



March 13, 2023, Mexico City, United Mexican States

**REPORT OF THE CHIEF EXECUTIVE OFFICER OF VISTA ENERGY, S.A.B. DE C.V.**

**To the Shareholders of Vista Energy, S.A.B. de C.V.**

**cc. Board of Directors of  
Vista Energy, S.A.B. de C.V.**

Dear Ladies and Gentlemen:

The undersigned, in my capacity as Chief Executive Officer of Vista Energy, S.A.B. de C.V., in accordance with article 44, section XI of the Securities Market Law, in connection with article 172 of the General Law of Commercial Companies, hereby submit the report of (i) the performance of the Company and its subsidiaries, the policies followed by Vista's management and the main existing projects, (ii) the financial position of Vista and its subsidiaries throughout and at the end of the fiscal year, (iii) the results of Vista and its subsidiaries and (iv) the changes in the items comprising the Company's equity that occurred during the fiscal year ended on December 31, 2022.

**OUR COMPANY**

Vista is an independent oil and gas company operating since April 4, 2018, that seeks a leadership position in Latin America. Led by an experienced Management Team, we seek to generate strong returns for our shareholders based on the following foundations: (i) the quality of our acreage in the Vaca Muerta shale play in Argentina, (ii) our peer-leading operating performance, (iii) a robust balance sheet and strong financial results, and (iv) a sustainability-focused culture.

**COMPANY'S PERFORMANCE DURING 2022, MANAGEMENT POLICIES, AND MAIN EXISTING PROJECTS**

**Vaca Muerta development**

During 2022, we completed and tied-in five pads (pad BPO-11 to BPO-15) in Bajada del Palo Oeste, adding 20 new shale oil wells and increasing the shale oil well count in the block to 60 at year-end. Additionally, during 2022, we connected six wells in Aguada Federal and the first two wells of the pilot in Bajada del Palo Este. This activity boosted our total shale production in 2022 to 34,671 boe/d, a year-over-year growth of 49%.

We believe the productivity of our new wells demonstrates the quality of our Vaca Muerta acreage. As of December 31, 2022, the cumulative production of our average well during the first 360 days (represented by the average all wells with more than 360 days of production,



namely BPO-1 to BPO-10) was 3% above our Bajada del Palo Oeste type curve. Our wells rank among the best in Vaca Muerta, with most wells in the top quartile of the basin's history.

### **Relevant Aspects of 2022**

- Total proved reserves as of December 31, 2022 were 251.6 MMboe, a 39% increase compared to 181.6 MMboe as of December 31, 2021. The increase was mainly driven by increased drilling and completion activity and strong well performance in Bajada del Palo Oeste and Aguada Federal. The implied reserves replacement ratio was 495%, while the oil reserves replacement ratio was 515%.
- During 2022, total production was 48,560 boe/d, composed of 40,078 bbl/d of oil, representing 83% of the total production, 1.28 MMm<sup>3</sup>/d of natural gas, representing 16% of the total production, and 450 boe/d of NGL, representing the remaining 1%. Total production in 2022 increased 25% vis-à-vis 2021. Vista exported 6,567 Mbbbl of oil (44% of oil sales volumes), a 115% increase y-o-y.
- During 2022, the Company reduced scope 1 and 2 GHG emissions intensity by 25%, from 24 kgCO<sub>2</sub>e/boe to 18 kgCO<sub>2</sub>e/boe.
- During 2022, the average realized crude oil price was 72.3 \$/bbl, a 32% increase compared to 2021. The average realized natural gas price for 2022 was 4.0 \$/MMBtu, 25% higher than 2021.
- Total revenues during 2022 were 1,143.8 \$MM, a 75% increase compared to 652.2 \$MM during 2021. The increase was mainly driven by the increase in oil production and higher realized prices. Revenues from exports were 574.7 \$MM in 2022, a 216% increase vis-à-vis 2021.
- Lifting cost in 2022 was 7.5 \$/boe, down from 7.6 \$/boe in 2021, reflecting the implementation of tactical cost saving initiatives and the dilution of fixed costs through incremental production volumes.
- Adjusted EBITDA for 2022 was 764.5 \$MM, resulting in an Adjusted EBITDA margin of 67%. Such figure represents a 101% increase compared to an Adjusted EBITDA of 380.1 \$MM during 2021 and was driven by higher revenues and lower lifting costs.
- Adjusted Net Income during 2022 totaled 371.8 \$MM, compared to 78.5 \$MM during 2021, mainly driven by a higher Adjusted EBITDA, partially offset by higher depreciation, depletion and amortization, and higher income tax expense. Adjusted EPS was 4.23 \$/share in 2022, compared to 0.89 \$/share in 2021.
- Total CAPEX for 2022 was 540.0 \$MM, of which approximately 361.6 \$MM were invested in the development of shale wells, 106.7 \$MM in facilities, 59.2 \$MM in G&G studies, IT projects, and other infrastructure, and 12.5 \$MM in the development of wells in conventional assets.
- Cash at the end of 2022 was 244.4 \$MM. Gross debt totaled 549.3 \$MM as of year-end, resulting in a net debt of 304.9 \$MM and a net leverage ratio of 0.4x Adjusted EBITDA.



## Relevant Aspects of Q4 2022

- Q4 2022 total production was 54,718 boe/d, a 33% increase compared to Q4 2021. Oil production in Q4 2022 increased 41% y-o-y to 45,745 bbl/d, mainly driven by solid well performance in Bajada del Palo Oeste and Aguada Federal.
- In Q4 2022, shale production was 41,479 boe/d, boosted by the tie-in of pads BPO-14 and AF-3, tied-in between September and October 2022. Shale production increased 61% compared to Q4 2021.
- Revenues in Q4 2022 were 308.1 \$MM, 57% above the 196.0 \$MM generated in Q4 2021, driven by an increase in production and realized prices. During Q4 2022, revenues from oil and gas exports were 170.7 \$MM, a 142% increase y-o-y and representing 55% of total revenues. Oil exports were 159.9 \$MM and represented 56% of oil revenues.
- In Q4 2022, the average realized crude oil price was 68.9 \$/bbl, a 14% increase compared to the average realized crude oil price of Q4 2021.
- Realized natural gas price for Q4 2022 was 4.5 \$/MMBtu, resulting in a 65% increase y-o-y, driven by sales to industrial customers at 3.0 \$/MMBtu, and exports to Chile at 8.8 \$/MMBtu.
- Lifting cost in Q4 2022 was 7.2 \$/boe, representing a 11% decrease compared to Q4 2021, reflecting the implementation of tactical cost saving initiatives and the dilution of fixed costs through incremental production volumes.
- Adjusted EBITDA for Q4 2022 was 201.7 \$MM, a 73% increase compared to Q4 2021, driven by the increase in revenues amid lower lifting costs. Adjusted EBITDA margin was 65%, 6 p.p. above the Adjusted EBITDA margin of Q4 2021.
- Adjusted Net Income during Q4 2022 totaled 171.0 \$MM, compared to 35.4 \$MM during Q4 2021, mainly driven by a higher Adjusted EBITDA, a positive income tax impact of 98.4 \$MM, and partially offset by higher depreciation, depletion and amortization. Adjusted EPS was 1.95 \$/share in Q4 2022, compared to 0.40 \$/share in Q4 2021.
- In Q4 2022, CAPEX was 145.2 \$MM, reflecting the drilling of eight wells and the completion of seven wells in our Vaca Muerta blocks.

## Sustainability highlights of 2022

During 2022, Vista made solid progress on all ESG fronts. The main highlights in the Environmental, Social, and Governance fronts are summarized below:

### Environmental

- Recorded GHG emissions intensity, scope 1 & 2, of 18 kgCO<sub>2</sub>e/boe for the year, a 25% y-o-y reduction. In Q4 2022, GHG emissions intensity was 14 kgCO<sub>2</sub>e/boe.
- Signed a renewable power purchase agreement, which is forecasted to supply 20% of the Company's electricity needs in 2023, a share that is planned to gradually increase going forward.
- Currently executing the Company's first 4 Natural Based Solutions projects in 6 provinces (Corrientes, Santa Fe, Córdoba, Buenos Aires, Río Negro and Salta). The projects are



managed by Aike, a Vista subsidiary set up to design, manage and execute the carbon offset projects, staffed with leading local experts.

### Social

- Recorded Total Recordable Incidents Rate (TRIR) < 1 for the third consecutive year.
- Made good progress in gender initiatives through hiring and development of female talent, issuance of new policies and workshops to increase employee awareness.
- Set up Social Management System to support the Company's social performance (externally audited and following IFC standards).

### Governance

- Strengthened governance by issuing policies related to business ethics and increasing training hours to staff in such matters.
- Implemented a public grievance mechanism procedure and added a community and stakeholder feedback link to Vista's website.

## **OUR MANAGEMENT TEAM**

### **Experienced management and professional staff**

Our Management Team and professional staff have vast experience in executing complex projects worldwide. Our management team played a pivotal role in unlocking the Vaca Muerta formation as an economically viable shale play during their tenure in previous companies. We believe that such experience of our management team and professional staff will improve our position among our competitors and enhance our ability to successfully leverage the exploitation of the Vaca Muerta formation.

### **Lean and agile organization**

Our employees are organized in a flat and lean organizational structure that we believe facilitates a rapid and effective decision-making process, allowing us to adapt to the continuous changes in the industry and business environment.

Our Management Team works closely with our operations, prioritizing shareholder returns while committing to high safety and security standards. We incorporate new technologies in order to automate everyday operations, reduce cost, improve response time and achieve real-time reporting.

## **FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR CONCLUDED ON DECEMBER 31, 2022**

I attached hereto, as the only annex, the consolidated financial statements of the Company and its subsidiaries, together with the opinion of the external auditor, regarding the Company's and its subsidiaries' operations and results of the financial year, ended on December 31, 2022.



## GREETINGS

Since the beginning of the Company, we have had a world-class Board of Directors, both on a professional and personal level, with vast experience in the industry and the region, composed mostly by independent directors. I am very fortunate to be able to rely on their experience and support, as well as the support of our staff. In the future, we will keep working to make the best of Vista, both with our Board of Directors and staff.

I want to express my gratitude to all the people in our team that have helped elevate Vista to its current status with their constant dedication, and to you, our shareholders, for trusting us. We reiterate that we are fully focused on our operations to create value for you, our shareholders.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Miguel Matías Galuccio", positioned above a horizontal line.

---

**Miguel Matías Galuccio**  
Chief Executive Officer of  
Vista Energy S.A.B. de C.V.