in hand.

Petrobras benefits from the appreciation of Brazil and vice-versa. It's a 2-way street. That is why we are committed to this path, and that is why we are committed to our planning, and with making expenditures that are in line with the current level of oil prices. You can rest assured that our common goal at Petrobras is to have a long-lived and strong company, the workforce at Petrobras, the Board, investors and Brazilian society.

Having said that, I want to thank you for your trust, our shareholders, partners, employees. And you can rest assured that we are here to overcome the challenges ahead of us and to take all of the possible opportunities along the way.

Thank you for your presence. And now I will give the floor to my colleagues for the presentations. Unfortunately, I will not be able to stay for the presentations, but I wish you a great presentation. And please, analyze your purchase recommendations. We want all of you investing in Petrobras, and we will make you proud of your investments. Thank you.

Eduardo de Nardi:

Thank you, Magda. Now we will start the presentation about the performance of the 1Q25. I will give the floor to Fernando Melgarejo, our Financial Director. Fernando, you have the floor.

Fernando Melgarejo:

Good morning. President Magda, thank you for the message. I want to thank you all for being here for yet another webcast. We will start by looking at the highlights of the 1Q25. After the presentation, both me and the other directors will be here for the Q&A session.

This slide shows the financial highlights of the Company, with an adjusted EBITDA, excluding one-off events of US\$10 billion, 8% above the last quarter and a net income of US\$4 billion. Our cash generation is still strong with an operational cash flow of US\$8.5 billion and a net cash flow of US\$4.5 billion.

I also want to highlight our contributions. We approved R\$11.7 billion in dividends related to the 1Q25, and we paid more than R\$65 billion in net taxes. This growth is the result of arduous work in the well-implemented strategy, demonstrating Petrobras' financial

solidity. Our commitment is clear: To keep on generating return for our shareholders, including the Brazilian society, in a responsible and consistent manner.

Slide 6 shows the details of the EBITDA and the operational cash flow on the right-hand side. Here, I want to highlight the effects of our operational performance on the result with the greater production and volumes traded. The EBITDA was US\$10.7 billion in the quarter with a growth of 8% compared to the 4Q24. As I said, this was driven mainly by the increased oil sales, both in the internal and the external market, in addition to the increased crack spread of diesel. In terms of OCF on the right-hand side, we had a growth of 4% versus the previous quarter, totaling US\$8.5 billion.

The next slide shows that our net profit was US\$6 billion, not considering the one-off events. The result was US\$4 billion, an increase of 31% vis-à-vis the previous quarter. In the table below, you can see the external scenario. Part of the results reflects an increase of 28% of the diesel crack spread, the appreciation of 1% in the Brent quarter-by-quarter and the appreciation of 7% of the BRL versus the end of the year dollar.

Moving on to slide number 8, in the 1Q25, investments totaled US\$4.1 billion, which represents a reduction of 29% vis-à-vis the 4Q24. This volume of investment corroborates the message that I brought to you on our last webcast when we said that we would not see the level of CAPEX of the 1Q24, in the 1Q25. You can remember that in the 4Q24, the CAPEX was higher because of the reduction of this mismatch between the physical and financial advancement of our own units towards Búzios field. The CAPEX of the 1Q25 was lower than that of the 4Q24, but it's higher if compared to the CAPEX of the 1Q24. There was an increase of 34%, especially as a result of the big advancements and the investments in the pre-salt in the Santos Basin, and also the new production systems in the Búzios and Atapu fields.

Slide 9 shows the investments that were performed. You can see that we are investing more, but also delivering more. These are investments connected to greater physical deliveries that support a production curve and ensure the entry into production of new systems.

The acceleration of CAPEX towards the end of 2024 allowed us to shorten the physical financial gap by 14 p.p., reflecting our commitment with the packages and with the reduction of delay risks. Some of these results show the evolution of deliveries over the course of the last 12 months.

I must highlight that the 5 rigs that were undergoing construction in the 1Q24 went from 51% to 76% in terms of physical advancement. In addition to that, we also started the construction of 2 more rigs, reaching 7 units in construction this year.

Our higher CAPEX vis-à-vis that of last year reflects the higher number of owned platforms that we are building, which bring about the benefit of not having affected platforms with an impact on our debt.

We also doubled the number of interconnections and wells in 1 year. It was 16 wells interconnected in the 1Q25 and 8 in the same period of last year. It's our best result for the last 8 years. We had 27 drill interventions for new wells, a growth of 13% vis-à-vis that of the 1Q24.

We are drilling more, interconnecting wells and advancing towards the construction of the new units that will give support to our production curve. These are investment projects that generate value for our shareholders and will translate into profitable growth for the next few years.

Alide 10 shows a reconciliation between CAPEX, competence and the cash CAPEX for the 1Q25. You can see that the cash investment of the quarter was impacted by a higher CAPEX in the 4Q24.

First of all, it's important to clarify that there is a normal lag between measurements and payments. This means that all quarters, we observe a certain level of time lag. This is absolutely normal. However, as there was a large concentration of measurement at the end of the 4Q24, especially in December due to our efforts to recover the physical and financial gap of the new systems, a significant portion of the payments were only made in January, and this impacted the cash investment of the 1Q25.

To illustrate this atypical effect, we detail the impact of this time lag between measurement and payment in this point graph. In the 1Q25, around US\$1 billion that came out of our cash for investments were related to the measurements of the 4Q24, while US\$400 million were measured in the 1Q25 and will only come out of cash in the 2Q25 returning to normal.

I would like to take this opportunity to draw your attention to the part relating to IFRS 16. This amount is considered in the CAPEX competence. But in the cash view, it is classified as an outflow of resources used in financing activities since it refers to leases.

We now turn to slide 11, which shows the Company's debt levels. In the 1Q25, we saw an increase in gross debt, mainly due to the entry of the FPSO Almirante Tamandaré. This is a chartered unit that impacts our leasing costs. It's important to emphasize that it has a capacity of 250 barrels a day, and it can ramp up still this year. And it's also important to emphasize here that, that remains within the limit defined in the 2025-2029 business plan with a debt ceiling of US\$75 billion. And this way, we maintain an efficient and more flexible capital structure.

Now let's go to slide 12. As you can see, we remain committed to the distribution of the results generated and the financial sustainability of the Company. With gross debt under control within the level established in the business plan and positive results, our Board of Directors approved the distribution of remuneration to shareholders for the 1Q25 of R\$11.7 billion, equivalent to R\$0.91 per share, which will be paid in 2 equal installments in August and September.

slide 13 shows the important contribution our activities make in terms of taxes. All in all, R\$65.7 billion were paid in taxes to the union, states and municipalities, including government participation. In addition, we have earmarked around R\$66 million in voluntary social and environmental investments and sponsorships. There are more than 200 initiatives, including social and environmental projects and cultural, sports and science technology sponsorships.

We always make a point of bringing these values to show you how Petrobras' performance materializes in positive impacts for Brazilian society. Here, these are our direct covenants, but we also have indirect sponsorships.

Continuing with the last slides, we have just seen how we performed in the 1Q25, but our attention, and certainly yours, too, is on the current moment and how the Company is prepared for this lower Brent scenario.

The first thing I would like to remind you is that Petrobras has a strategic plan and a project renewal governance that prepares the Company to generate value in adverse

price scenarios. Here, we see a screenshot of our business plan released last year, in which we talked about our robustness even in low oil price scenarios.

Our E&P projects need to demonstrate a positive NPV in scenarios of up to US\$45 per barrel. In addition, the prospective breakeven Brent for our E&P portfolio is on average US\$28 per barrel. Our plan also has a portfolio under evaluation, which is made up of projects subject to the condition that they do not affect the Company's capital structure in addition to improving the return in a robust scenario, like all the other projects.

As for our shareholder remuneration policy, the formula already ensures dividends compatible with different oil prices without compromising the Company's financial sustainability.

We, therefore, have confidence in our strategy and our governance. I emphasize that our long-term strategy has been maintained, but that does not mean we are not fully aware of and attentive to the global scenario of lower prices in our industry.

So let's move on to the next slide. We are incorporating cost-cutting actions and adapting the business plan to the new reality. Here on the last slide are some examples of what we are doing. We have 3 work fronts mainly. First, measures to minimize the effects of inflation by optimizing spending. Here, we are basically talking about reducing transversal corporate spending, seeking to return to levels of the past.

Second, actions aimed at mitigating the impact of lower prices on our free cash flow. Let me give you some examples. Simplifying engineering projects. We are already doing this with the SEAP projects. Reassessment of the scope of recently tendered projects that were not very attractive. Examples include the REVITs: Albacora, Marlim Sul, Marlim Leste and Barracuda and Caratinga. Reduced hibernation costs for systems awaiting decommissioning. Reassessment of the cost structure of mature systems such as onshore fields.

And finally, in our portfolio, we are going to prioritize projects that generate cash flow in shorter time frames. Actions on this front include greater rigidity and the inclusion of new projects in the portfolio under implementation, reprioritization of projects under implementation with higher returns in the short and medium term. And we will continue to study appropriate measures to strengthen our resilience. We will keep you informed of the developments and impacts of these actions.

I will end my presentation here, and thank you once again for your attention. I give the floor to Eduardo, who will start the question-and-answer session. Thank you, everyone.

Eduardo de Nardi:

Thank you, Fernando. We will now continue with the question-and-answer session.

Bruno Amorim, Goldman Sachs:

Thank you for taking my question. My first question is about capital allocation. If you can tell us a bit more about the potential processes. You are buying back that refinery in Bahia, also ethanol, if you have progress there. And as you have shown, most of the Company's projects are resilient to oil prices being low. So I would just like to confirm if thus far you do not believe there are any changes necessary to the investment plan.

And as a follow-up there, let's imagine a scenario in which oil prices go down even more. Are there specific areas in which you can make adjustments, whether it is by making

onshore investments, or investments in other areas where returns are lower than in deepwaters? So that's a broader question about your capital allocation. Thank you.

Fernando Melgarejo:

Bruno, about RLAM, we did not have any changes. We still follow the same logic. So we can look at any investments and any M&As, but we need to have compatible returns to our investments. But for RLAM, we do not see any news. There have not been any advances.

Considering capital, and this is important to mention to you, Petrobras will celebrate its 72nd anniversary this year. And we are working on a commodity that has intrinsic volatility. And our 70-year experience has created a structure in which everything is thought out for volatile moments. And it was not different when we built this strategic plan for 2025 to 2029. So that was taken into consideration.

Some important things about resilience. Our breakeven is US\$28 per barrel. So we always work with testing and modeling at US\$45 per barrel. And if it does not pass, then the projects are not continued.

So this year or at least thus far, we did not see any changes to what we had planned with our CAPEX. So we have maintained what we want to do without any further changes.

Caio Ribeiro, Bank of America:

Good afternoon. Thank you. First of all, recently, Shell mentioned that it's going to some blocks in the Caribbean, where they have some participation with Ecopetrol. So since Petrobras has some presence in Caribbean offshore assets, would you be interested in assessing or even taking over this participation from Shell if Ecopetrol is seeking a new partner for these fields?

Secondly, despite the adjustments to diesel prices made recently, we still see a premium on PPE for diesel of about 6%, especially gasoline, which is close to 10%, according to our calculations. Can you give us some color about this recent decision on changing diesel prices, but not gasoline? And do you see a reason for new adjustments? Thank you.

Sylvia dos Anjos:

Good afternoon, Caio. Yes, Shell is letting go of this asset. And just like this one, we are assessing others in our portfolio. So it's a constant process in which we assess opportunities to see what has the best adjustment, what provides the best returns and the ones that are the most significant.

And we have to say that exploration, as our head always says, cannot continue indefinitely. Of course, we have to look at our full portfolio, and we are assessing everything. But in Colombia, not only do we have this discovery, but we are drilling 2 wells. One is Buena Suerte, which will hopefully give us good luck as its name implies. But yes, we are assessing these possibilities, but this is in our global portfolio.

Claudio Schlosser:

Caio, good afternoon. Thank you for that question. Before I talk about your specific points, it's important to highlight that, obviously, we are trying to see movements from

the international market, but the Company's strategy does not only take into consideration international prices. And now on May 19, we will celebrate our second year after implementing the new commercial strategy, which considers all of these aspects.

To answer your question, Caio, I think there are 2 points that we need to clarify here and to try to address this issue of diesel and gasoline. We think each product deserves a specific look. Why am I saying that? Contrary to diesel, which is going down in the international market, gasoline is going up.

So inventories will probably be recomposed in the U.S., especially where the consumption of gasoline will go up, and that pressures international prices. So not only are we looking at this, but we are also seeing our own internal potential in Brazil, especially in our refining capacity for the oil that we produce and our logistics. So in diesel and gasoline, we have a broader perspective.

And external volatility is also a factor. There are extremely strong geopolitical factors putting pressure on prices, prices of oil, spreads for products. They are all very pressured and they have a high level of volatility.

To give you an example, in early April and this was recent, well, because of fake news, oil went up US\$4 in a couple of minutes. And after that was debunked, it went down again. So the market is very volatile. And we are not transferring this volatility to the client as we did in the past.

In the past in previous commercial strategies, you have, in some years, more than 90 adjustments or readjustments of fuel prices, which ensures some stability, just to give you a comparison for diesel. We were nearly for 400 days with stable prices, and that has a significant value for society, for our economy in general.

And this is within our strategy. We have gasoline adjustments. And as you mentioned, the last one was in June 2024. So we have had stable prices for over 300 days, while the market is having a lot of volatility. So we are looking at prices every day, and we assess our logistics capacity and our infrastructure, and this helps us to keep it balanced. So I would just like to underscore that for diesel, with the market parameters and our commercial strategy, we recently had 3 price reductions.

The 1Q was very interesting. We advanced in the Midwest. It grew 9.7%. We captured a very significant part of this increase in the Midwest, and it represented an expansion of about 72% to 74% of the diesel market. So we have been making use of that.

But we also saw some effects. The tariff wars, there was another announcement from OPEP to continue their production, and that's why we had 3 reductions. Just to give you an idea, they all completed US\$0.45, and our expectation is that US\$0.39 would be reflected as a cost reduction for our consumers, but this also has not happened. In conclusion, we are looking at all of these elements to decide how we are going to apply readjustments and do our commercial strategy in the best way possible.

Rodolfo De Angele, JPMorgan:

Thank you. Good afternoon, everyone. My first question is about costs. The message from the CEO was very interesting, adjusting the Company for lower oil prices. And we have noticed, and we have had a discussion with investors, we posted a report on the fact that lifting costs have gone up. So we like to see this focus on cutting costs. So my question is, can you give us some more color about what initiatives you are taking? What

is the highest potential for cost cutting? And if possible, what is your ambition? What value do you expect to capture? That's my first question.

The second question is, with lower price scenarios, we will obviously see companies getting more conservative about their cash use, but we would also like to know, considering capital allocation, if there's any space for in this effort of reviewing expenses and so on, if we will see lower CAPEX levels and maybe some extraordinary dividends throughout the year. Thank you.

Fernando Melgarejo:

Rodolfo, let's start with your second question, about CAPEX. First, I want to reiterate that our commitment is with sustainability of the Company, to be important to society and to adequately compensate all of our investors.

So when you come across a lower Brent, you have to take some measures. As we said, we are optimizing cross-sectional expenditures to make up for the inflation and to go back to historical levels. This is 1 objective, simplifying projects. We had a project that was postponed to undergo an engineering review and to make it more efficient. And also, prioritizing projects that are bringing about positive cash flows.

(Inaudible/Technical Difficulty)

In our investment portfolio, obviously, we have been trying to prioritize the most important projects from a financial and strategic perspective. But before we can come up with a rationale of reducing the CAPEX, we need to analyze our possibilities around reducing costs so that we can keep the CAPEX at the current level and to execute the projects. Today's projects are Petrobras' future, as we all know, and they will be prioritized.

Sylvia, Renata, would you like to say anything about the costs?

Sylvia dos Anjos:

One way for us to assess the optimization of costs, we have been talking to the performance area. We could increase our operational efficiency, which is a way for us to bring down the costs of our offshore areas.

And in the onshore areas, we have talked about a significant reduction of all costs so that they become profitable. So for all of our assets, they have a positive ROI, and we will keep on improving it with the optimizations and with the search for lower costs so as to produce results and to lower the costs, as I said.

Vicente Falanga, Bradesco BBI:

Thank you. I also have 2 questions. First, we have not seen some FPSOs delivering growth for quite some time now. In an area in Maria Quiteria, there are projects that have been more or less flat for some time. Are there any difficulties being faced by these projects? Are the revamps profitable? Or is it about time that we rethought these assets, maybe resell these assets?

And my second question is about gas and energy, which dropped expressively in this quarter, as was explained in the release. Is it possible to say that the Company will recover its EBITDA with the Route 3 ramp-up? And if so, at what levels will the EBITDA stabilize after this ramp-up? Thank you.

Sylvia dos Anjos:

Vicente, when we deal with revamping projects, they are mature fields, and in order for them to resume that production levels, they need more water injection, more producing wells. So differently from the pre-salt fields that are quick to achieve the peak, they take more time. In the case of these fields, the forecast is 2026.

The same thing happens with Maria Quitéria, as anticipated, but our forecast is that it will only reach peak levels towards the end of the year. So these are areas that really require more wells, more water injection, and they take longer to produce results. This is more or less taken into account when it comes to developing these wells.

Renata?

Renata Baruzzi:

You are right. The productivity of the pre-salt wells reaches 50,000 or 60,000 barrels per day from one well only. That's why with 4 wells, we can top up a platform, which is different from what Sylvia said about the revamping projects.

But I would like to reinforce that all of these revamped projects, they are submitted to our robustness factors. And one of our best projects is the Albacora, an excellent tier VPL. So we will keep on implementing these projects.

As we said before, we are looking for simplification. And once again, revision of Albacora, we have a top side, which is one of the possibilities to measure the possibility of the project, it's at 35,000 tonnes. And with other projects where we are looking at 60,000 or 70,000 tonnes. We are able to truly simplify Albacora after lots of conversations with the market and suggestions to simplify the project. So the Albacora project is really one of our best projects in our portfolio today.

Mauricio Tolmasquim:

When it comes to gas, Vicente, a series of initiatives indicate that we will probably see an improvement in the performance and the results of gas. The first one is a quite aggressive policy around capturing new clients in the free market. We saw significant progress in this quarter, and we will keep on seeing this progress.

There's also this incentive policy that was launched, a premium for increased demand on the market that applies to distributors and the free market equally. And this also generates more revenue and more clients.

The third important factor that shows that our results will get better, I think you mentioned the full operations of the UPGN in the Boaventura Complex Route 3, which will improve our product portfolio and will increase our competitiveness. There's two more important aspects, the first one being the auction which is scheduled to happen. And we have 9 existing plants already registered for this tender and 2 new plants with good expectations around hiring these plants.

And finally, the last important factor in terms of producing results is a very solid initiative involving several stakeholders around the discussion of the regulatory framework for the transportation assets, or the so-called BRA. And we are now asking for the amounts paid by Petrobras and the other players to be considered equally. So our expectation for the next quarters is one of improvement.

Bruno Montanari, Morgan Stanley:

Good afternoon, and thanks for answering my questions. First, about the CAPEX. In terms of what we can expect for the CAPEX for the next quarters of 2025, it probably makes sense to think that it was a bit higher than what we normally see in the beginning of the year. And that being the case, maybe the 2Q and the 3Q will probably go to lower levels before it goes up again to regular levels towards the end of the year, if that's to be expected.

And secondly, as the President said, the beginning of the year was very good for oil production in Brazil, maybe even above the expectations. So I would like to hear from you what was the scheduled maintenance pipeline like for these months, and which units have maintenance scheduled for the next few months? Just so we can understand how much of these results comes from maintenance and how much comes from the ramp-up.

Fernando Melgarejo:

Bruno, thank you for your question. The first question is about CAPEX. It's important to say that there was a transfer, a carryover from the measurement that was done in December, and the first payment occurred in the 1Q25. So there was this carryover effect, and also some measurements that were not completed in December and that were just completed in the 1Q. And therefore, in the 2Q, we are going to see additional payments. And after that period, it will normalize and we will no longer see these extraordinary events, so it will become regular.

Our guidance remains at R\$18.5 billion, of course, with FX rate adjustments, and our goal is to deliver a guidance of 18.5, as I said.

Sylvia dos Anjos:

Bruno, the downtimes, the scheduled downtimes are essential for maintenance of the rig. And for safety purposes, we have scheduled maintenances for all of the rigs, and the 1Q was no different. Our downtime resulted in 245,000 barrels due to P-68, P-70, FPSO Maricá in the Santos Basin. So basically, we did what we had planned in terms of scheduled downtime for the 1Q.

And I should reiterate this, it was very good from the perspective of production, and also from the perspective of new discoveries. We had 3. We made 2 discoveries in Aram, also the north of Brava. And if we combine the Forno Brava in the north of Brava, basically, we have a pre-salt unit around the Campos Basin, which is really a reconstruction of the Campos Basin using not only the oil that we have there in the pre-salt, but also in the salt area.

This is very significant, and very soon, we will be seeing results for the other units. In addition to production, these discoveries also strengthen the Campos Basin and also the Santos Basin.

Renata Baruzzi:

About the CAPEX, Bruno, last year, we reviewed our CAPEX planning process and how it would behave throughout the year. So we are pretty sure that we will stay within the guidance, 18.5, more or less, 10%. And 1 thing that reassures us is that most of the big projects are already hired. So there will not be too many bumps along the road for this year. And our forecast is that it will really (*inaudible/technical difficulty*).

Matheus Enfeldt, UBS:

Thank you. Good afternoon. My first question is about dividends. In the way our policy is set up in our accounts, with oil close to or below US\$60 per barrel, Petrobras may be required to issue debt to pay the dividends of 45% in terms of free cash flow. If it comes to that, would it not make sense for you to change the policy? That's my first question.

And the second question is that, in terms of LNG, we understand that there is restrictions in terms of the supply, and the fact that the Company has to depend on the LNG market. How do you see the competition in this industry given the higher costs in terms of import infrastructure? And how do you think about increasing the availability of LNG? Will you increase the number of refineries as the revamp plan for the next 5 years states? Those are my questions.

Fernando Melgarejo:

Good afternoon, Matheus. First, I would like to reiterate our commitment to the ordinary dividends according to the methodology, 45% over the free cash flow. And it's self-adjustable, because the basis, as it increases, it will increase and vice-versa. So it gets adjusted according to our base.

And as for the debt, when we defined the strategic plan at the end of the year, we decided that we would change the size of the debt to US\$75 billion, it was US\$65 billion before, with 3 main motivations. The first one being potential investments that we were not able to see back then and are still not able to see that would lead to an increase in the debt. And that's why we considered a debt of around US\$65 billion approximately.

The second thing was to account for the affreightment because with the beginning of the first oil in Maria Quiteria and Tamandaré, it had an impact on the worsening of the debt. So we acknowledge the debt with the first oil as expected, and with the first oil that's associated with the revenue, so it's an increase in the debt with an associated revenue, which is positive.

And the third aspect is cash management. If there was any change in the scenario like the Brent price, we would need to have flexibility in terms of accounting for the cash flow with the Company and moving forward and facing any occasional turbulences.

So nothing changes in terms of the debt size. It's still at US\$75 billion, and that's why it's possible that the US\$65 billion that we said would be our goal for the entire strategic planning might see some oscillations. But of course, with the constant commitment on our part towards maintaining the payment of dividends.

As for the extraordinary dividends, it will depend on the capacity to generate cash flow. If there is a cash flow above the adequate levels, undoubtedly, we will distribute special dividends.

Claudio Schlosser:

Matheus, about the LNG and the infrastructure, one thing we have prepared for the future is an increase in the production of LNG. Investments in refining and expansion of capacity are highly focused on diesel, but also they focus on LNG.

In terms of infrastructure, the production of LNG in Brazil, the most relevant fact is Boaventura. We have 2 trains for the processing of natural gas starting up with a very

significant production. So this infrastructure that was initiated and will yield relevant production levels and the logistic aspects related to the distribution of LNG is being planned by the department.

There are projects involving the investments of third parties, companies, especially in distributors, which have been doing that for quite some time but which have not materialized yet, but they would effectively be very helpful when it comes to the supply of LNG. But the Company has been increasing the production of LNG, especially given that Boaventura has the highest levels right now.

Fernando Melgarejo:

If I may add to that, before we began, the CEO gave us an important message of austerity. So we have 3 major fronts that I have discussed before with you and we are going to continue with this austerity plan, and we have some short-term measures to see if we can make some short-term reductions, but we also have some medium- and long-term initiatives. But this is all in our strategic plan, so it's not that we are increasing our debt.

Rodrigo Almeida, Santander:

Good afternoon. Thank you for taking my question. I have a specific point about the Equatorial Margin. I think there were some advances at this or at least it seems to have advanced, looking at it from outside. So I would just like to get an update on what we can expect and monitor for the next months with the licensing process and the exploration process in the region, if you have a license approved.

Still on the same topic, I would like to ask your long-term view on the Equatorial Margin. I know that we do not have all of the details, but I think we will have a relevant part of the exploratory section in the plan. We have been talking about this for a long time. But if we start developing assets in the region, how do you believe the business plan will support these additional investments in CAPEX and in developing the region? Would you be willing to share these assets with other partners to help fund these projects, or having a portfolio recycling plan for other assets to finance the development of the Equatorial Margin? Thank you.

Sylvia dos Anjos:

Rodrigo, yes, we have some expectations for the Equatorial Margins. We have already complied all the requirements from Ibama. They have been handed to Director Clarice. We have 2 centers in Belém and Oiapoque awaiting Ibama to go and see if everything is fine. We already have a probe close to here in Bahia. So now what we need to do is to receive approval for the probe and start drilling.

In our strategic plan, we have foreseen US\$3 billion for the margin. The first well for this year is included in that. And for all of the margin, we have 15 wells planned for the next 5 years.

So once the discovery started, we are delimitating the field. So we have some margins in our budget to do this, but this will take 4 or 5 additional years for production to begin once the field has been marked. So that will be outside of this 5-year limit and we can reschedule our investments according to the future investment plan.

However, what we need is to truly have a discovery so that we can think about getting to work in production. But meanwhile, we do not depend only on this. We have other wells

to drill here in the Southeast Margin, and we even have some wells planned for abroad in Colombia and also São Tomé and Príncipe, where we also have some drills planned.

So we are optimizing our fields, the Campos and Santos fields, improving our efficiency, adding complementary wells and we are making strong investments to obtain a license in the Equatorial Margin. But meanwhile, other areas are being worked on such as the Colombia well and also São Tomé and Príncipe. And at the end of the year, South Africa as well.

Clarice Coppetti:

Rodrigo, that's an excellent question because it gives us the opportunity of telling you about something. We just recently had a simulation in Petrobras with Oiapoque with over 200 people involved. We went through all the exercises, responding to emergencies, rescuing and treating fauna. And across all of these exercises, our results were according to Ibama manuals.

So that's very important. It demonstrates that we are ready. Sylvia has even talked about cleaning the probe. We already have a licensed fauna, we have a license to operate from SEMA. And in Oiapoque, we are also bringing a contingency of equipment and trained professionals to respond to emergencies.

So everything that is in our environmental defense systems is present in Oiapoque as well. Every week, we have communicated to Ibama all the steps that the Company has taken, and we are demonstrating our readiness to have the preoperational assessment, which is one step before the license to operate.

Gabriel Barra, Citi:

Thank you for taking my question. I have 2. The first is, we recently had an OTC, I got a presentation from Renata about this, and this has been an important topic for the Company, especially in contracting not only services, but also projects. So in this presentation, Renata discussed vessels here in Brazil. We also saw some news from Magda with some meetings she had with people in other countries who are trying to bring investments to the country with shipyards.

So I would like to hear from Renata how we can solve this equation. With oil prices being low, we also see that services have also received conservative investments. So if you can give us that feedback on OTC, how can we understand this issue from your perspective? That would be an important point.

And my second point is about the gas market. For a while, Brazil has had discussions about opening the gas market, the price of gas in Brazil, and there has been a long discussion on how to make gas prices lower in Brazil. So I would like to hear your take on that. What would the Company's strategy be with Boaventura and with the highest capacity for gas in a market that is not having higher demands and that still has a high price?

So I would just like to hear what your strategy is. You have signed some agreements in the free market with the ceramics industry. So I would just like to hear about your strategy in the gas market and how this will impact the Company's results from now on. Thank you.

Renata Baruzzi:

Gabriel, we have been simplifying our projects. I had mentioned a couple of other times, talking again about the top side of the projects, this is one of the complexity measures that we have. When we have the first FPSOs installed in the pre-salt layer, the weight of these top sites was not over 30,000 tonnes, and the ones in Búzios are over 60,000 tonnes. So we really need to go back to basics.

This is the effort we are making. We took a project from Replicantes and what we need to do is have minimal changes to have a very lean project. So we made this effort. We concluded this study, and we are implementing it in several projects. I have mentioned Albacora, which is simple. We have implemented many simplifications with SEAP I and II.

The tender organizers asked for some more days to organize this, but we also have to look at subsea. In the last year, this has grown because of a lack of competition. We had basically 2 suppliers there. And we made a strong effort with the market, we tried to find new suppliers, and in the last bid tender, we were pleasantly surprised by receiving 4 proposals that were far below the other ones that we had carried out.

So this is what we have been trying to do. We are trying to find more suppliers. We went to China to try to see if we can attract partners to Brazilian shipyards. As a company, and just as with any other company, we prefer to have our suppliers nearby. Geopolitical issues are on the top of mind. So we need to understand if our projects can be carried out here in Brazil.

Of course, quality and price are factors and we are not going to let go of that, but we want to have it in Brazil. And we are inviting partners from other companies and from other countries to join us.

One example is Singapore. Seatrium, which is the merge of the previous Keppel FELS with Jurong, has 2 shipyards in Brazil. They are completely full. The Aracruz I had 1,800 employees, and now they have 5,000 employees. In Angra dos Reis, they also have 5,000 employees, and their demand is so high that they are already spreading it to other partners like NUCLEP, EPS, Imetame. This is about making waves in the market.

So our strategy is to simplify projects so that we can attract more suppliers in order to become more competitive with our bid tender processes.

Mauricio Tolmasquim:

Gabriel, you are right, this is a much more competitive environment than we had in the past. In about 3 years with market opening, we have had 19 suppliers in the market. So these are 19 potential competitors.

And this creates a challenge for us. We have to find new clients. So in order to do that, we have created a significantly aggressive strategy with pricing, and this has had its results. In the last few quarters, we have talked about 3 buyers who have signed contracts with Petrobras, and we cannot give details, but we are negotiating with many others, and this will be announced as the contracts are signed.

We have a policy because our contracts with distributors have a clause in which we can reduce the contract if a free consumer has a contract in the free market. So this has also hindered gas distributors work. So this is an environment that we are facing, but we believe we are prepared and we will continue to launch new products in order to get a better share of the market.

Luiz Carvalho, BTG:

Good afternoon. Thank you for taking my question. I also have 2. The first is for Director Renata. Referring back to one of the questions that was asked about President Magda's initial comments on cost reduction, simplifying projects, I was trying to quantify the potential impact of the simplification process and the reduction of the top side weight. We saw FPSOs that had a total cost of US\$2.5 billion, and this went up to US\$4 billion. Do you have any estimates or any expectations about the cost of these units, if it will be between US\$2.5 billion or US\$3 billion, or between US\$3 billion or US\$4 billion? And how does that match the impact on the total CAPEX that is projected for this plan?

My second question is for Director Fernando, about leverage. This quarter, we saw that the Company's net leverage reached nearly 1.5x, and it was 0.8x a year ago. Gross debt was at US\$65 billion, and that was very close to that US\$75 billion limit, and your cash is close to your minimal, or your ideal levels. In your presentation, you were showing your CAPEX resilience at different oil levels. So my question is, what is the ideal maximum level of leverage for you, especially with lower oil prices, considering this current context? Thank you.

Renata Baruzzi:

Luiz, our expectation is for platforms to be below US\$3.5 billion, for rigs to be below US\$3.5 billion. Of course, this depends on the complexity of each rig, but our expectation is that it will not be above US\$3.5 billion.

Fernando Melgarejo:

Luiz, first, leasing is 70% of our leverage. And leasing is most of all connected to generating revenue. So when it comes to leveraging a company that has leasing, we have to consider this point. Financial leverage is much lower. But as we have been seeing, leverage is related to the indebtedness cap that we have.

No one is considering having something that is outside that indebtedness level of US\$75 billion. And of course, as a financial manager, this is something that we keep an eye on sustainability, cash generation and payment capacity. So this is how we are seeing our leverage.

Lilyanna Yang, HSBC:

Thank you for taking my question. You have talked a lot about the investment plan execution for 2025. But I would like to understand what cost pressures you are facing today, and if there's any possibility of executing CAPEX above US\$18.5 billion in the budget. Dr. Fernando mentioned the foreign exchange as a caveat, and I also have the same question for 2026. That's my first question.

If you will allow me a second question, can you talk about the status of the investment plans in fertilizers? Are there any ongoing studies for Petrobras' growth strategy in petrochemicals? Have they advanced? Thank you.

Renata Baruzzi:

Lilyanna, we do not see any possibility of surpassing our CAPEX guidelines. Fernando is looking at me sideways and he is definitely demanding that we do not surpass it, especially because the prices are already defined. So there is no reason for us to have

any prices above those that we forecast. For 2026, we are now planning the next 5 years. Right now, we do not have those numbers yet, but we will abide by whatever is defined.

William França:

Lilyanna, thank you for your question. And good afternoon, everybody. Both petrochemicals and fertilizers, they are in our strategic planning approved by our Board, given that the Company is an integrated energy company, and therefore, they are part of our investment portfolio and also value generation for Petrobras.

For fertilizers, in May, we will be completing the scheduled downtime of the Paraná plant, and as of the end of the month, we will be resuming the operations of that plant. Concerning Unigel, it was approved by our Board, as well as the term of settlement of outstanding amounts that was approved. And along with arbitration, we will initiate a tender so that as of October, we will go back to the operations of FAFEN Bahia and Sergipe, putting them back on our portfolio. The agreement provides for the return of these plants to the Petrobras' assets.

And also, I do not know if Renata wants to mention that we are now in the middle of the tender process for the UFN-III, and to initiate some storage and trading activities soon in 2026 and the completion of the loading operations in 2028 or 2029.

About petrochemicals and UFN-III, in petrochemicals, we are also seeking opportunities, and Braskem announced 2 or 3 weeks ago, the kickoff between the Novonor and Petrobras' shareholders to expand the Rio hub, the Braskem Rio de Janeiro hub, given that we initiated Train 1 and are starting Train 2. So we will be expanding into 50% of polyethylene production capacity in Rio with the Novonor investments. And with a surplus of ethane in the hub, we are now assessing the plant of acetic acid, and that's an opportunity in terms of petrochemicals.

In terms of energy transition, we have carried out a test for the production of green ethane at RECAP. And as of July in the Rio Grande relighting plant with our partners, Braskem and Grupo Ultra, we will be starting the Phase 1, transforming into a catalytic plant producing gases for the production of naphtha.

So we will operating only with renewables, the cracking process producing green naphtha and green ethane, which are raw materials for petrochemicals as well. So both in terms of raw materials and in case of plastics, we are working on opportunities and investments that are able to generate value for the Company in petrochemicals, especially because this synergy and integration between refining and petrochemicals is increasingly required globally for oil-producing companies.

Renata?

Renata Baruzzi:

About UFN-III, we are now in the middle of a tender process, and we will be receiving proposals in June. And I can tell you that the market is pretty excited. We are seeing a lot of interest in all the packages that we launched and lots of questions being asked at Petronect and the collaboration room. So we are pretty excited about that project as well.

Regis Cardoso, XP:

Thank you. I have a specific question about production. There was an important schedule in terms of some platforms going into production and some of them going into ramp-up.

I would like to hear your comments about that. I know that we have a guidance for an average of 2025, but is there any downtime still scheduled? Or maybe I could hear your comments about the production by December and the end of 2025, given the ramp-up of these rigs.

And I would also like to hear a few examples in terms of flexibilizing the investment plans to make adjustments based on the lower oil prices discussed in the beginning of the call. I was under the impression that there may be a possibility to change the scope of the top side of the rigs. Maybe know what the hired ones are, or the ones that have not been hired yet in the 5-year plan.

Sylvia dos Anjos:

Regis, given the prediction schedule, our entire production is submitted to a risk analysis that's been pretty consistent and reassuring. So last year, we stayed within the range of 2.7. For 2025, we also expect to remain within the range of 2.8.

And with that, these important platforms, the ones that came from Mero and Búzios, they will go into production with the ramp-up on the 2Q, Almirante Tamandaré towards the end of 2025 and Mero 4 next year. So that is strictly within our production levels.

In addition to the revitalization ramp-ups, all of these scheduled downtimes are scheduled. And we can say that 260,000 270,000 barrels a day per year are not produced because of the downtimes, but that's already considered by our risk analysis. And also, with occasional downtimes for Ibama, for instance, we have been attempting to include them in our analysis to give us a bit more accuracy for the results.

Renata Baruzzi:

We do not change any projects already in execution because that's hell for us. It generates claims and whatnot. So we do not tamper with projects in execution, except if it's for security or safety purposes. We do not change any projects. We only change the projects that have not been hired yet.

So we are strongly working on the projects that we are still hiring or for those that will still initiate the hiring process. And we do not forecast any changes. Like we said, our projects are resilient to a Brent of US\$45. So there is no perspective of making any changes. But in terms of simplification, that's our motto moving forward, to simplify the projects and to attract more suppliers, so as to increase the competitiveness in the tender processes.

Jorge Gabrich, Scotiabank:

Thank you. We looked at the utilization factor of refineries, it decreased in the 1Q. How can we think about normalizing the load for the next quarters?

And my second question, we saw a successful task in anticipating the production systems. What are the learning points in terms of processing and contracts that were generated? And is there any other opportunity for another production system to be anticipated, to be moved forward?

William França:

Jorge, thank you for your question. Actually, our utilization factor was really good. It did not go down. It may sound like a paradox, but it's not. We were able to maintain our

utilization factor for the refineries at above 90% with strong efforts from refinement and logistics and trading areas of the Company.

Even in the face of a downtime for revamp at RNEST, which is a refinery that went into downtime for 60 days, we stopped distillation, coking, diesel, naphtha. And we also did the revamp of distillation from 115,000 to 130,000 in addition to SNOX maintenance, and giving us the possibility of reaching 130,000. So it was a long downtime.

But even with this downtime, with the logistic planning and the high availability of the other units, we were able to maintain the utilization factor above 90%. For this year, we will have the downtime at the Cubatão refinery with 2 units, one of them coke that basically produces diesel and S10. And towards the end of the year, we will have a downtime for the REPLAN revamp. It will be revamped to 73,000 m³ a day, almost 450,000 barrels per day, a big refinery. We are expanding it even further and producing more S10; and the revamp downtime as of September for distillation and amplification of the HDT unit, allowing us to produce more S10 diesel.

So it's 3 downtimes. But due to the shorter length of time, we do expect a utilization factor in some months in the range of 95%, 96% and an average at around 92% or 93%, which is what the strategic planning defines.

So the reliability level of the Company is still very good. In terms of the international availability, 6 out of 10 refineries are already on the first quartile of the Solomon indicator.

Thanks for your question. Renata?

Renata Baruzzi:

So, what have we learned? First, we are monitoring everything that's done at the shipyards much more closely. We discussed, for instance, which welding operations will be performed on a given day. That's one thing. We have been doing that at the shipyards so as to guarantee, and also move the deliveries forward. Each day matters in terms of moving these dates forward, and we are constantly trying to do that.

So what are we doing differently after the rig is ready? Once the rig gets here, you have to anchor it. You have to interconnect the wells through lines. And as Magda said, Alexandre de Gusmão reached record-breaking anchoring levels.

What we did differently was that before we received the rig, we launched the torpedo piles, which do the anchoring. Once the platform got here, they were already here, and we just needed to attach the line to the platform. So anything that we would weight in the past, after the rig was delivered, we did that before the rig has been delivered because once it gets here, we have completed a lot of tests already. And that's been allowing us to anticipate many things.

Another thing is that for the chartered platforms, they are manned and the systems are already connected, all of them. And our own platforms in the past, the way we did it was we would bring them to Brazil, they would be standing at Guanabara Bay. The crew would come on board and start switching everything on, and the machinery would take 15 days to start running to then go to the location.

For P-38, we will do a manned trip. It will leave Singapore already manned. Once it gets here, it will go to the location and that will give us an additional month in terms of moving production forward.

So those are things that we have been thinking every day about what can be done differently because each day matters, as I said.

Eduardo de Nardi:

Thank you, Renata. This is the end of the Q&A session. If there are additional questions, you can send them to our Investor Relations team. I will give the floor to Fernando for a few additional comments.

Fernando Melgarejo:

I also want to thank everybody for participating. This is very significant for Petrobras. And our final message is that the entire Company is fully aware of the volatile situation we are going through and the Brent price levels.

We are committed to analyzing several scenarios to allow us to understand the possible effects on the balance sheet of the Company, production, CAPEX, cash flow, debts. So all of that is being taken into account very carefully to allow us to make the best possible decisions, with a technical base so that we can make the best possible progress in the Company. There's also the austerity measures that, in our opinion, will be very productive. And this will bring about more reliability to the Company.

And we should never forget that we always talk about long-term results. So a short-term decision that disregards the long-term, between the exploration and the first oil, we are talking about 70 years, so it's not such a short period. Any decisions need to consider that.

So this is the commitment of the Board. We are concerned, but we are also highly optimistic about the possibility to increasing production. And we are confident in our resilience that's been mirrored by our strategic plan.

So I wish you a great day, a great week, and see you next time.