



Conference Call **Earnings Release 2Q21**

AUGUST 17TH, 2021



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We are on the path to lead the transformation of the onshore industry in Brazil, being the safest, most efficient and most profitable independent Oil and Gas operator.

2Q21 Highlights and Subsequent Events

We took over the operations of Sabiá da Mata and Sabiá Bico-de-Osso fields, located in the Potiguar District and as a subsequent event, we started the 2021 Drilling Campaign.

Additionally, our subsidiary Potiguar E&P was declared the winner of the Process of a Public Call for Supply of Natural Gas - 2022/2023 of Potigás - Potiguar Gas Company.



Growth of 11.3% in total production for the second quarter of 2021, when compared to the same period in 2020;

Growth of 34.3% and 10.4%, respectively, in Net Revenue and EBITDA in the second quarter of 2021, when compared to the same period in 2020;

Net Income of R\$94.5 Million reversing a loss of R\$15.1 Million in 2Q20;

We increased the volume of hours worked and had no lost time incidents accident;

We continue with the mobilization of two new internal workover rigs and one light rig, in addition to contracting two other workover rigs with service providers;

Approval by ANP on the assignment of the concessions of the Remanso Cluster and beginning of the process to transfer environmental licenses ownership.



Active search for new opportunities within the New Gas Market, winning the 1st Public Call of Potigás



PREVIOUS SITUATION



NEW GAS MARKET



Lack of Access to Existing Infrastructure

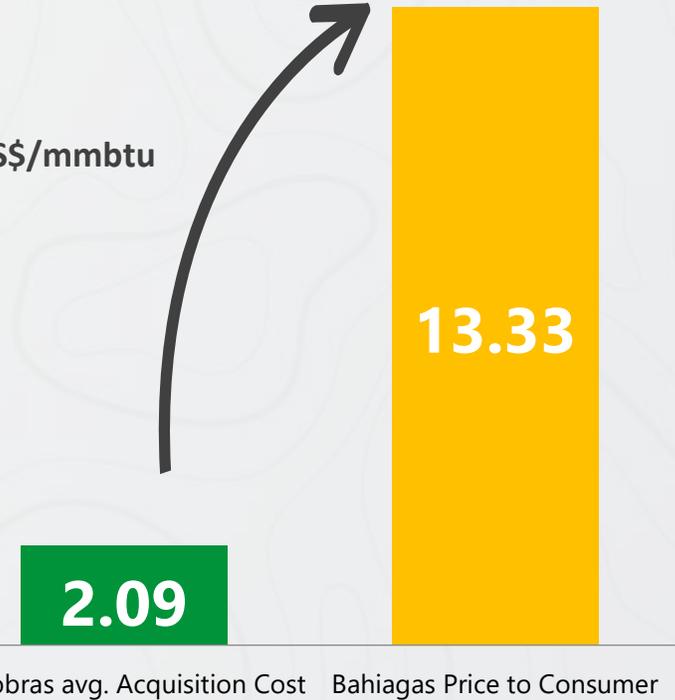
Market
Brazilian Gas Consumers never contracted natural gas outside LDCs and PBR

Promotion of competitiveness and free market
Improved Regulation

Consumers will have the flexibility and option to define their gas supplier and negotiate contracts

Gas Prices* (molecule)

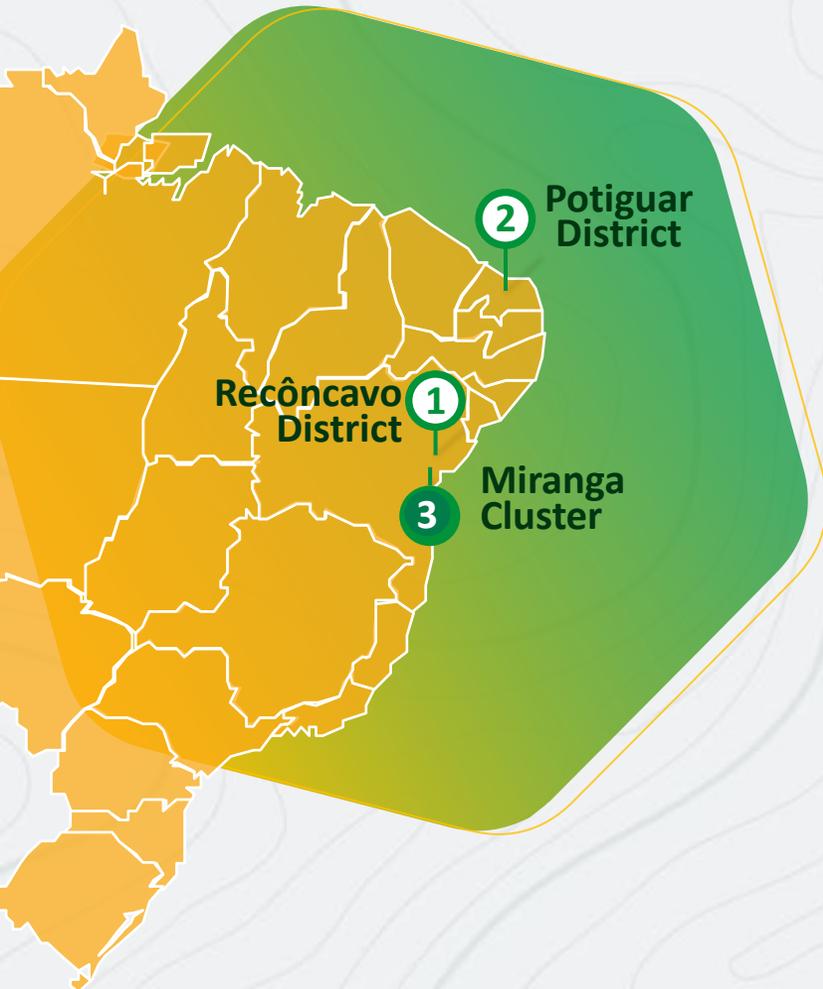
US\$/mmbtu



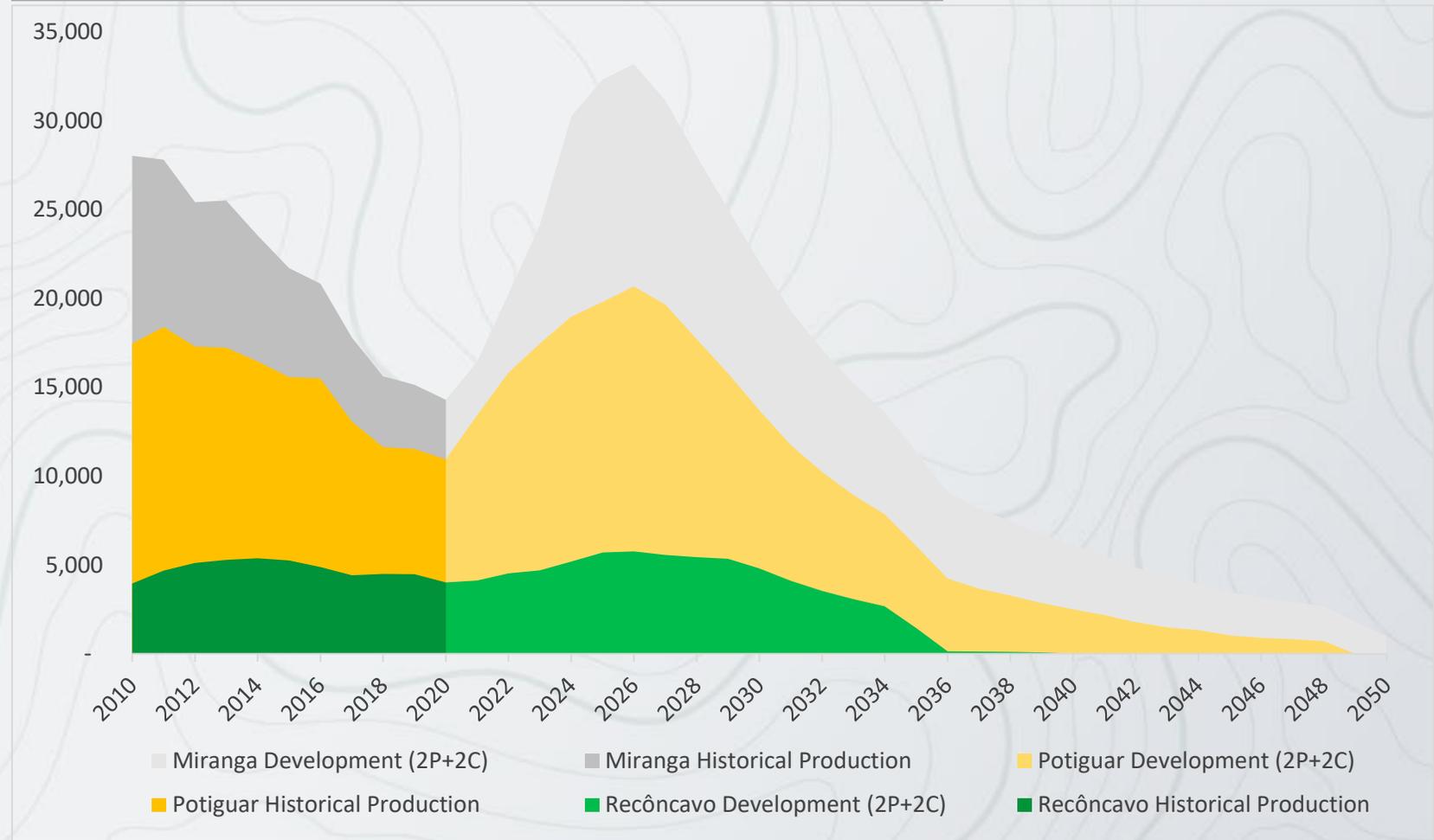
* All cost of molecule including taxes; Petrobras average acquisition price between producers for Camamu, Recôncavo, Potiguar, Santos and Campos basins, as of November 2020; BahiaGás price for industrial consumer 20.001-35.000 m3/d, as per 07/07/2021

Assets Portfolio

NSAI Reserves Certification Report



Gross Daily Production (average BOED)



Fonte: NSAI Reserves Report

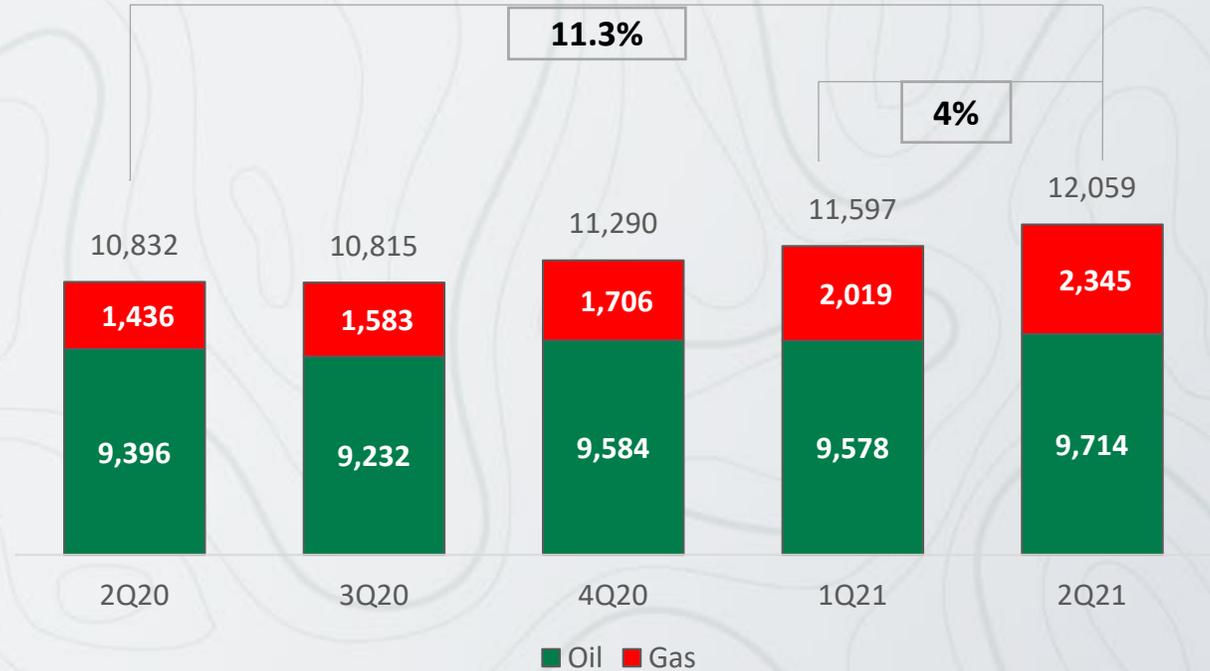


Continued production ramp up with an average of 12,059 BOED in 2Q21



Gross Daily Production	In Barrels of Oil Equivalent per day - BOED		
	2Q21	2Q20	Δ%
RECONCAVO DISTRICT	3,694	4,128	-10.5%
POTIGUAR DISTRICT	8,364	6,704	24.8%
GROSS DAILY PRODUCTION	12,059	10,832	11.3%

Total PetroReconcavo Production (boed)



Resumption of investments after activity reduction due to pandemic impact and Brent recovery.



Potiguar District

Increase of 24.8% in 2Q21 vs 2Q20 production and 7% when compared to 1Q21



Potiguar E&P Total Production	In Barrels of Oil Equivalent per day - BOED		
	2Q21	2Q20	Δ%
Oil	6,580	5,735	14.7%
Gas	1,784	968	84.2%
Total Potiguar E&P	8,364	6,704	24.8%



Three onshore production Rigs operating in the district in 2Q21



Workovers 2Q21 with a focus on the **Lorena** and **Riacho da Forquilha** fields

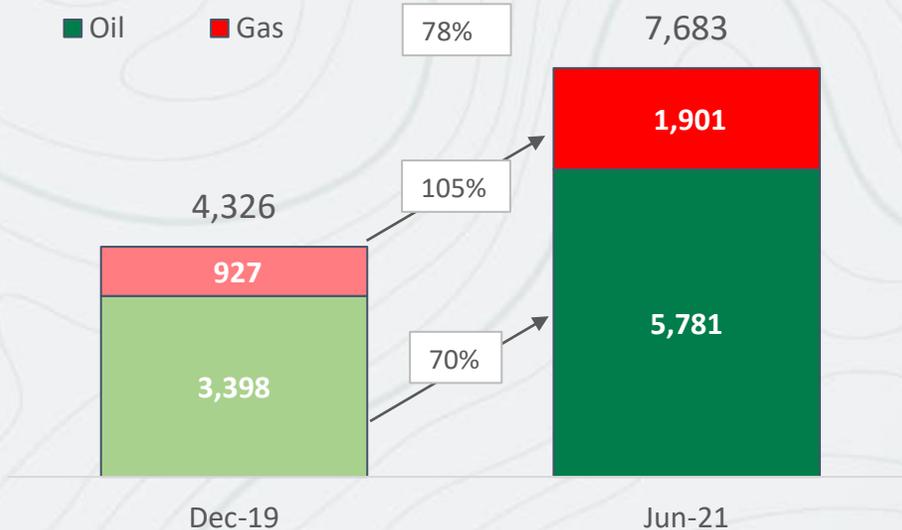


Increase in natural gas production aligned with improved marketing conditions

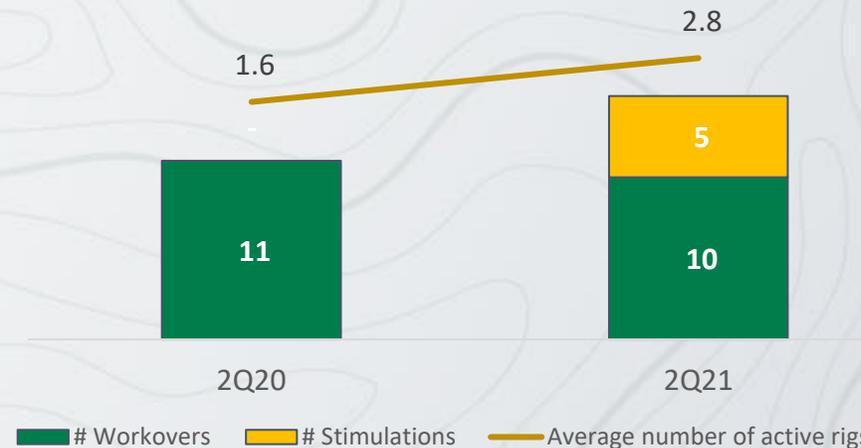


Additionally, start of the **drilling** campaign

Potiguar E&P 30 fields Production (boed)



Potiguar District – Average Number of Active Rigs, Workovers and Stimulations



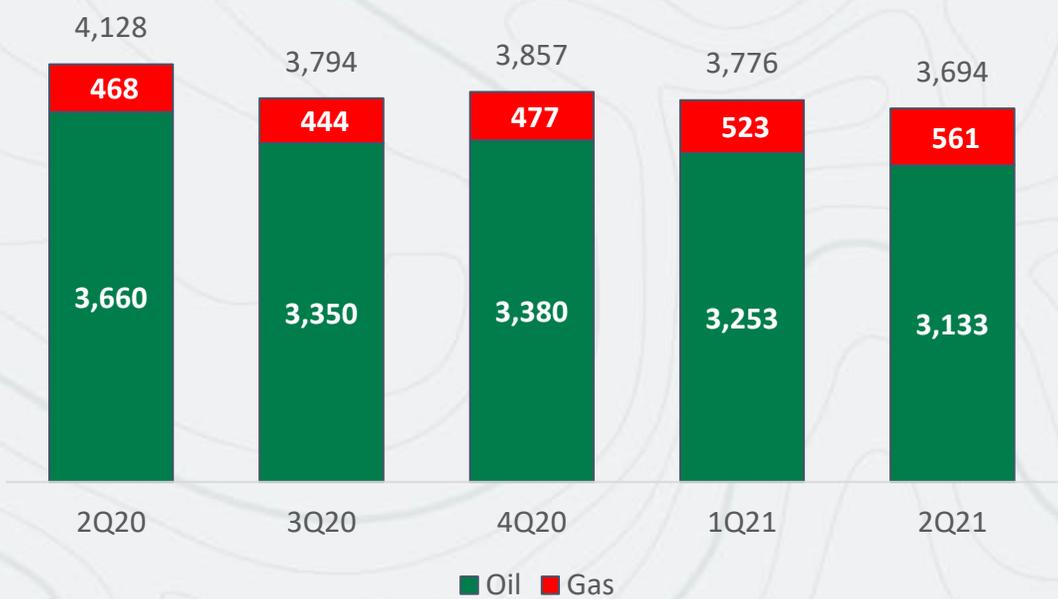


Reconcavo District

Average production of 3,694 boed in 2Q21, 10.5% lower than 2Q20



Total Reconcavo District Production (boed)



Resumption of Workover Projects in the District

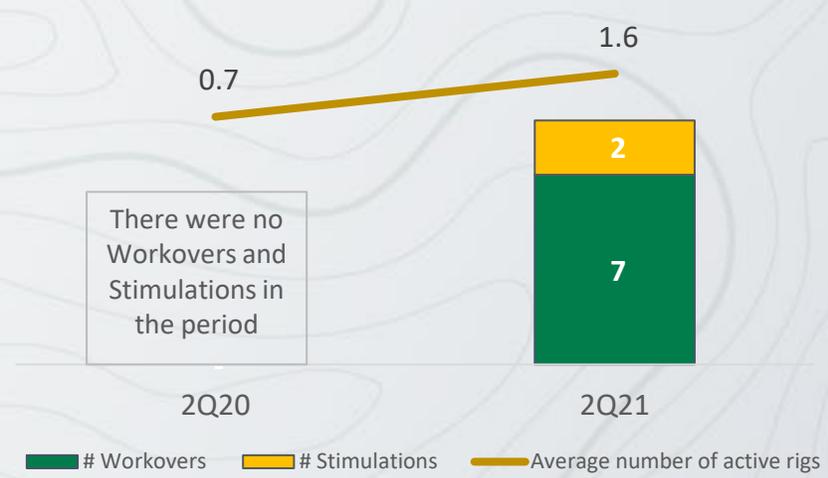


Backlog Reduction, but high production continue well failure



6 wells (160 boed) pending reconstruction of Satellite 01 (landslide)

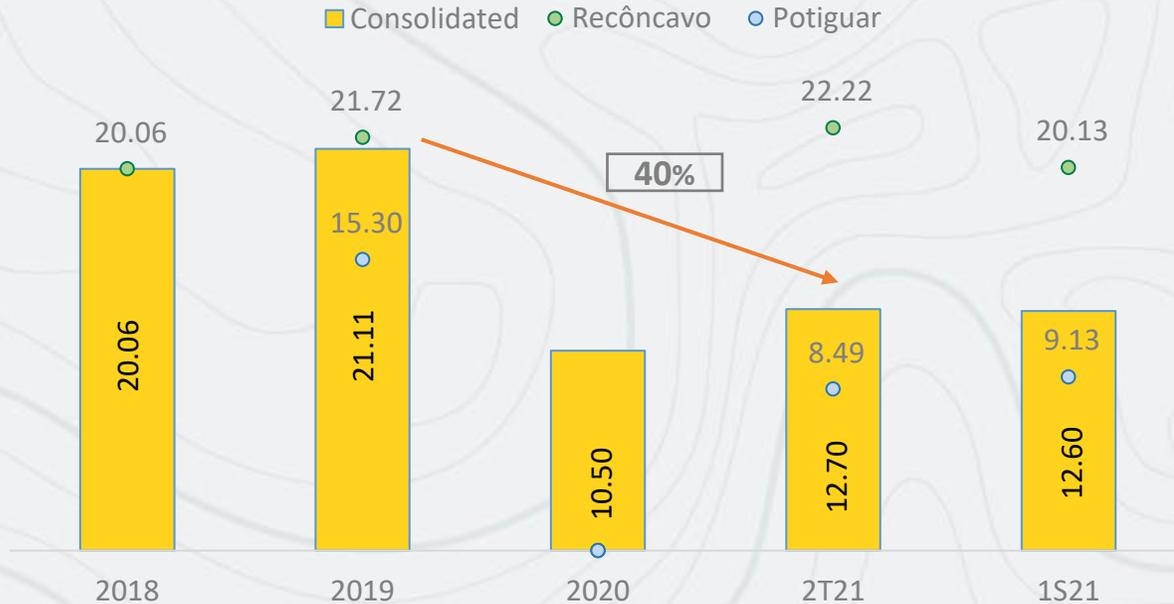
Reconcavo District – Average number of active rigs, Workovers and Stimulations



There were no Workovers and Stimulations in the period

Average production cost of \$12.70/boe in 2Q21, 40% reduction when compared to 2019

Consolidated Average Production Cost (US\$/boe)



- Costs associated with the **resumption of production and acceleration of asset maintenance**;
- With the **improvement of the gas sales contract prices**, we started a process of **revitalization of gas compression and pipeline network**;
- Approximately R\$5 million of extraordinary costs related to the transfer of Sonangol's operations.
- With the start of **Miranga Cluster operations in the Recôncavo Basin**, we aim to **capture operational and financial synergies**, with potential reduction of average production costs.
- In 2020, due to the pandemic, and impact on Brent prices, the Company significantly reduced non-critical activities

Significant Results in the Quarter Financial Statements - DRE

Consolidated DRE (in thousands of R\$)

	2Q21	2Q20	Δ%	1521	1520	Δ%
Net revenue	249,110	185,488	34.3%	494,898	381,036	29.9%
Costs and expenses	(117,756)	(66,521)	77.0%	(231,912)	(156,740)	48.0%
EBITDA	131,354	118,967	10.4%	262,986	224,296	17.2%
Depreciation, amortization and depletion	(68,381)	(53,107)	28.8%	(129,433)	(106,377)	21.7%
Operating profit	62,973	65,860	-4.4%	133,553	117,919	13.3%
Net financial result	63,670	(85,454)	n.m.	(31,115)	(342,345)	n.m.
Current taxes	(17,986)	(5,316)	238.3%	(20,149)	(12,670)	59.0%
Deferred taxes	(14,091)	9,754	-244.5%	(613)	85,899	-100.7%
Net income	94,566	(15,156)	n.m.	81,676	(151,197)	n.m.

Net Revenue: 34% increase vs 2Q20

Increase in Production and appreciation of the commodity price, net of derivative financial instruments (hedge);

Costs and Expenses: 77% increase vs 2Q20

Royalties; Costs associated with resumption of production, increase in corporate structure and non-recurring expenses;

Net Financial Results: Positive at R\$63,67 million in the quarter. Impact of the appreciation of the Real on Dollar debt;

Taxes: Increase in Taxes due to the increase in Results; Accumulated tax loss impacting deferred taxes;

Net Income: Profit of R\$94,566 million in the quarter and R\$81,676 million annually cumulative to date

Hedge Contracts

Instruments of hedge open contracts	Average strike price 30/06/2021	Quantity 30/06/2021	Fair value of the hedging instruments 30/06/2021
	US\$/barrel	In barrels	R\$ thousand
Less than 3 months	58.52	527,860	(41,914)
From 3 to 6 months	57.82	557,240	(40,252)
From 6 to 12 months	56.10	993,200	(69,518)
From 1 to 2 years	51.85	1,784,567	(132,766)
From 2 to 3 years	53.13	1,281,000	(63,879)
Total	54.32*	5,143,867	(348,329)

* Average strike of fixed-term contracts not yet settled as of June 30, 2021.

In the quarter, hedging contracts with a net volume of 504k barrels of oil were settled at an average price of \$58.86/bbl

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.

Financial Statements - Summarized Cash Flow

Consolidated cash flow statement (in thousands of R\$)						
	2Q21	2Q20	Δ%	1S21	1S20	Δ%
Profit (loss) before taxes	126,643	(19,594)	-746.3%	102,438	(224,426)	-145.6%
Depreciation, amortization and depletion	68,381	53,107	28.8%	129,433	106,377	21.7%
Interest and exchange variations, net	(102,997)	77,641	-232.7%	872	326,270	-99.7%
Asset and rental losses	24,470	3,044	703.9%	56,740	23,521	141.2%
Gold adjustments and variations	2,830	(813)	-448.1%	8,586	9,787	-12.3%
Change in assets and liabilities	16,825	2,877	484.8%	(8,492)	(31,980)	-73.4%
Interest paid	(15,564)	(22,144)	-29.7%	(31,331)	(32,129)	-2.5%
Cash generated by operating activities	120,588	94,118	28.1%	258,246	177,420	45.6%
Additions to property, plant and equipment	(61,073)	(10,352)	490.0%	(187,078)	(61,070)	206.3%
Financial investments	(872,773)	(73,957)	1080.1%	(870,548)	(130,591)	566.6%
Cash invested in investment activities	(933,846)	(84,309)	1007.6%	(1,057,626)	(191,661)	451.8%
Borrowings	-	-	n.a.	60,479	-	n.a.
Amortization of financing and market leases	(73,480)	(7,676)	857.3%	(134,653)	(10,785)	1148.5%
Increase in share capital, net of cost for issuance	1,111,648	1,015	109422.0%	1,111,648	3,375	32837.7%
Cash generated (applied) in financing activities	1,038,168	(6,661)	-15685.8%	1,037,474	(7,410)	-14101.0%
Increase (decrease) in cash balance and cash equivalents	224,910	3,148	7044.5%	238,094	(21,651)	-1199.7%

Cash generated by operating activities: 28% increase vs 2Q20

Higher operating income in the period and gains in working capital;

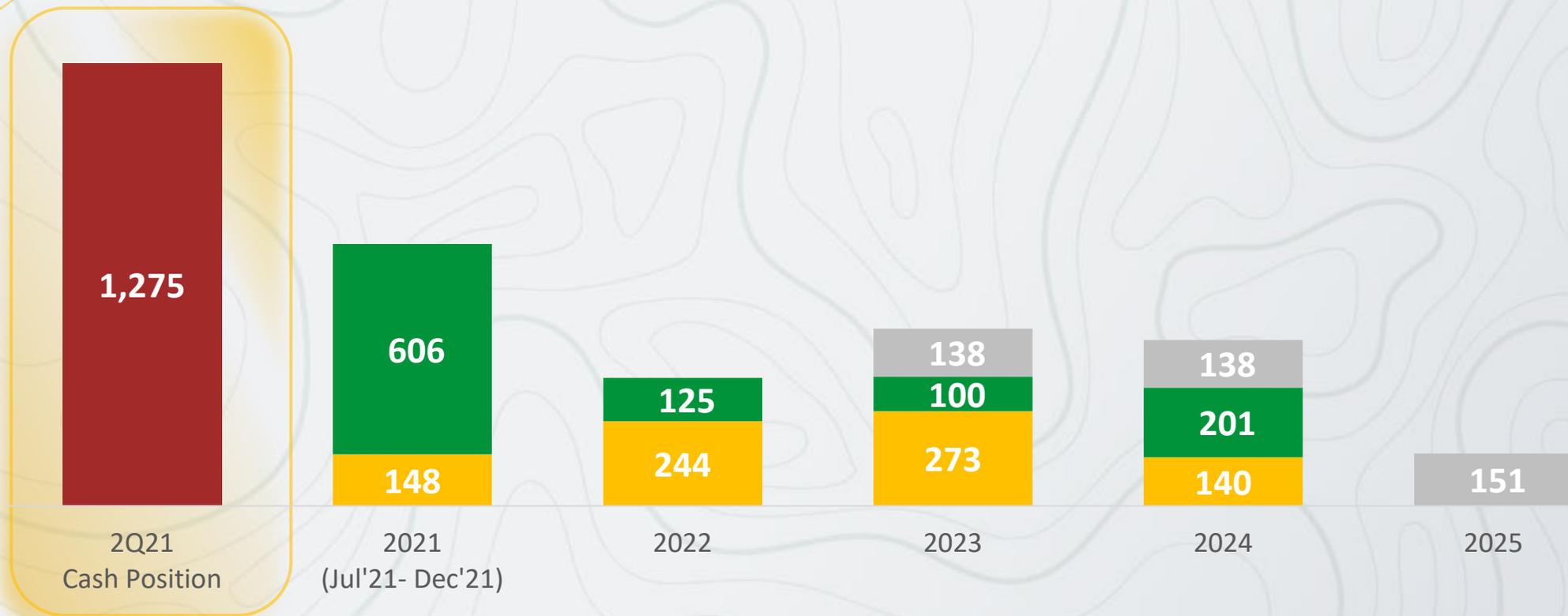
Cash invested in investment activities: 1008% greater than 2Q20

Acceleration of the investment program; and financial investments of part of the resources obtained from the Company's IPO;

Cash generated in financing activities: R\$ 1,038 million

Arising from the resources obtained from the Company's IPO and debt amortization spending according to existing schedule

Estimated schedule of debt payments and acquisitions (R\$ MM)



■ Cash
 ■ Debt
 ■ Acquisitions(*)
 ■ Possible Earn Out (**)

(*) Acquisitions consider the dollar rate of 06/30/2023

(**) Contingent payments, linked to different possible bands of the oil reference price (Brent)

LEADING THE ONSHORE
TRANSFORMATION
IN BRAZIL



Next steps



Take over as **concessionaire on the Miranga and Remanso Clusters**



Accelerate the investment program to **increase production**, continue 2021 **drilling program**



Active search for new opportunities within the New Gas Market



Continue to explore and **develop M&A opportunities** including the remaining Petrobras onshore mature assets and other opportunities in the O&G business, with a long-term view seeking to add value thorough its superior field development and production expertise.