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2Q22 Earnings Release



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2Q22 Highlights

PetroReconcavo remains focused on the execution of its business plan

Net Revenue of R\$ 691 million in 2Q22 and R\$ 1.4 billion YTD;

EBITDA of R\$ 380 million in 2Q22 and R\$ 795 million YTD;

Adjusted EBITDA (excluding hedge effect) of R\$ 510 million in 2Q22 and R\$ 1.010 million YTD;

Net income of R\$ 131 million and R\$ 533 million YTD;

Follow on completed raising more than R\$ 1 billion;

Average production of 20,528 BOED in 2Q22, 6% higher than 1Q22 and 69% 1H22 vs 1H21;

Drilling of 10 wells and 76 workovers and completion projects the quarter;

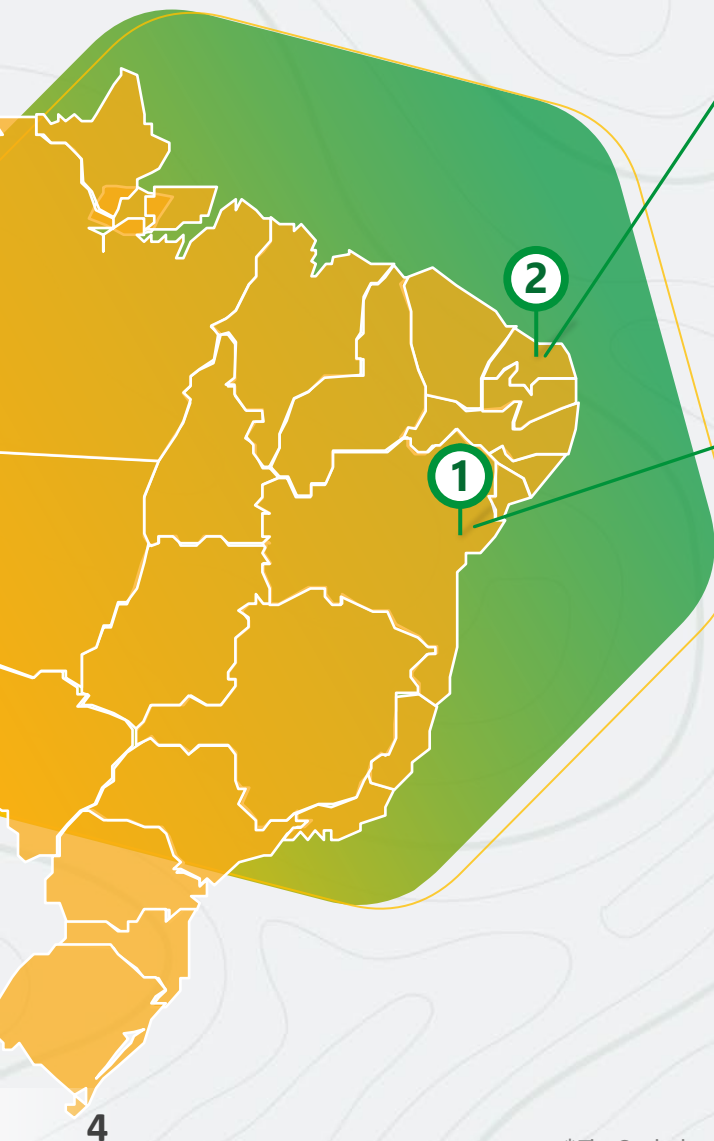
Extension of 5 concessions, 4 including royalty reduction;

2 new contracts for Natural Gas commercialization;

Release of **1st Sustainability Report**.



Operational Performance



POTIGUAR ASSET

Potiguar E&P S.A.

32 operated concessions
1 concession operated by partner*
1 exploratory block

Riacho da Forquilha Cluster

BAHIA ASSET

PetroReconcavo S.A.

12 operated concessions
Remanso Cluster

Reconcavo E&P S.A.

5 operated concessions
BTREC Cluster

Remanso
+ BTREC

SPE Miranga S.A.

9 operated concessions
Miranga Cluster



Average Gross WI Production

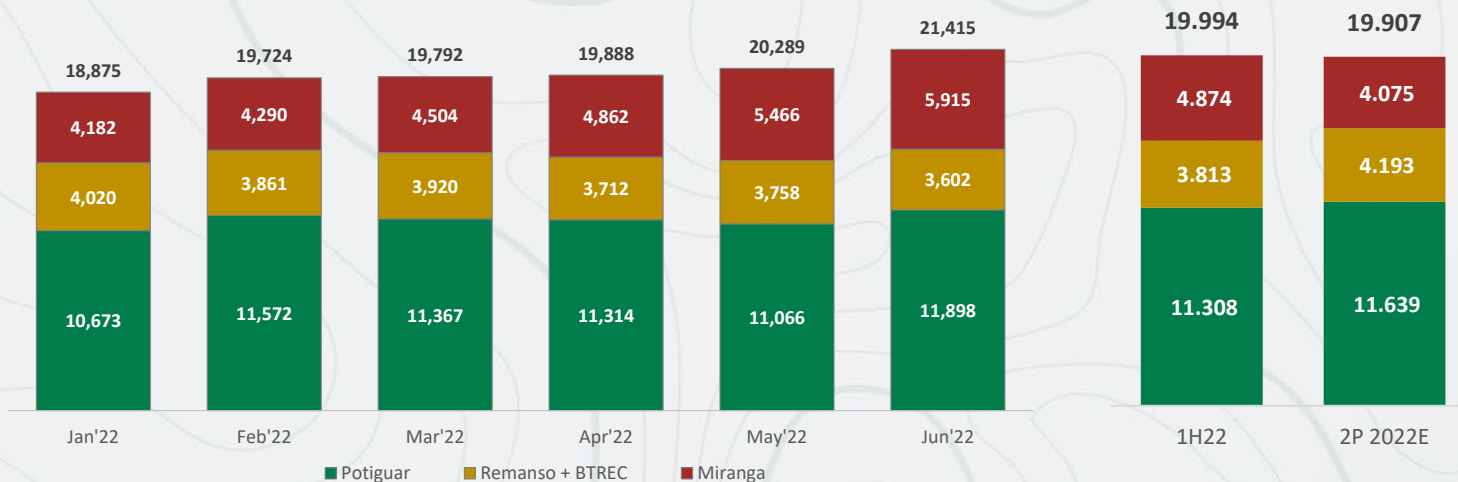
In Barrels of Oil Equivalent per day - BOED

	2Q22	1Q22	Δ%
BAHIA ASSET	9,106	8,263	10%
POTIGUAR ASSET	11,422	11,192	2%
AVG. GROSS PRODUCTION	20,528	19,455	6%

* The Cardeal and Colibri fields operated by Mandacaru Energia (formerly Partex) were consolidated, keeping the concession contract of Cardeal concession.

Production by Cluster

Monthly Production | average barrels of oil equivalent per day (BOED)



Source: Monthly Production Bulletin reported to ANP, Adjusted Production Potiguar E&P e NSAI – Reserves Report

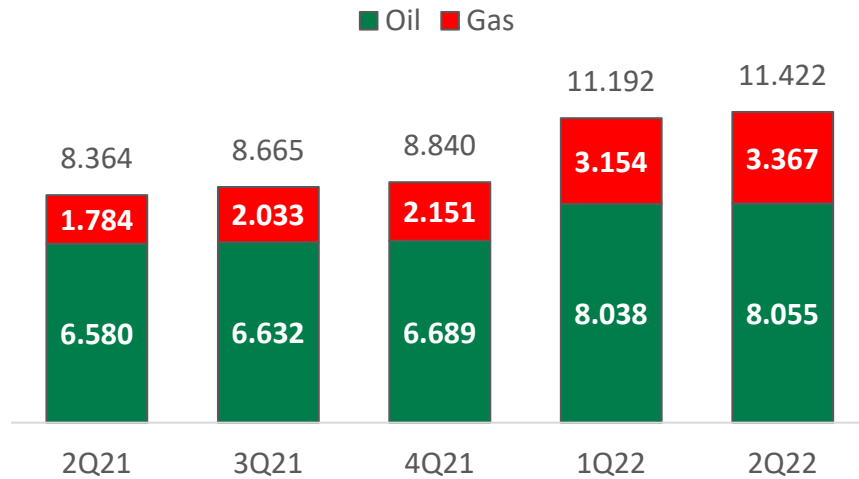
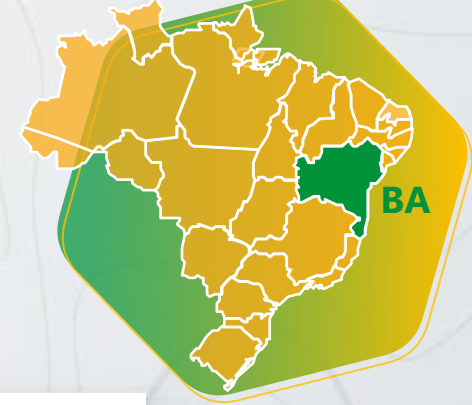


- Record monthly average production in June of 21,415 boed;
- Average production of the semester exceeds average production expected for the year 2022 in the reserves certification;
- We continue the investments to increase production.



Potiguar Asset

2% Incremental Production in 2Q22 vs 1Q22



Beginning of operations of the **second Fracking unit** dedicated to the Asset



40 workover interventions focusing on conventional hydraulic fracturing projects and **completion** of recently drilled wells



Increase in the production of **natural gas** aligned with the improvement in commercialization conditions

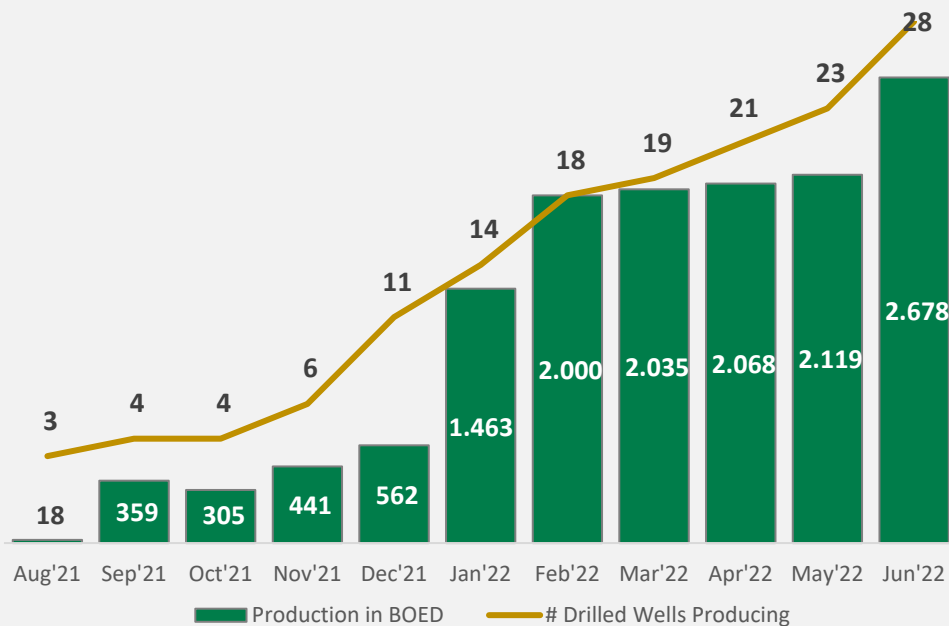


Facilities projects to increase **processing and transport capacity** of the production from the **Sabiás Complex**

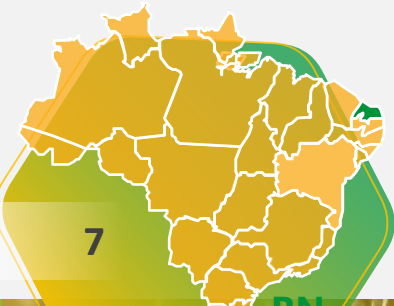
Potiguar Asset

10 wells drilled in the quarter, of which 7 are already producing

Sum of the average daily production of the Drilling Campaign wells
(BOEPD Gross WI)



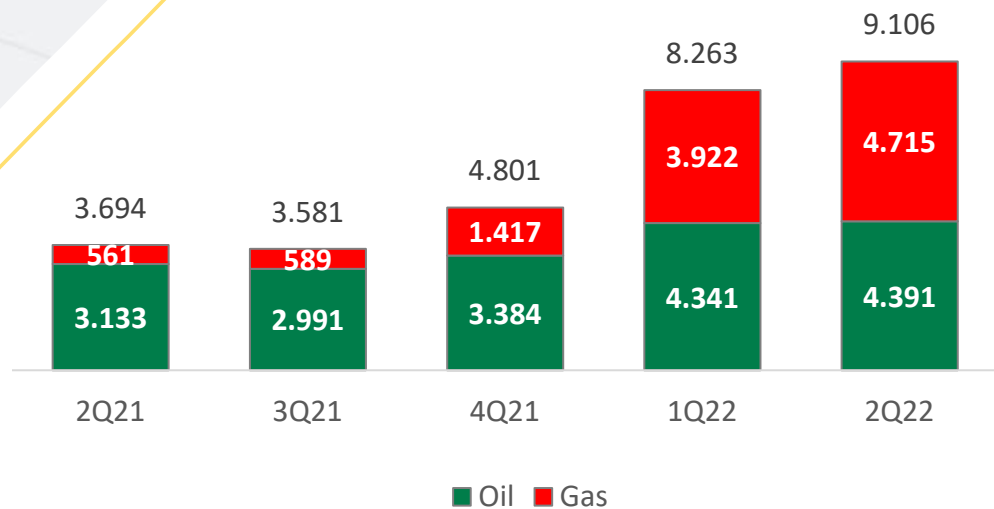
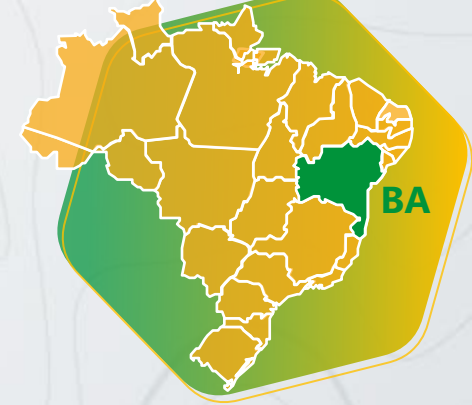
Source: Monthly Production Bulletin





Bahia Asset

2Q22 production 10% higher than in 1Q22



**Production on Bahia Asset includes
Miranga Cluster since 4Q21**



Four Rigs
dedicated to Bahia Asset

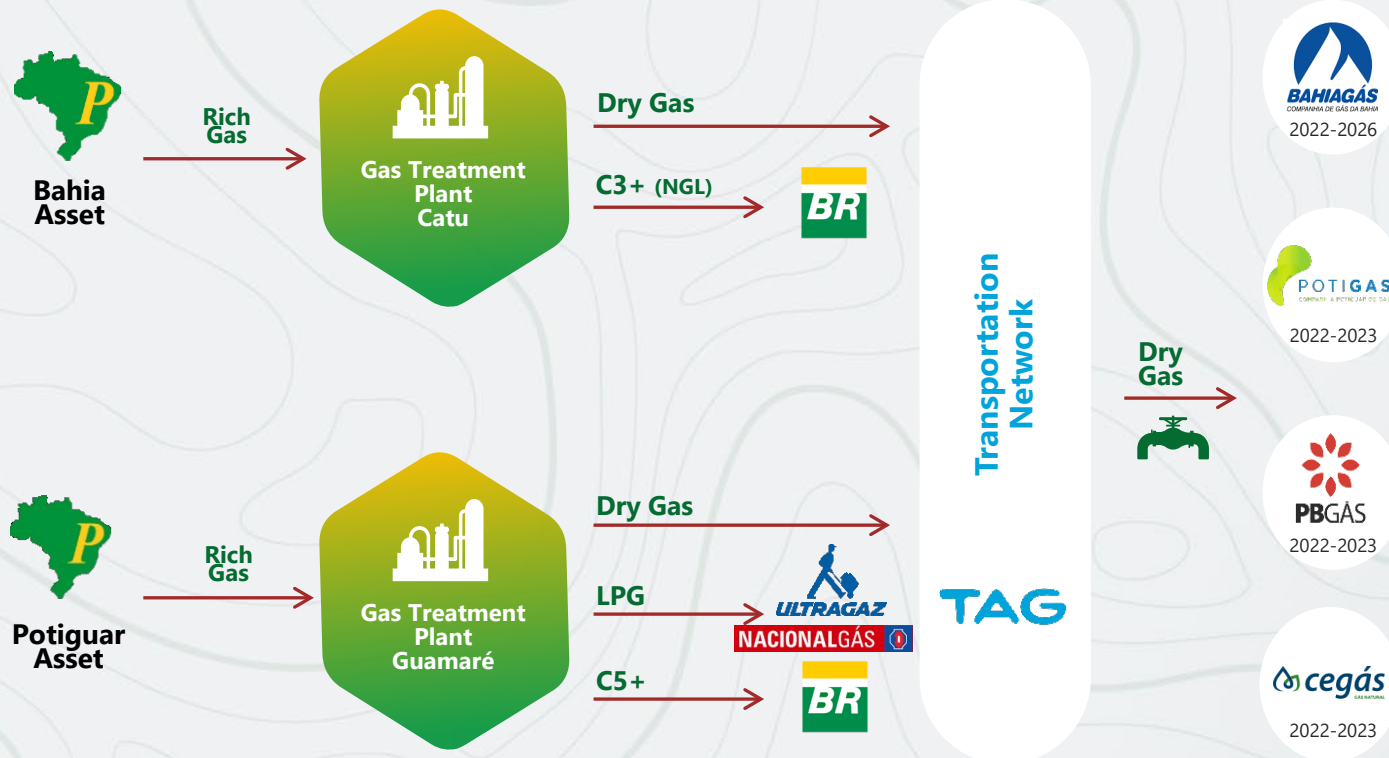


36 workovers interventions focused
on return-to-production projects



Increase in **natural gas** production
aligned with improved marketing
conditions

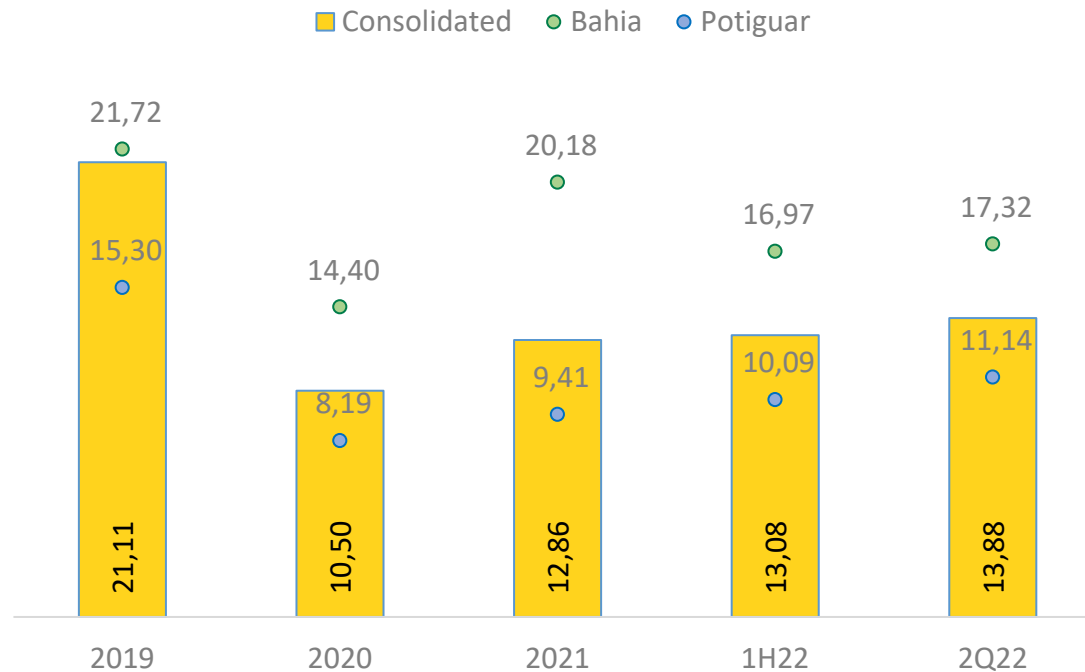
Gas Processing and Sales Conditions



- Interruptible Contract with Bahiagás;
- Firm contract with Cegás, at an initially agreed price of 12.25% of Brent;
- SWAP contract impact on Net Revenue.

Average production cost per BOE of \$13.38 on 2Q22 and US\$13.08 in 1H22

Average Consolidated Production Cost (US\$/BOE)



Key Highlights:

- **Real vs dollar appreciation** effect;
- Acceleration of **production** with return of high fluid volume wells;
- **Maintenance** of recently acquired assets and expansion of the reliability program;
- **Inflationary pressures**, especially in services and materials.

Costs and Expenses Variance

Costs and Expenses (in thousands of Brazilian reais – R\$)								
	2Q22	1Q22	Δ%	2Q21	Δ%	1H22	1H21	Δ%
Personnel	54,872	48,037	14%	30,937	77%	102,909	56,551	82%
Services, Consulting, Leasing and Materials	65,115	59,955	9%	35,193	85%	125,070	72,510	72%
Electric power	15,963	19,048	-16%	12,689	26%	35,011	24,884	41%
Environmental licensing	5,253	1,433	267%	3,573	47%	6,686	7,460	-10%
Share-based payment	5,467	4,164	31%	4,099	33%	9,631	4,099	135%
Outflow, processing and transportation of gas	91,019	88,579	3%	-	n.m.	179,598	-	n.m.
Other costs and expenses	8,673	4,363	99%	7,081	22%	13,036	21,645	-40%
Total	246,362	225,579	9%	93,572	163%	471,941	187,149	152%

Revenue

Net Revenue (in thousands of Brazilian reais – R\$)								
	2Q22	1Q22	Δ%	2Q21	Δ%	1H22	1H21	Δ%
Bahia Asset	444,581	424,791	5%	82,006	442%	869,372	164,881	427%
Oil revenue	225,852	204,549	10%	72,581	211%	430,401	148,223	190%
Natural gas and by product revenue	218,729	220,242	-1%	8,588	2447%	438,971	14,909	2844%
Other revenues from services provided	-	-	n.m.	837	-100%	-	1,749	n.m.
Potiguar Asset	583,999	536,504	9%	258,066	126%	1.120.503	476,429	135%
Oil revenue	473,425	430,612	10%	243,459	94%	904,037	452,178	100%
Natural gas and by product revenue	110,574	105,892	4%	14,607	657%	216,466	24,251	793%
Derivative financial instruments	(130,361)	(85,230)	53%	(20,744)	528%	(215,591)	(17,204)	1153%
Gross income	898,219	876,065	3%	319,328	181%	1,774,284	624,106	184%
Deductions	(207,210)	(172,589)	20%	(70,218)	195%	(379,799)	(129,208)	194%
Net revenue	691,009	703,476	-2%	249,110	177%	1,394,485	494,898	182%

Financial Statements- Summarized Income Statement

Consolidated Statement of Profit and Loss (in thousands of Brazilian reais R\$)

	2Q22	1Q22	Δ%	2Q21	Δ%	1H22	1H21	Δ%
Net Revenue *	691,009	703,476	-2%	249,110	177%	1,394,485	494,898	182%
Costs and Expenses	(246,362)	(225,579)	9%	(93,572)	163%	(471,941)	(187,149)	152%
Royalties	(64,776)	(63,158)	3%	(24,184)	168%	(127,934)	(44,763)	186%
EBITDA	379,871	414,739	-8%	131,354	189%	794,610	262,986	202%
Depreciation, amortization and depletion	(85,108)	(69,932)	22%	(68,381)	24%	(155,040)	(129,433)	20%
Operating Profit	294,763	344,807	-15%	62,973	368%	639,570	133,553	379%
Net financial income	(126,853)	185,855	n.m.	63,670	n.m.	59,002	(31,115)	n.m.
Current taxes	(44,422)	(51,087)	-13%	(17,986)	147%	(95,509)	(20,149)	374%
Deferred taxes	7,543	(77,737)	n.m.	(14,091)	n.m.	(70,194)	(613)	n.m.
Net income (loss)	131,031	401,838	-67%	94,566	39%	532,869	81,676	552%

(*) Net Revenue, including the effect of hedges

Hedge Impact on Net Revenue

(R\$130) MM in 2Q22 vs (R\$85) MM in 1Q22

Hedging instruments	Average strike	Quantity	Fair value of
	prices		hedging
	06/30/2022	06/30/2022	instruments
Outstanding contracts	US\$/barrel	In barrels	30/06/2022
			R\$ mil
Under 3 months	53.63	484,728	(139,698)
From 3 to 6 months	53.77	519,489	(125,084)
From 6 to 12 months	51.5	896,350	(196,447)
From 1 to 2 years	55.38	1,580,500	(262,551)
From 2 to 3 years	59.65	331,500	(39,662)
Total	54.40 *	3,812,567	(763,442)

* Average strike price of fixed-term contracts not yet settled as of June 30th, 2022

In the quarter, hedging contracts with a net volume of 483k barrels of oil were settled at an average price of \$55.56/bbl.

The subsidiary Potiguar E&P obtained on March 21st, 2022, from its lenders a *waiver* to not enter into additional oil hedging contracts until the end of the first semester of 2022.

The Company shall maintain a portion of its projected net production hedge (1P) for the next 36 months based on its Reserve Report, in the following proportions:

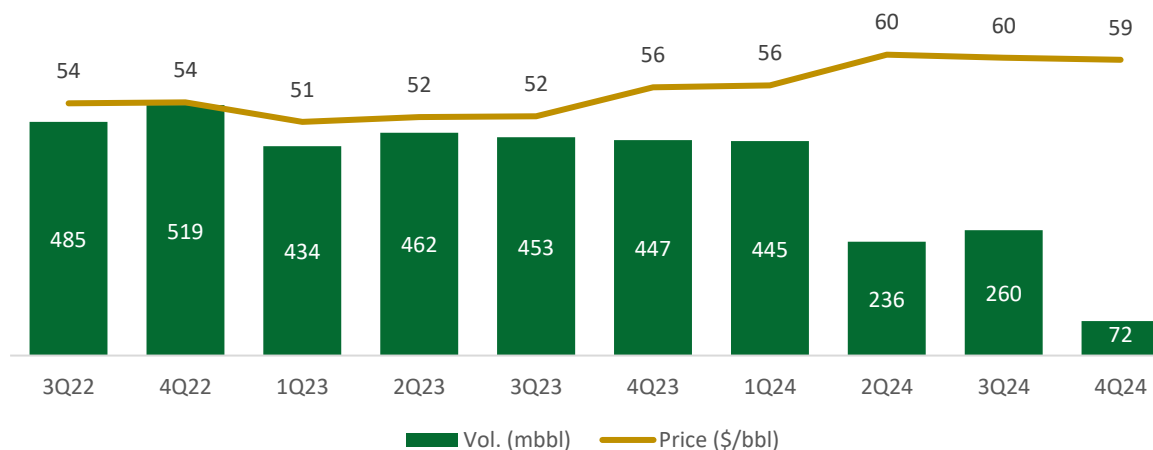
- » **80% of production (1P) or 90% of production (PDP)**, the lower number between the 2 options, for the first 12 months;
- » **60% of production (1P)** from the 13th to the 24th month;
- » **40% of production (1P)** from the 25th to the 36th month.

Oil Hedges

Historical Brent Spot Price x Hedge (US\$/boe)



Hedged Volumes x Contracted Price per Quarter (USD/Barrel)



Average volume hedged for 2022:

- Approximately 5,458 bopd
- Equivalent to 26.6% of average O&G production of 2Q22
- Equivalent to 43.9% of average Oil Production in 2Q22

Financial Statements - Cash Flow

Consolidated Net Cash Flow (in thousands of Brazilian reais – R\$)

	2Q22	1Q22	Δ%	2Q21	Δ%	1H22	1H21	Δ%
Net income before taxes	167,910	530,662	-68%	126,643	33%	698,572	102,438	582%
Depreciation, amortization and depletion	85,108	69,932	22%	68,381	24%	155,040	129,433	20%
Interest and foreign exchange variation, net	122,009	(193,553)	n.m.	(101,432)	n.m.	(71,544)	2,437	n.m.
Write-off of property, plant and equipment and leases	27,844	45,119	-38%	(8,749)	n.m.	72,963	23,521	210%
Other adjustments and changes in net income	7,352	6,956	6%	34,864	-79%	14,308	40,755	-65%
Changes in assets and liabilities	47,700	(183,987)	n.m.	16,825	n.m.	(136,287)	(8,492)	1505%
Interest paid	(10,159)	(12,194)	-17%	(15,564)	-35%	(22,353)	(31,331)	-29%
Income tax (IR) and social contribution (CSSL) paid	(62,782)	(29,361)	114%	(380)	16422%	(92,143)	(515)	17792%
Cash from operating activities	384,982	233,574	65%	120,588	219%	618,556	258,246	140%
Additions to property, plant and equipment and to intangible assets	(317,513)	(214,411)	48%	(61,073)	420%	(531,924)	(187,078)	184%
Financial investments	(828,337)	(20,091)	4023%	(872,773)	-5%	(848,428)	(870,548)	-3%
Cash used in investment activities	(1,145,850)	(234,502)	389%	(933,846)	23%	(1,380,352)	(1,057,626)	31%

Financial Statements - Cash Flow (cont.)

Consolidated Net Cash Flow (in thousands of Brazilian reais – R\$)

	2Q22	1Q22	Δ%	2Q21	Δ%	1H22	1H21	Δ%
Borrowings	-	-	n.m.	-	n.m.	-	60,479	n.m.
Payment of financing, leases and amounts payable for acquisitions	(107,021)	(61,369)	74%	(73,480)	46%	(168,390)	(134,653)	25%
Capital increase, net of cost of issue	996,398	189	n.m.	1,111,648	-10%	996,587	1,111,648	-10%
Net effect on acquisition and sale of shares	530	31	1615%	-	n.m.	561	-	n.m.
Paid Dividends	(39,686)	-	n.m.	-	n.m.	(39,686)	-	n.m.
Cash flow from (used in) financing activities	850,221	(61,149)	n.m.	1,038,168	-18%	789,072	1,037,474	-24%
Foreign exchange variations on cash and cash equivalents	(821)	1,385	n.m.	-	n.m.	564	-	n.m.
Increase (decrease) in cash and cash equivalents	88,532	(60,692)	n.m.	224,910	-61%	27,840	238,094	-88%

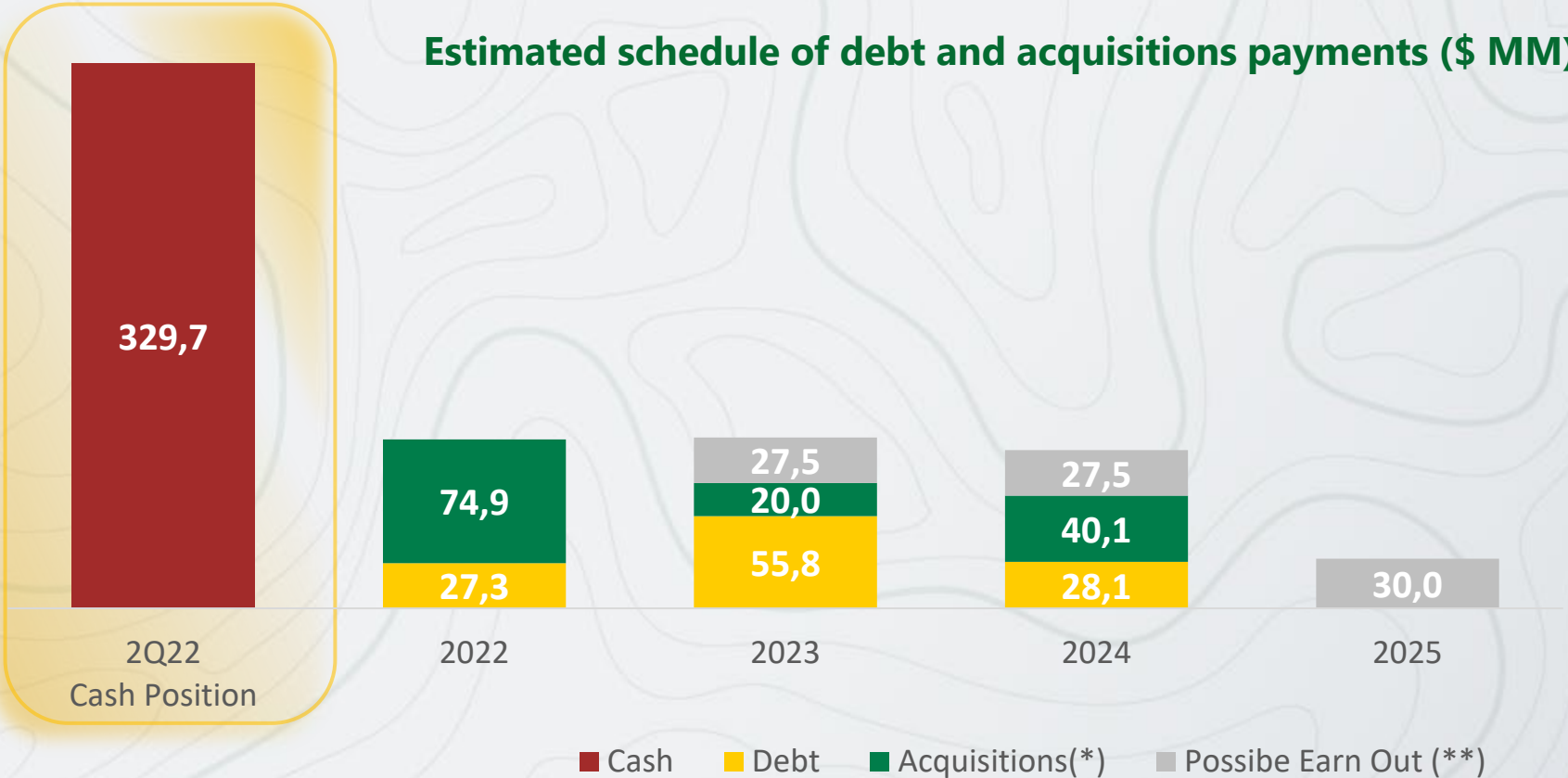
ESG

- Release of **1st Sustainability Report**;
- Release of **Diversity, Equity and Inclusion Policy**;
- Began the **2nd Greenhouse Gas Emissions report** (data base 2021);
- Expansion of **Social Programs** (BA & RN): Viva Sabiá, Ciranda Viva, Ciranda Agroflorestal, Educa + Recicla, partnership with Projeto Tamar
- Partnership with SENAI to develop a **Rig Professionals' Course**.





The Company has US\$329.7 MM in Cash, Bank Debt of US\$111.2MM and US\$ 220 MM payable to Petrobras from acquisitions



(*) 2Q22 Cash Position considers dollar rate of 06/30/2022 (R\$/US\$ 5.238)
(**) Contingent payments linked to different possible bands of the oil reference price (Brent)



LEADING THE ONSHORE
TRANSFORMATION
IN BRAZIL



Mobilization of more **human and logistics resources** and additional **equipment**;



Acceleration of the investment program to **increase production**, including continued **drilling of new infill wells**;



Search for new opportunities within the **New Gas Market**; and



Continue to explore and **develop M&A opportunities**.

Next steps