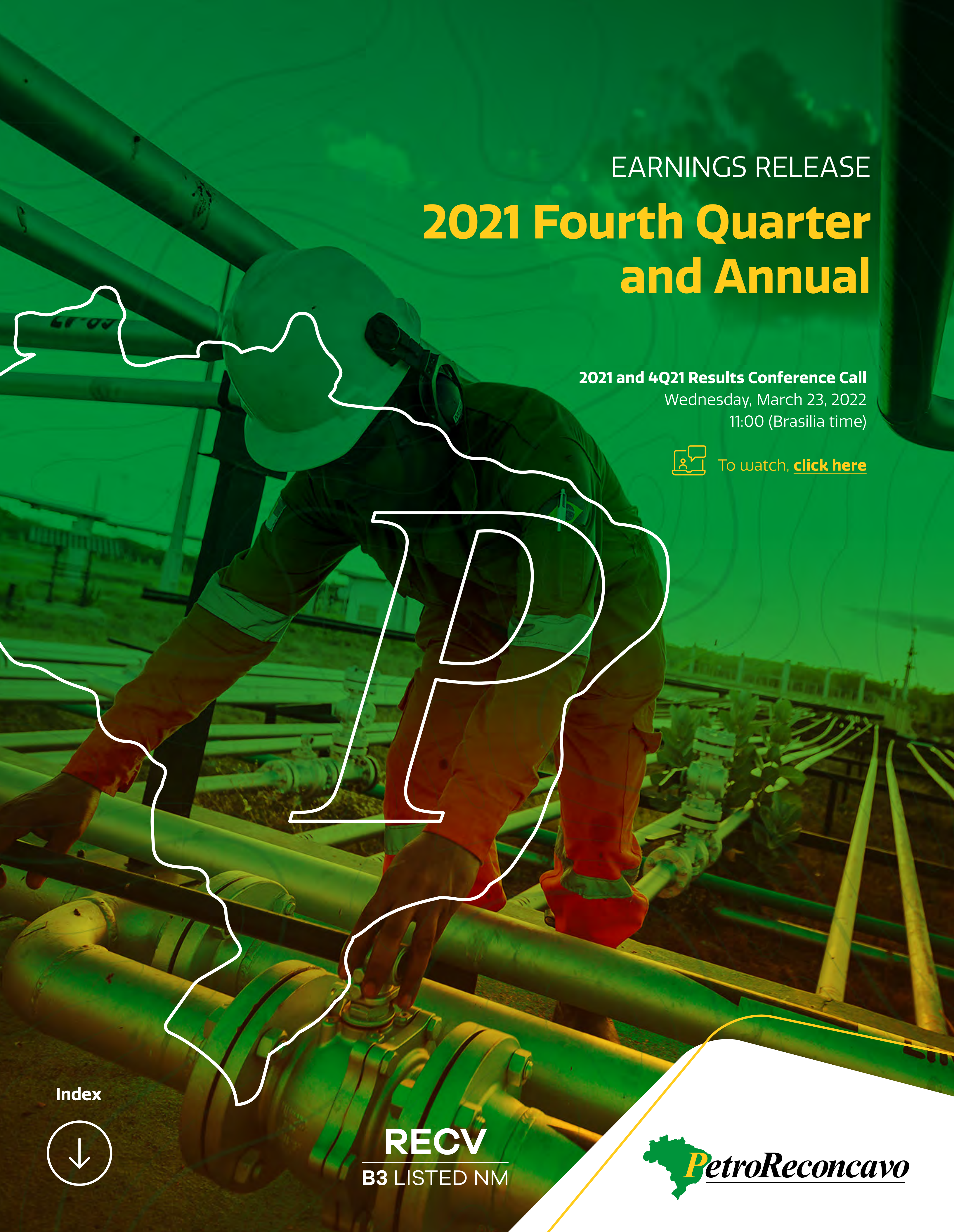

EARNINGS RELEASE

2021 Fourth Quarter and Annual

2021 and 4Q21 Results Conference Call
Wednesday, March 23, 2022
11:00 (Brasilia time)

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Index

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PetroReconcavo

Mata de São João, March 22, 2022 – PetroReconcavo S.A. ("PetroReconcavo" or "Company") (B3: RECV3) today announces its results for the fourth quarter of 2021 (4Q21) and consolidated results for the year ending December 31, 2021 (2021). The following information is presented in a consolidated manner, in thousands of Brazilian Reais (R$), in accordance with International Financial Statements Standards (IFRS) and with the accounting standards adopted in Brazil, unless otherwise stated.

4Q21 & 2021 Highlights

- Growth of 38.1% and 4.6%, respectively, in net revenues and EBITDA in the 4Q21, compared to 4Q20. A 32.1% and 12.7% increase in the year 2021 when compared to 2020. Adjusted EBITDA, disregarding hedging effects, generated a 131.6% increase in 4Q21, compared to 4Q20, and of 85.4% in 2021 when compared to 2020;
- Net earnings in 4Q21 of R$ 72.3 million and, R$176.9 million in 2021;
- Growth of 20.8% in total production in 4Q21 vs 4Q20, and 10.9% in the year 2021, compared to 2020;
- In 2021, the Company recorded an 80% reduction in Lost Time Injury Rates (LTIR 2020: 1.47 vs LTIR 2021: 0.3);
- The Company and its subsidiaries signed gas sales contracts with Potigás, PBGás and Bahiagás for the supply of natural gas and, as a subsequently, initiated supply on January 1, 2022;
- The Company continued the Drilling Campaign in the Potiguar Asset, having drilled 10 wells during the 4Q21, and another 5 wells in January and February of 2022;
- The Company concluded the acquisitions of the Miranga and Remanso Clusters in December 2021, taking over operations in these fields. The Bahia Asset consolidated Miranga and Remanso clusters to secure logistical and operational synergies.

Key Indicators (in thousands of Brazilian Reais – R$ - unless otherwise stated)

	4Q21	4Q20	Δ%	2021	2020	Δ%
Net revenue	285,362	206,628	38.1%	1,040,604	787,841	32.1%
Net income (loss) in the period	72,297	63,096	14.6%	176,899	(81,759)	n.m.
Net margin[1]	25.34%	30.54%	-17.0%	17.00%	-10.38%	n.m.
EBITDA[2]	137,221	131,194	4.6%	534,806	474,405	12.7%
Margin EBITDA[3]	48.09%	63.49%	-24.3%	51.39%	60.22%	-14.7%
Hedged adjusted EBITDA[4]	207,160	89,463	131.6%	591,647	319,142	85.4%
Adjusted EBITDA Margin[5]	58.31%	54.25%	7.5%	53.91%	50.45%	6.9%
Net debt[6]	1,131,537	728,168	55.4%	1,131,537	728,168	55.4%
Net Debt/ EBITDA last 12 months[7]	2.12 x	1,53 x	37,8%	2.12 x	1,53 x	37,8%
Average gross production (boe per day)[8]	13,641	11,290	20.8%	12,391	11,146	11.2%
Gross production (in boe)[8]	1,255,047	1,038,680	20.8%	4,522,684	4,079,436	10.9%
Average production cost per boe in Brazilian R$[9]	R$ 75.34	R$ 50.84	48.2%	R$ 69.35	R$ 54.21	27.9%
Average exchange rate R$/US$[10]	R$ 5.58	R$ 5.40	3.5%	R$ 5.39	R$ 5.16	4.5%
Average production cost per boe in US$[11]	$13.50	$9.42	43.2%	$12.86	$10.51	22.4%
Average Brent Oil spot price[12]	$79.73	$44.23	80.3%	$70.43	$41.96	67.8%

Notas:

(1) Net margin corresponds to net income/(net loss) for the period divided by net revenue for the period.

(2) We calculate EBITDA in accordance with the Brazilian Securities and Exchange Commission Instruction ("CVM") No. 527 of October 4, 2012, as amended ("CVM Instruction 527") and consists of adjusted net income (loss) (plus) for financial income, income tax and social contribution on income and depreciation, amortization and depletion ("EBITDA"). EBITDA is not an accounting measure recognized by the Accounting Practices Adopted in Brazil ("BRGAAP") or by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board ("IASB") are not audited or reviewed by the Company's independent auditors, and does not represent cash flow for the periods presented and should not be considered as substitutes for net profit (loss) as indicators of the Company's operating performance and, therefore, are not substitutes for cash flow, indicator of our liquidity or as a basis for the distribution of dividends. EBITDA has no standardized meaning, and our definition of EBITDA may not be comparable to those used by other companies.

(3) EBITDA margin corresponds to EBITDA for the period divided by net revenue for the period. The EBITDA Margin is not a measure of financial performance according to the Accounting Practices Adopted in Brazil or the International Financial Reporting Standards (IFRS) nor should it be considered separately, as a measure of operating performance, or an alternative to operating cash flows as a measure of liquidity or as an indicator of financial returns.

(4) We calculate the hedged adjusted EBITDA from the EBITDA, excluding the effects of the derivative financial instruments settled in the period. The hedged adjusted EBITDA is not a measure of financial performance according to the Accounting Practices Adopted in Brazil or the International Financial Reporting Standards (IFRS) nor should it be considered separately, or as an alternative to net profit, or as a measure of operating performance, or an alternative to operating cash flows as a measure of liquidity. Other companies may calculate the hedged adjusted EBITDA in a different manner to that used by the Company. The adjusted EBITDA is used by the Company as an additional measure of its operating performance.

(5) The adjusted EBITDA margin corresponds to the EBITDA adjusted by the hedge of the period divided by net income, excluding the effects of the results of the derivative financial instruments settled in the period. The adjusted EBITDA margin is not a measure of financial performance according to the Accounting Practices Adopted in Brazil or the International Financial Reporting Standards (IFRS) nor should it be considered separately, as a measure of operating performance, or alternative to operating cash flows as a measure of liquidity or indicator of financial return.

(6) Represents total bank indebtedness, represented by loan and financing balances in current and non-current liabilities, minus cash balances and cash equivalents and financial investments present in current and non-current asset.

(7) Represents the debt balance at the end of the period divided by the accumulated EBITDA of the last twelve months in each period. Net Debt/EBITDA is not an accounting measure recognized by accounting practices adopted in Brazil ("BR GAAP") or by the International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB") and is not audited or reviewed by the Company's independent auditors. The net debt/EBITDA has no standardized meaning, and other companies may calculate it in a different manner to that used by the Company.

(8) Natural gas volumes were converted considering that 1,000 m³ of gas is equivalent to 6.2897 barrel of oil equivalent (boe).

(9) Represents the total costs of the services provided and sales, excluding royalties to depreciation, amortization and depletion, divided by total gross production in boe in the period. In the second quarter of 2020, due to the Covid-19 pandemic, the Company reduced non-critical activities, resulting in cost reduction in that period. More detailed explanations of cost variations can be found under item "3. Consolidated Financial Performance".

(10) The average exchange rate for the period corresponds to the average exchange rate on each business day in the periods presented, disclosed by the Central Bank of Brazil.

(11) Represents the total costs of the services provided and sales, excluding royalties, depreciation, amortization and depletion, divided by the total gross production in boe in the period, divided by the average exchange rate of the period.

(12) Brent is quoted in dollar per barrel. Source: U.S. Energy Information Administration (EIA).

Message from Management

Index

In May 2021 the initial public offering for trading of PetroReconcavo shares in the "Novo Mercado" was completed in the B3 segment designated for companies with the highest standards of corporate governance. This was an important step in pursuit of a model of viable growth for the Company. With great resilience, discipline in capital allocation, and a vision of the future we have become a company, which is concessionaire of 59 operating oil and gas concessions in two basins. We have created a diverse client base, accelerating our expansion process, improving our investor dialogue through transparency and proactivity with investors, clients and the communities in which we operate.

The year 2021 was closed with a 32.1% increase in net income and 12.7% in EBITDA, as well as 10.9% in increase in total production, when compared to the previous year. Adjusted EBITDA, disregarding the hedging effects, showed an 85.4% increase in 2021 relative to 2020, totaling R$591.6 million in 2021. These results are mainly due to our technical and operational capacity to perform a safe and effective acceleration in the development of the fields operated by the Company. We continue in our strategy of expanding our execution capacity, especially with the expansion of our rig and service structure, qualification and expansion of our employee base, and incessant search for process productivity improvements.

We also continue to focus on maximizing natural gas production value and commercialization and aim to capture the best opportunities in this new gas market which has great potential and is just beginning to be developed in a competitive environment in our country. Natural gas is considered as a transition fuel and works very effectively as basic fuel to enable other sources of renewable energy. We would like to become increasingly relevant in this market, in the search of more sustainable energy solutions.

The recently incorporated Miranga Cluster, in the Bahia Asset, is a fundamental component of this movement towards expanding gas resources in our production and reserve portfolio. Adding the Miranga Cluster to the asset portfolio, where we were already obtaining significant increases in gas production, especially in the Riacho da Forquilha Cluster, has enabled us to position ourselves as the most relevant independent producer of natural gas supply in the Northeastern Brazil gas market.

In February 2022, we disclosed our December 31, 2021 Reserve Report, presenting certified 2P Working Interest Reserves of 155.9 MMBOE This was a 5.3 MMBOE increase at a reserve replacement ratio of 196% in relation to the 2020 year-end report. Emphasis is given to the significant 125.6% increase in the PV10 of the 2021 report, totaling US$ 2,246.6 million, resulting from a combination of increased reserve volumes, an increase in the price of oil (Brent futures curve) and improved monetization of natural gas and its subproducts based on new contracts.

For further details in relation to the assumptions established in the reserve certification reports, please review the full reports under: **https://ri.petroreconcavo.com.br/en/financial-information/reserves-reports/.**

The Company continues to be attentive to inorganic growth (M&A) opportunities, at the same time in which it keeps focused on the execution of its business development plan. The year 2021 was a year of many achievements and lessons learned which will serve as momentum for future accomplishments.

2022 began with great enthusiasm and reaping the rewards of the past year. Our production has shown significant growth in recent months resulting from the success of our drilling campaign, increase in the size of the workover rig fleet and initial results from the Miranga Cluster production optimization, that is exceeding expectations. Furthermore, as of January 2022 we started trading our natural gas, liquefied petroleum gas (LPG) and condensate to new clients with enhanced reliability and better price margins. The plan is to keep accelerating our rhythm in the execution of development projects to increase production, maintain focus on improving operational safety and our business sustainability. Accordingly, we have reserved and approved the highest investment budget in the Company's 22-years history.

Once again, we are grateful for the dedication of our employees and the confidence of our investors, creditors, and business partners, reinforcing our commitment to a disciplined and safe resource allocation, developing opportunities in the oil and gas industry. Our vision is to transform resources into value and dreams into reality, to benefit all of society.

The IPO (Initial Public Offering) of PetroReconcavo occurred on May 5, 2021 and was the first IPO of a company from Bahia in the B3 Novo Mercado (Brasil, Bolsa, Balcão), raising R$1,187 million.

01 Asset Portfolio

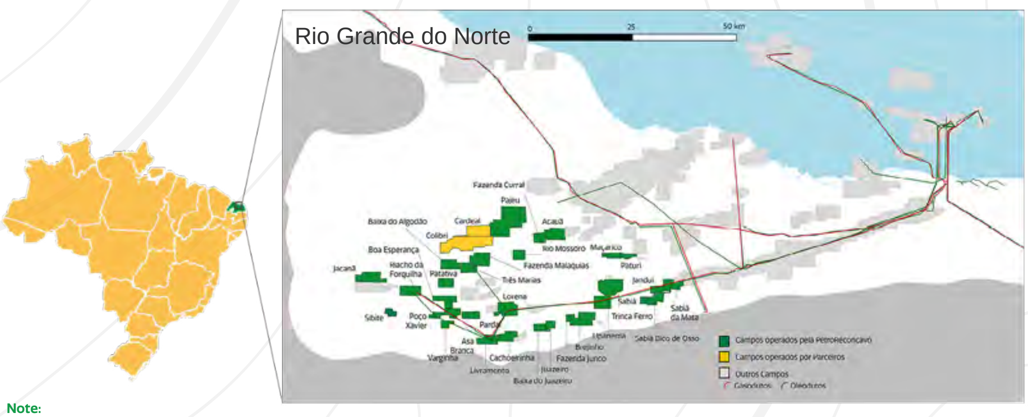
Oil and gas production assets, operated, or where the Company holds working interest.

As of December 31, 2021, we operated or were concessionary in the following oil and natural gas production assets:

Portiguar Asset

On December 9th, 2019, PetroReconcavo, through the subsidiary Potiguar E&P, carried out the acquisition of Petrobras' stake in the Riacho da Forquilha Cluster, the first transaction to be completed involving onshore fields in mature basins as part of Petrobras' divestment plan. The Cluster, located in the state of Rio Grande do Norte, contains 33 concessions, of which 30 are 100% owned and operated by Potiguar E&P, two are in partnership with Sonangol Hidrocarbonetos Brasil Ltda, which began to be operated by Potiguar E&P from June 2021, and 1 with Mandacaru Energia (ex-Partex Brasil Ltda) operated by Mandacaru.

The map below represents the location of the Potiguar Basin, with an emphasis on the fields operated by PetroReconcavo through its subsidiary Potiguar E&P.



Note:
The Cardeal and Colibri concessions were joined together and now form the Cardeal concession

Potiguar E&P signed on June 28th, 2021, a concession contract for the exploration and production of oil and natural gas, related to the POT-T-702 exploratory block, acquired in the 2nd Cycle of Permanent Offer held by the National Agency of Petroleum, Natural Gas and Biofuels. The concession contract comprises an area of 17,178 km², and a Minimum Exploratory Program ("MEP") composed of 1,000 Units of Work, corresponding to a value of R$ 6,000,000.00 (six million reais), which has a five-year period for its execution. The acquired area is adjacent to blocks already operated by Potiguar E&P, and its exploratory program will consist of drilling at least one well to evaluate the existence of accumulations in reservoirs similar to those existing in the neighboring concessions of the Block.

Bahia Asset
Remanso Cluster + BTREC

On December 22, 2021, the Company accomplished the acquisition of Petrobras' entire stake in the 12 onshore fields of Brejinho, Canabrava, Cassarongongo, Gomo, Fazenda Belém, Mata de São João, Norte Fazenda Caruaçu, Remanso, Rio dos Ovos, Rio Subaúma, São Pedro and Sesmaria, which constitute the Remanso Cluster, in the Recôncavo Basil, state of Bahia. The adjusted acquisition value was of US$16.3 million. The operation was concluded with the payment of US$ 7.3 million to Petrobras, including the adjustments provisioned in the contract. The amount paid at the closing of the transaction is summed to the amount of US$ 4 million paid to Petrobras on the signature date of the purchase and sale agreement. The amount of US$ 5 million shall be paid by the Company twelve months after the closing of the transaction, to be adjusted based on the conditions provided for in the contract.

The fields of this Cluster were operated by the Company through a Risk Production Agreement (CPCR) signed with Petrobras, prior concessionaire, since February 1, 2000. Such contract was extinguished upon the acquisition of the Remanso Cluster, when these fields began to be operated as owned concessions. The concessions of this Cluster are from the so-called "round zero" which currently expire in August 2025 and can be extended for up to 27 additional years, upon specific request to the ANP and submission of a new Development Plan, (this extension is subject to the approval of the regulatory agency ANP).

In addition, between 2003 and 2007, Recôncavo E&P, a subsidiary of PetroReconcavo, acquired, through ANP Bidding Rounds, five areas in the northern part of the Recôncavo Basin, corresponding to the fields of Lagoa do Paulo, Lagoa do Paulo Sul, Lagoa do Paulo Norte, Juriti and Acará-Burizinho. The concessions of these fields expire between the years 2029 and 2031 and may also have their deadlines extended upon request for extension.

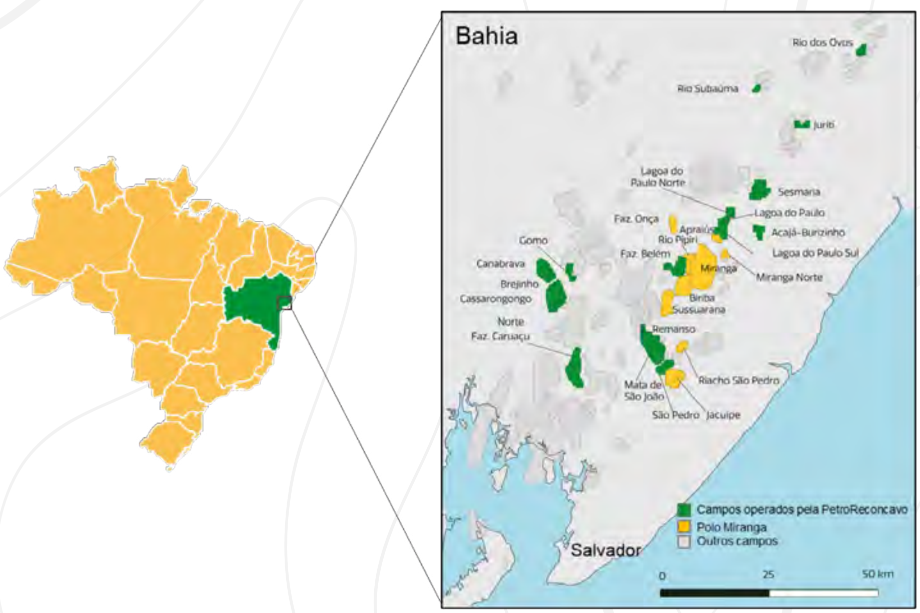
Miranga Cluster

On December 6, 2021 the Company, through its subsidiary SPE Miranga, concluded the acquisition of Petrobras' entire stake in the nine onshore fields of Apraiús, Biriba, Fazenda Onça, Jacuípe, Miranga, Miranga Norte, Rio Pipiri, Riacho de São Pedro and Sussuarana, which constitute the Miranga Cluster, in the Recôncavo Basil, state of Bahia.

The acquisition value was of US$220.1 million, which include the contingent payments provided for in the contract. The Company paid, on the conclusion date of the acquisition, the amount of R$ 268,766,204.04 (two hundred and sixty-eight million, seven hundred and sixty-six thousand, two hundred and four Brazilian reais and four cents), equivalent to US$47.7 million, of which US$44.0 million refer to the portion due at the closing of the transaction and another US$3.7 million related to the acquisition of inventory of materials of interest of the Company. This amount was summed to the US$ 11.0 million paid to Petrobras upon the signature of the sales agreement.

The following instalments are still due as deferred or contingent payments: (i) US$20.0 million to be paid within twelve months; (ii) US$20.million to be paid in twenty-four months; (iii) US$40.1 million to be paid in thirty-six months; and (iv) up to US$85.0 million in contingent payments provided for in the contract, linked to different possible bands of the oil reference price (Brent) in the period between the calendar years 2022, 2023 and 2024.

The map below represents the location of the Recôncavo Basin, with emphasis to the Fields Operated by PetroReconcavo and the fields of the Remanso Cluster + BTREC and Miranga Cluster:



02 Operational Performance

The Company closed the fourth quarter with an average production of 13,641 barrels of oil equivalent per day (BOED), already including as of December the production of the recently acquired Miranga Cluster included in the Bahia Asset. A 20.8% increase was registered in the 4Q21, when compared to the same period in 2020, and average production of 12,391 BOED in the accumulated for 2021, representing an 11.2% increase in relation to 2020, as demonstrated below.

Gross daily production (in barrels of oil equivalent per day - BOED)

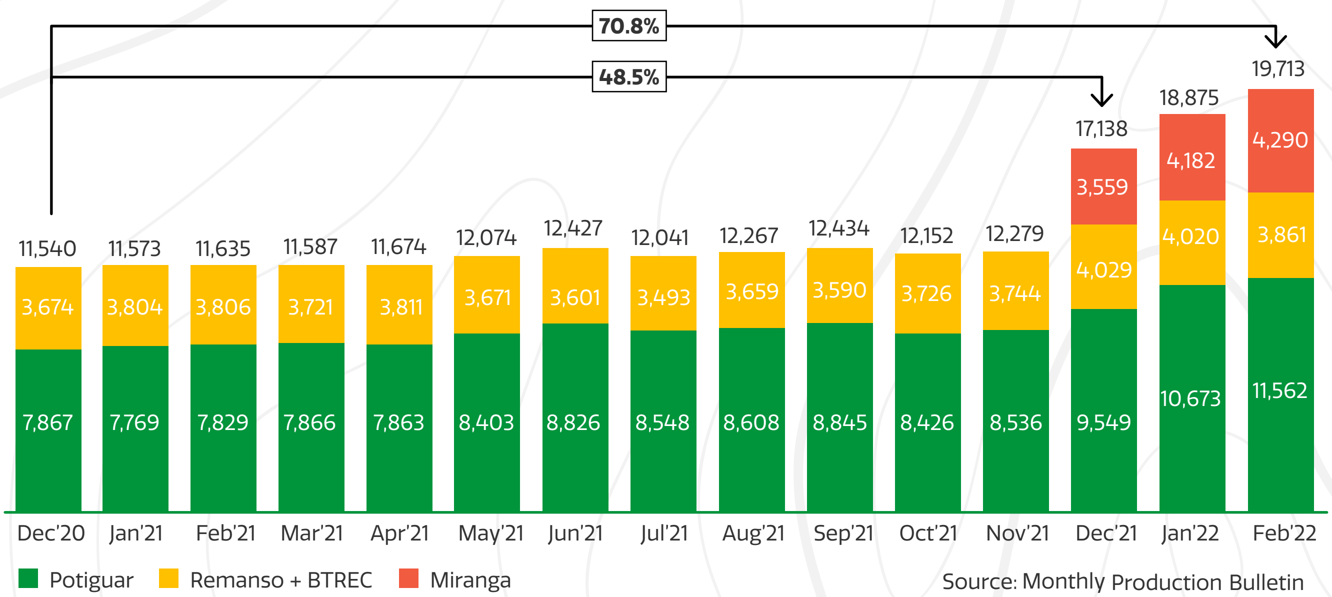
	4Q21	4Q20	Δ%	2021	2020	Δ%
Bahia Asset	4,801	3,857	24.5%	3,965	4,143	-4.3%
Potiguar Asset	8,840	7,433	18.9%	8,426	7,003	20.3%
Gross daily production	**13,641**	**11,290**	**20.8%**	**12,391**	**11,146**	**11.2%**

Source: ANP

With the conclusion of the acquisition of the Miranga Cluster, the Company closed the year with a 48.5% increase in production for December 2021, when compared to December 2020. Considering the organic growth of the Remanso Cluster + BTREC and Potiguar Asset, the increase was of 17.7% in the same period and continues in an upward trend in accordance with the production notices published in the months of January and February 2022.

Source: ANP

Monthly Production per Cluster / Average production of barrels of oil equivalent per day (BOED)



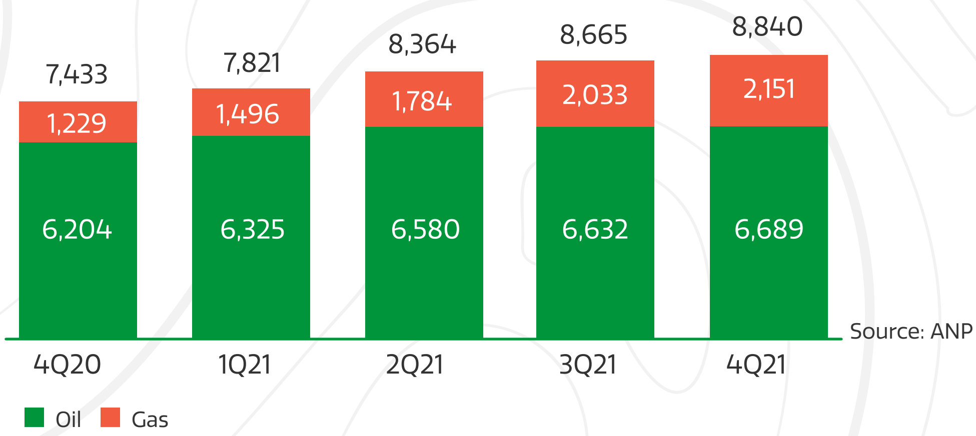
Source: Monthly Production Bulletin

Index

Potiguar Asset

In the fourth quarter of 2021, the production of the Potiguar Asset continued its upward trend, having increased 18.9% in the 4Q21, when compared to the 4Q20 – 7.8% of increase in oil production and 75.0% in the production of natural gas. The year 2021 presented an increase of 20.3% when compared to the year 2020, with an 11.2% increase in the production of oil and 69.1% in the production of natural gas. The graph below shows the production history of the Potiguar Asset.

Potiguar Asset | Average production of barrels of oil equivalent per day (BOED)



The volumes presented in the above chart represent the gross working interest production of the Company in the Potiguar Asset, including the 32 fields operated by the Company and the participation in the concession operated by Mandacaru Energia (ex-Partex Ltda.).

The gradual increase in the production of natural gas is aligned to improvement in the trade conditions reported for monetization of the product and in the Company's strategy for actively searching for projects guided towards gas extraction and a pioneering and leadership position in the new gas market.

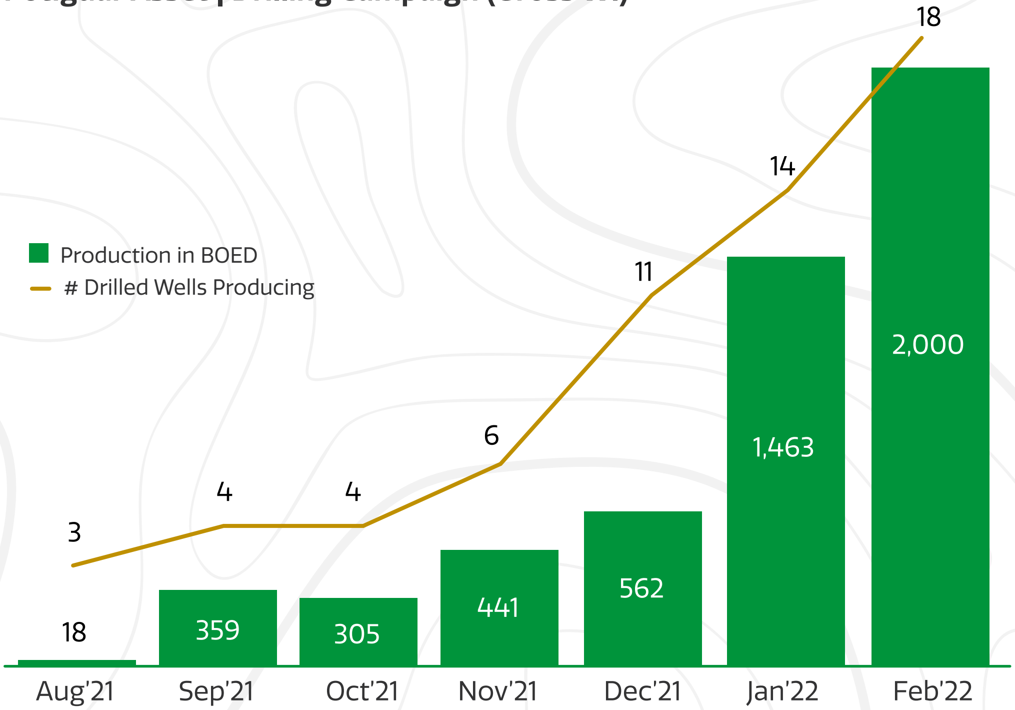
It should be observed that, in addition to the supply contracts for trading natural gas, the Company began, as a subsequent event, to trade in January 2022 the liquid fraction of its gas production resulting from the processing contracted at UPGN Guamaré. The Company signed a contract for the sale of the C5+ (heavier fractions) to Petrobras and the LPG (liquified petroleum gas), formed by intermediate fractions, to Ultragaz.

The Company continues with its verticalization strategy with efforts for increasing the quantity of equipment for Rigs and Services, expanding its execution capacity.

The Company began the fourth quarter of 2021 with three rigs in the Potiguar Asset and incorporated another one as of November 2021. With programmed maintenances performed in the period, totaling 63 days in 2 equipment, the Company maintained an average 2.7 active rigs in the quarter. During the quarter the rigs performed 9 workover projects, 19 well service projects and concluded 8 initial completion projects of the drilling.

The Company also performed, in the same period, the drilling of 10 new wells in the Sabiá, Boa Esperança, Paturi and Sabiá Bico-de-Osso fields. The total amount invested for the drilling and completion of these wells in the quarter was of R$ 30 million. With this result the Company closed the year 2021 with 15 recently drilled wells, with effects to production results already communicated to the market in the months of January and February 2022, as demonstrated in the graph below:

Potiguar Asset | Drilling Campaign (Gross WI)



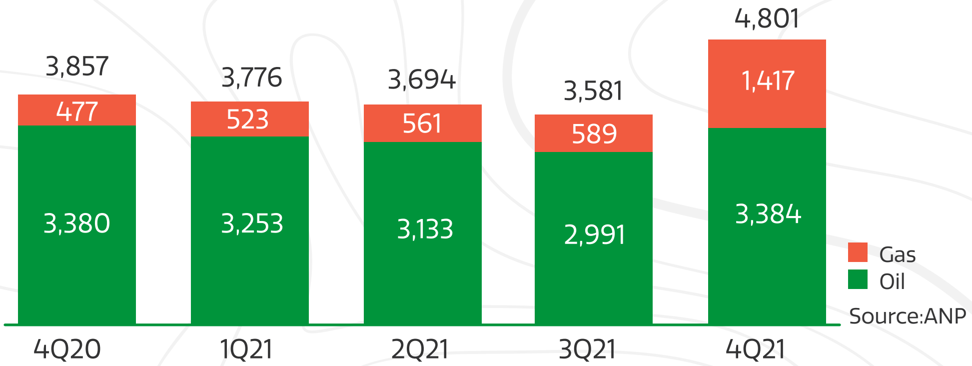
Source: Monthly Production Bulletin

The wells drilled in the Boa Esperança field had oil production results exceeding expectations, indicating improvement to economic estimates of new investments in the field, potentially enabling new locations. The campaign in the Sabiá field indicated a potential for increased gas production, presently restricted due to facility conditions. In the fields Sabiá Bico-do-Osso and Sabiá da Mata, where are the best expectations of return for the project, we drilled 10 wells and completed 9 by February 2022, confirming the good potential of these deposits. We plan for 2022 the continuation of a continuous drilling campaign for the development of these fields.

Bahia Asset

In the fourth quarter of 2021, the production of the Bahia Asset presented a 24.5% increase, when compared to the fourth quarter of 2020, 0.1% in oil production and 197.1% increase in natural gas production, already including the Miranga Cluster, as of the conclusion of the acquisition and beginning of operations by the Company on December 7. The consolidated percentages for 2021 presented a 4.3% drop in comparison to 2020, with a 13.1% drop in oil production and 64.6% increase in natural gas production.

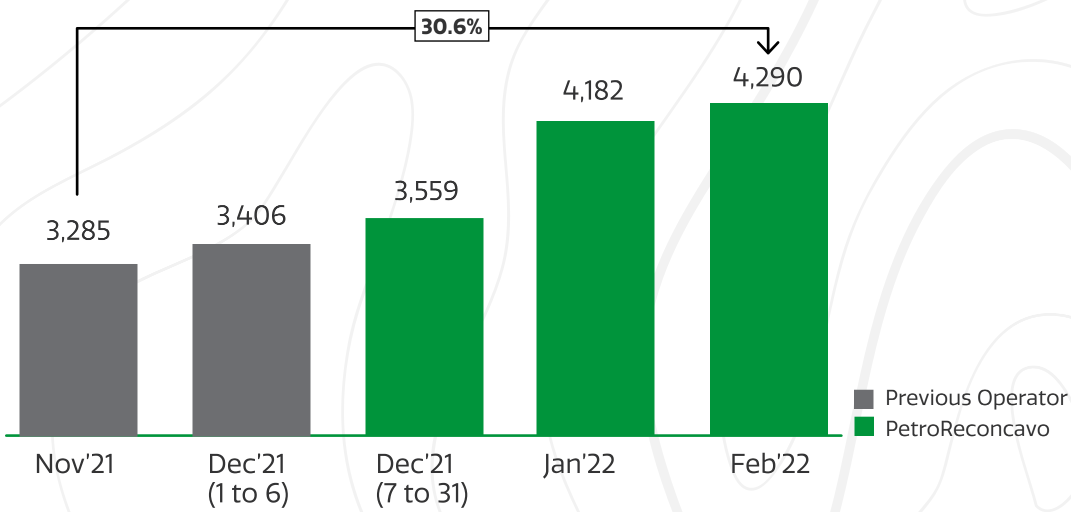
Bahia Asset | Average production of barrels of oil equivalent per day (BOED)



Investment strategy for the 4Q21 in the Bahia Asset included the execution of a total of 13 workover projects and 26 well services, with 2 rigs dedicated to the Remanso+BTREC and Miranga Clusters.

Out of the total Workover projects executed in the period, 5 were in wells of the Miranga Cluster, in addition to projects for the return of production in the Jacuípe field. Up until the end of February a total of 16 workover projects were already executed in the Miranga cluster, reflecting an average daily production of 4.290 boed for February 2022, an increase 30.6% in production in the Cluster when compared to the month of November 2021, the last full month of production of the previous operator. These results bring confidence in the enormous potential of Miranga Cluster, and also reaffirm the company's execution capacity.

Miranga Cluster | Average Production in the change of Operator in barrels of oil equivalent per day

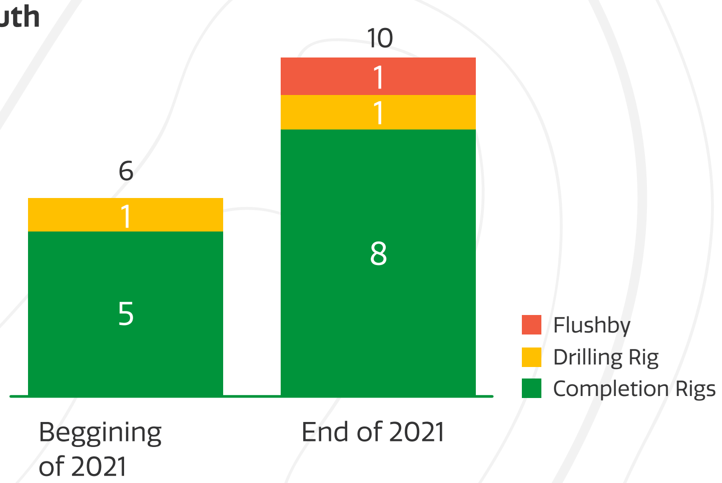


Rigs and Services

2021 began with 5 workover rigs distributed among the Assets, 2 in the Bahia Asset and 3 in the Potiguar Asset, as well as 1 drilling rig and 4 stimulation units. By means of a strategy for expanding the fleet, to meet the increase in the volume of workover and well service projects and activities, we closed 2021 with 8 workover rigs, 1 Flushby, 1 drilling rig, and 5 well stimulation/pumping units (4 of which are stimulation and 1 is cementing). During the first quarter of 2022, another workover rig was added, and the deployment of additional equipment is planned for the remainder of 2022.

With the good results obtained in the executed projects, associated with their economic attractiveness in light of present prices, the Company recognizes in the expansion of the fleet and deployment of additional resources as a key path to expand even further its execution capacity.

Rigs | Fleet Growth



Gas Development

With the opening of the New Gas Market, 2021 was marked by significant actions of the Company in this segment. In July 2021, our subsidiary, Potiguar E&P was declared the winner of a Public Auction for the Supply of Natural Gas– 2022 and 2023 of Potigás Companhia Potiguar de Gás and in October 2021 was declared the winner of the Public Auction for the Suppy of Natural Gas for 2022 and 2023 of Companhia Paraibana de Gás – PBGÁS.

During the second quarter, the Company fulfilled the conditions precedent for closing the business, signing the following contracts: (i) contract for access to the Petrobras flow infrastructure interconnecting the production installations of Potiguar E&P up to the Petrobras Natural Gas Processing Unit of Guamaré ("UPGN Guamaré"); (ii) contract for the Processing of Natural Gas at UPGN Guamaré; and (iii) contract for natural gas transport with TAG, permitting the transport of natural gas from UPGN Guamaré to the delivery points of the distributors (city gates).

In December 2021 the Company and its subsidiary, SPE Miranga S.A., signed a Natural Gas purchase and sale agreement – Swap Contract, with Petrobras, permitting the anticipation of access to the necessary infrastructures for the trading of the natural gas production and liquid by-products in the state of Bahia. The Company had already signed the contract for the supply of Natural Gas with Bahiagas, Companhia de Gas da Bahia, obtained regulatory and tax authorizations and signed natural gas transportation agreements with Transportadora Associada de Gás S.A. - TAG, permitting the commercialization to any locality connected to the network of this transport company.

Today it is possible to trade natural gas from any Asset to any of the present clients and the contracts include clauses that permit the trade of surplus production.

As a subsequent event, as of January 1, 2022, the Company and its subsidiaries began the supply to 3 state distributors of piped natural gas, as follows:

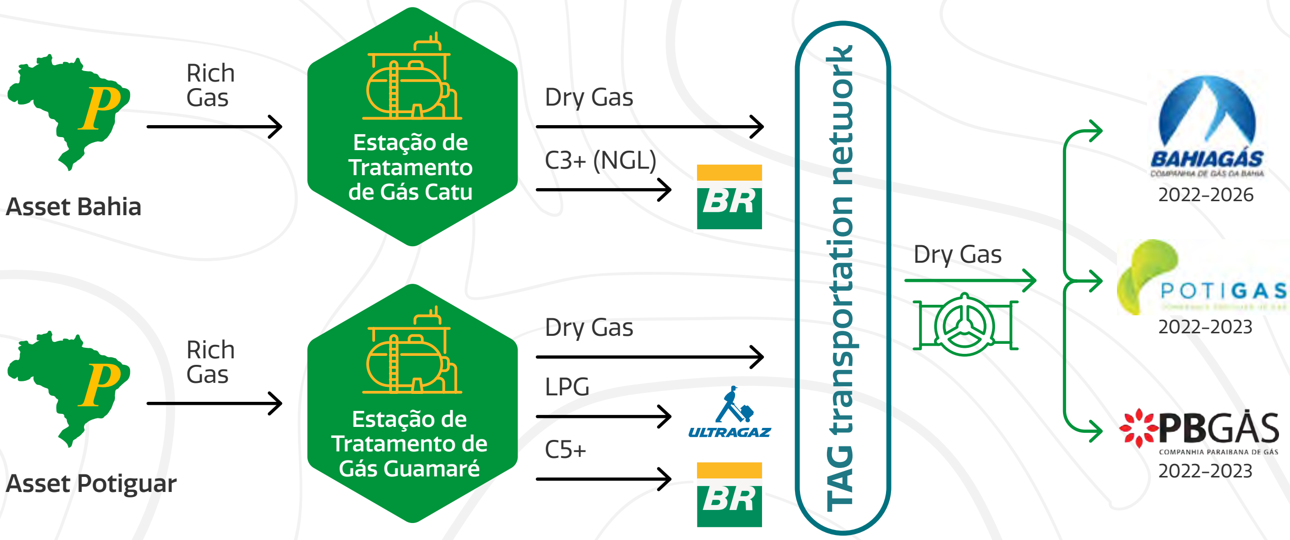
Bahiagás with an initial volume of 400 thousand m³/day of natural gas, as well as an annual increment in the daily contracted quantity in accordance with the production curve foreseen for the assets for a 5-year term;

Companhia Paraibana de Gás – PBGás, for a 2-year term of 80 thousand m³/day of natural gas as of January 2022 and 100 thousand m³/day of natural gas as of January 2023;

Companhia Potiguar de Gás – Potigás, delivery of 236 thousand m³/day of natural gas, for a two-year term.

Apart from the distribution of dry gas, the Company trades liquids produced after the gas treatment, with the Bahia Asset being the C3+ (NGL) to Petrobras and with the Potiguar Asset being the LPG to Ultragaz and C5+ to Petrobras, as demonstrated below.

Gas | Processing and Product Diagram



Continuing with the Company's development strategy in the gas market, apart from the trading and optimization of the product, the Company has been executing projects for expansion and increase in the reliability of the gas outlet and compression infrastructure.

Expansion of the capacity and reliability of the compression systems

Aligned to the strategy of optimizing gas production, the Company executed a series of projects to avoid potential infrastructure bottlenecks of production outlet facilities.

Potiguar Asset

In 2021 the Company began the execution of a strategy for increasing the reliability of the compression equipment of Potiguar E&P with large-scale maintenance. Furthermore, actions were undertaken to increase capacity, mainly through the return to operation of machines that were idle. An amount of over R$ 13 million was invested in overhauls of motors and compressor, increasing the installed capacity by 70 thousand m³/d. The nominal installed capacity in December 2021 was of 576 thousand m³/d and the Company has projects underway to double this capacity up until the end of 2022. The projects involve continuity of the overhaul of gas motors, compressors and the installation of new machines.

Bahia Asset

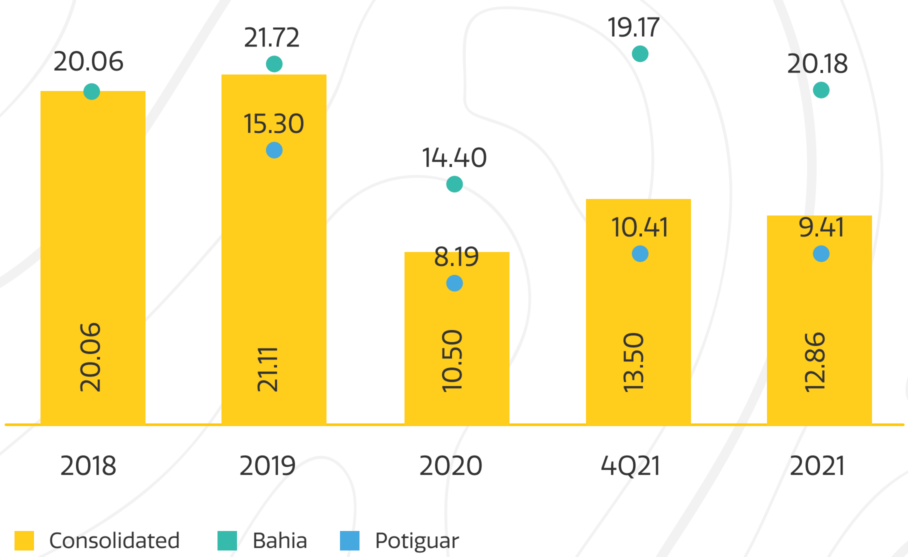
In the Bahia Asset, especially in the Remanso Cluster, the Company concluded the year 2021 with a nominal compression capacity of 120 mil m³/d , but with projects underway to increase this capacity at the São Roque stations, with the aim of receiving gas from the Riacho de São Pedro and Jacuípe fields that integrate the Miranga Cluster, but are located very close to the station. This is one of the initiatives that illustrate the operational synergies among the Bahia Asset clusters. In February 2022 the 1st phase of the project was concluded, adding another 100 thousand m³/d of nominal capacity to the compression system. A 2nd phase of the project has already began, and is estimated to be concluded in the first semester of 2022, with an additional capacity of over 300 thousand m³/d.

In the Miranga Cluster, the Bahia Asset also has a functional capacity of compression of 1,000 thousand m³/d and during the year 2022 the execution of a robust program of preventive maintenance is planned to increase safety and ensure the reliability and operational improvement of these equipment.

Costs

The consolidated average production cost in 2021 was of US$12.86/boe, whereas for the 4Q21 it was of US$13.50/boe. Despite presenting an increase, when compared to 2020, the costs are well below those observed for the years 2018 and 2019. It should be observed that, due to the Covid-19 pandemic, and its impacts to the international prices of the barrel of Brent oil, the Company significantly reduced non-critical activities in 2020, thus the basis for comparison is hindered. Furthermore, throughout the 4Q21 various pre-operational costs were incurred related to the takeover of the Miranga Cluster and the closing of the acquisition of the Remanso Cluster. Further details on the cost variation in the quarter can be obtained under the topic "Consolidated Financial Performance".

PetroReconcavo Consolidated | Average production cost (in US$/BOED)



The large difference in average production costs between the Assets stems mainly from the differences in reservoir maturity between Assets, especially higher variable costs of fluid (water + oil) in the Bahia Asset resulting from a more advanced phase in secondary recovery projects, as a result of the projects developed by the Company in the fields of Remanso Cluster, over the last two decades.

With the start of the Miranga Cluster operations in the Recôncavo Basin, which is operated in an integrated manner with the Remanso Cluster, and which together form the Bahia Asset, the aim is to capture operational and financial synergies, with potential reduction of average production costs. Part of this reduction was captured in the fourth quarter of 2021, with the beginning of operations at the Miranga Cluster in the month of December. The average production cost of the Miranga cluster in the period, pre-operational costs incurred in the takeover of the Cluster, was of US$9.69/boe even with only 25 days of production. Being still at a less mature stage and having a very large focus on unassociated gas production, the fields of Miranga Cluster should have a significant impact on the reduction of average costs per BOE of the asset, in addition to the capturable synergies.

03 Consolidated Financial Performance

Consolidated Statements of Profit and Loss (in thousands of Brazilian reais – R$)	4Q21	4Q20	Δ%	2021	2020	Δ%
Net revenue	285,362	206,628	38.1%	1,040,604	787,841	32.1%
Costs and expenses	(116,572)	(60,858)	91.5%	(401,818)	(266,571)	50.7%
Royalties	(31,568)	(14,576)	116.6%	(103,980)	(46,865)	121.9%
EBITDA	**137,222**	**131,194**	**4.6%**	**534,806**	**474,405**	**12.7%**
Depreciation, amortization and depletion	(43,107)	(84,347)	-48.9%	(250,200)	(242,585)	3.1%
Operating profit	**94,115**	**46,847**	**100.9%**	**284,606**	**231,820**	**22.8%**
Net financial income (loss)	1,266	46,676	-97.3%.	(50,989)	(349,457)	-85.4%.
Current taxes	(12,835)	172	n.m.	(46,653)	(15,281)	205.3%
Deferred taxes	(10,249)	(30,599)	-66.5%	(10,065)	51,159	-119.7%
Net income (loss)	**72,297**	**63,096**	**14.6%**	**176,899**	**(81,759)**	**n.m.**

Net Revenue

The Company's net revenues increased 32.1% in 2021, from R$787.8 million in 2020 to R$1.0 billion in 2021. In the quarter the increase was of 38.1%, from R$206.6 million in the fourth quarter of 2020 to R$285.4 million in the same period of 2021.

Net revenue (in thousands of Brazilian reais – R$)	4Q21	4Q20	Δ%	2021	2020	Δ%
Bahia Asset	**124,274**	**60,373**	**105.8%**	**385,177**	**246,339**	**56.4%**
Provision of services in oil production	88,276	51,783	70.47%	306,414	214,144	43.09%
Provision of services in gas production	11,937	4,401	171.23%	40,073	20,660	93.96%
Oil sales revenue	9,794	2,260	333.36%	20,390	7,050	189.22%
Natural gas sales revenue	9,352	-	n.m.	9,352	-	n.m.
Other revenue from the provision of services	4,915	1,929	154.80%	8,948	4,485	99.51%
Potiguar Asset	**322,021**	**142,667**	**125.7%**	**1,078,534**	**472,580**	**128.2%**
Oil sales revenue	303,736	142,368	113.35%	1,018,930	471,588	116.06%
Natural gas sales revenue	18,285	299	6015.38%	59,604	992	5908.47%
Derivative financial instruments	(69,939)	41,731	-267.6%	(126,780)	196,994	-164.4%
Gross income	**376,356**	**244,771**	**53.8%**	**1,336,931**	**915,913**	**46.0%**
Sales tax	(90,994)	(38,143)	138.6%	(296,327)	(128,072)	131.4%
Net revenue	**285,362**	**206,628**	**38.1%**	**1,040,604**	**787,841**	**32.1%**

We highlight the 128.2% increase in gross billing from the sales of the Potiguar Asset, from R$472.6 million in 2020 to R$1.1 billion in 2021. In addition to the increase of the production in the period, as mentioned under the topic "Operating Performance", the average value of a barrel of Brent oil was higher in the year 2021, when compared to the prior year. Additionally, although natural gas represents a lower percentage in the Asset's revenues, we obtained since the beginning of 2021, an addendum to the gas sales contract, with an average price much higher than the values practiced in 2020.

In the Bahia Asset, emphasis is given to the 105.8% increase in revenue in the fourth quarter, from R$60.3 million in 2020 to R$124.3 million in the same period of 2021. Besides the price aspects, mentioned in the above paragraph, the revenue in the quarter for the Bahia Asset was impacted by the beginning of operations of the Miranga Cluster, with revenues of R$15.2 million in the period.

Conversely, the appreciation of the barrel of Brent oil resulted in a loss in derivative financial instruments settled in the period. In 2021, a loss of R$126.8 million (R$69.9 million in the quarter) was recorded under this heading, while in 2020, the result was positive, in the amount of R$196.9 million (R$41.7 million in the quarter). In the fourth quarter hedging contracts with a volume of 557 thousand barrels of oil were settled, at an average price of US$57.82bbl, and the average price of a barrel of Brent oil in the period was of US$79.73.

Operating costs and expenses

The table below presents some breakdowns and comparisons of our costs and expenses in 2020 and 2021, which should be interpreted with caution, considering that, due to the Covid-19 pandemic and its impacts on international Brent oil prices, the Company significantly reduced non-critical activities as of the second quarter of 2020. Additionally, costs in the 4Q21 in the Bahia Asset and in the corporate areas already reflected a major part of the necessary structural increases for the operation of the Miranga Cluster.

Costs and Expenses (in thousands of Brazilian R$)

	4Q21	4Q20	Δ%	2021	2020	Δ%
Personnel	42,273	23,799	77.6%	128,268	82,137	56.2%
Services and Materials	29,059	29,553	-1.7%	117,815	93,652	25.8%
Electric Power	17,796	11,337	57.0%	56,868	45,832	24.1%
Environmental licensing	2,672	2,577	3.7%	13,207	9,795	34.8%
Share-based payment	3,072	-	n.m.	14,452	7,503	92.6%
Other costs and expenses	24,772	(6,408)	-486.6%	71,208	27,652	157.5%
Total	**116,572**	**60,858**	**91.5%**	**401,818**	**266,571**	**50.7%**

Costs and expenses increased 91.5%, from R$60.8 million in the fourth quarter of 2020, to R$116.6 million in the same period of 2021. In the year, costs and expenses increased 50.7%, from R$266.6 million in 2020, to R$401.8 million in 2021. The cost increase in further explained in the topics below:

Costs with personnel increased 77.6%, from R$23.8 million in the fourth quarter of 2020, to R$42.3 million in the same period of 2021. This increase was on account of a reduction in non-critical activities in the year 2020 due to the Covid-19 pandemic. Among the measures taken by the Company, in order to preserve jobs, was the temporary suspension of labor contracts of some employees in the period, reducing costs with personnel. In addition, the Company spent the quarter preparing for becoming a concessionaire of the fields in the Remanso Cluster and for the takeover of the Miranga Cluster, and also for increasing the rig fleet in operation, demanding new hires during the period, whereby it is normally necessary that such hires occur with some months of advance in order that these new employees may be duly trained and incorporated to the management system of the Company. Moreover, the Company opted to internalize some functions that were initially hired as outsourced services, mainly in the Potiguar Cluster. Finally, an increase in personnel in the corporate area was registered, which was expected and reflects the necessary structure to meet the increase in the activities of the Company and to the new requirements that arise after going public. Personnel expenses were also impacted by the 9.68% annual readjustment, corresponding to the accumulated IPCA in the last 12 months, as of September 2021, according to the collective agreement covenanted with the labor union.

Electric power costs increased 57.0%, from R$11.3 million in the fourth quarter of 2020 to R$17.8 million in the same period of 2021. In 2020, due to the impacts generated by the Covid-19 pandemic, there was a postponement of the impact of the electric power tariffs. This postponement was compensated in 2021. Additionally, in 2020 the production of some of the wells of the Asset that presented high production costs were interrupted. Apart from the tariff impacts, this variation accompanies the increase in the level of production and of active wells in 2021.

Environmental licensing costs increased 3.7% in the quarter, but increased 34.8% in 2021, from R$9.8 million in 2020, to R$13.2 million in 2021. With the Covid-19 pandemic, there was a postponement in the payment of environmental licenses for part of the year 2020. Also, there was a readjustment of prices in the rates charged by the environmental agency in 2021 to Potiguar E&P.

In the fourth quarter of 2021 R$ 3.1 million were registered in relation to vesting in the period of share-based payment to executives and key personnel of the Company, associated to the Consolidated Incentive Program. Further information in relation to such Program can be found under Note 16 of our Financial Statements.

Under other costs and expenses, emphasis is given to expenses with consulting services and fees, in the total amount of R$7.0 million in the quarter. A good part of the consulting services is related to support in the assessment of new businesses and new forms of trading and monetizing products produced by the Company. Also included are amounts related to the preparation of Reserve Reports and independent audit fees.

Also included under other costs and expenses are costs with rent, in the amount of R$8.2 million in the quarter. These costs refer mainly to the rental of machines and equipment used in the operation of the fields of the Company. The increase is related to the increase in activity and well in operation by the Company during the period.

Net financial results

Net financial results in the fourth quarter were positive in the amount of R$ 1.3 million, compared to a positive result of R$46.7 million in the same period of 2020. The result is impacted, mainly, by the exchange variation in the period. The Company has financial investments and financing, as well as liabilities payable resulting from the acquisition of assets indexed to the US dollar exchange. The table below demonstrates the exchange rate appreciation in each period:

Exchange rate R$/US$	12/31/2021	Δ%	09/30/2021	12/31/2020	Δ%	09/30/2020
	5.58	2.57%	5.44	5.20	-7.80%	5.64

Income tax and social contribution on net income

Income tax and social contribution	4Q21	4Q20	Δ%	2021	2020	Δ%
Current	(12,835)	172	-7562.2%	(46,653)	(15,281)	205.3%
Deferred	(10,249)	(30,599)	-66.5%	(10,065)	51,159	-119.7%
Income tax and social contribution	**(23,084)**	**(30,427)**	**-24.1%**	**(56,718)**	**35,878**	**-258.1%**

As a consequence of the higher result observed in 2021, income tax and social contribution expenses registered in the year were higher. Deferred taxes registered in the quarter refer, above all, to the unrealized exchange variation in the subsidiary SPE Miranga.

The Company's Management will propose to its shareholders the payment of dividends for the year 2021 in the amount of R$ 40.6 million (R$0.1633 per share), equivalent to the mandatory minimum dividend. The Company's current moment is to execute a robust investment plan to pursue organic growth as foreseen in the reserve certification report. In addition, the Company remains attentive to the opportunities that can accelerate this growth through the acquisition of new assets. Due to the company's strong generation of operating cash flow, management will evaluate the distribution of additional proceeds to its shareholders throughout the 2022 fiscal year.

Consolidated statements of cash flows (in thousands of Brazilian reais - R$)

	4Q21	4Q20	Δ%	2021	2020	Δ%
Profit (loss) before taxes	95,381	93,523	2.0%	233,617	(117,637)	-298.6%
Depreciation, amortization and depletion	43,106	84,347	-48.9%	250,200	242,585	3.1%
Interest and exchange variations, net	31,943	(62,679)	-151.0%	80,031	305,886	-73.8%
Write-off of property, plant and equipment and leases	60,805	19,222	216.3%	162,240	81,277	99.6%
Other profit adjustments and variations	13,824	10,167	36.0%	10,417	29,361	-64.5%
Asset and liability variation	14,778	19,954	-25.9%	(39,201)	(17,444)	124.7%
Interest paid	(13,545)	(22,527)	-39.9%	(58,405)	(67,929)	-14.0%
Cash generated by operating activities	**246,292**	**142,007**	**73.4%**	**638,899**	**456,099**	**40.1%**
Additions to property, plant and equipment and intangible assets	(522,025)	(109,785)	375.5%	(832,281)	(227,555)	265.7%
Financial investments	177,047	22,435	689.2%	(485,872)	(124,829)	289.2%
Cash used in investment activities	**(344,978)**	**(87,350)**	**294.9%**	**(1,318,153)**	**(352,384)**	**274.1%**
Borrowings	-	-	n.m.	60,479	-	n.m.
Amortization of financing and lease operations	(76,020)	(43,190)	76.0%	(304,104)	(128,979)	135.8%
Capital increase, net of cost of issuance and net effect on share acquisition and sale	(541)	(5,342)	n.m.	1,109,177	(140)	n.m.
Cash generated by (used in) financing activities	**(76,561)**	**(48,532)**	**57.8%**	**865,552**	**(129,119)**	**770.4%**
Increase (decrease) in cash balance	**(175,247)**	**6,125**	**n.m.**	**186,298**	**(25,404)**	**n.m.**

Cash generated by operating activities increased 73.4% in the fourth quarter of 2021, when compared to the same period of 2020. In the year, a 40.1% increase was registered. Operating performance in the quarter was previously explained herein.

Cash used in investment activities totaled R$345.0 million in the fourth quarter of 2021, as a combination of the following factors:

(I) The Company invested R$ 525.0 million in additions to property, plant and equipment and intangible assets, generating an increase of R$412.2 million, when compared to the same period of 2020, due mainly to the closing of the acquisitions of the Remanso and Miranga Clusters, which occurred in December 2021;

(II) In the fourth quarter of 2021, we had net redemptions of financial investments of R$177.0 million.

Cash applied to financing activities was of R$76.6 million in the fourth quarter of 2021, while at the same period of 2020 R$48.5 million was applied. This variation occurs mainly from the amortization of financing associated to acquisitions.

As a result of the items listed above, the reduction of the balance of cash and cash equivalents in the fourth quarter of 2021 was of R$175.1 million, while at the same period of 2020 there was a R$ 6.1 million increase.

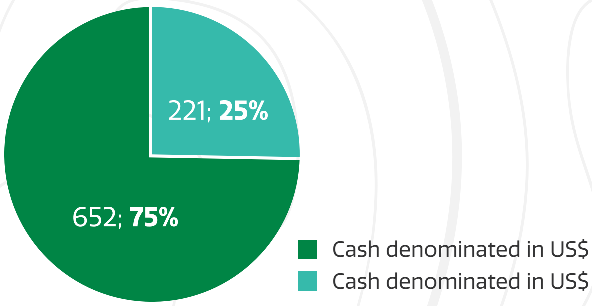
04 Other balance sheet highlights

Cash position (cash and cash equivalents and financial investments)

As of December 31, 2021, the Company recorded a cash position, which represents the sum of cash and cash equivalent balances and financial investments, in the amount of R$872.8 million.

Presently, a good part of the Company's resources is invested in foreign exchange funds. These investments are a guarantee for the loan taken by the subsidiary for the payment of part of the acquisition of oil and natural gas production fields and the investment in foreign exchange funds has the purpose of accompanying the U.S. dollar exchange variation against the Brazilian real. Since the debt of the subsidiary is in U.S. dollars, the Company aims, in such a manner, to protect itself from exchange variation. In addition, the Company has potential future commitments related to the acquisition of assets also denominated in U.S. dollars. Total cash denominated in U.S. dollars was of R$652 million, corresponding to 75% of the cash of the Company. These amounts are demonstrated on the graph below:

PetroReconcavo Consolidated | Cash (in R$ MM)



Indebtedness

Net indebtedness (in thousands of Brazilian reais – R$)

	2021	2020	Δ%
FINEP	1,647	2,733	-39.7%
Bank loans	762,081	926,501	-17.7%
Costs to amortize	(22,437)	(35,194)	-36.2%
Amounts payable for acquisitions	1,263,049	–	n.m.
Gross debt	**2,004,340**	**894,040**	**124.2%**
Cash and cash equivalents	217,159	30,861	603.7%
Financial investments	655,644	135,011	385.6%
Net debt	**1,131,537**	**728,168**	**55.4%**

The gross indebtedness of the Company in 2021 increased 124.2%. This increase was strongly impacted by the closing of the transactions of the Remanso and Miranga Clusters, and the consequent recording of the of the liabilities payable for these acquisitions. Additionally, the Company recognized a liability payable for the acquisition of the Riacho da Forquila Cluster, in the amount of approximately US$56 million, on account of Management's expectation as to extending some of the concessions of this asset, which will oblige the Company to pay this amount to Petrobras. Yet the cash of the Company also presented an increase during the year, mainly due to the resources obtained from the IPO, which occurred in May 2021.

Derivative financial instruments

The Company continuously evaluates the possibility of carrying out hedging operations of future oil production in order to increase predictability and protect future cash flow. The Company contracted commodity forward contracts to manage commodity price risk associated with future transactions of up to 36 months, all in the subsidiary Potiguar E&P, as mentioned under the topic "Net Revenue".

The table below describes the commodity forward contracts outstanding as at December 31, 2021, as well as the information related to their corresponding hedged items:

Hedging instruments outstanding contracts	Average strike price 12/31/2021	Quantity 12/31/2021	Fair value of hedging instruments 12/31/2021
	US$/barrel	**Barrels**	**R$ thousand**
Under 3 months	56.61	510,520	(61,145)
From 3 to 6 months	55.56	482,680	(55,997)
From 6 to 12 months	53.71	1,004,217	(113,983)
From 1 to 2 years	52.66	1,796,100	(178,883)
From 2 to 3 years	58.18	1,012,250	(54,676)
Total	**54.75**	**4,805,767**	**(464,684)**

The total average volume of hedged barrels for 2022, as per the above table, is of approximately 5,472 bopd, or around 28.4% of the total average production of the Company in the months of January and February 2022, which was of 19.273 boepd. Observing only oil production, the hedged production corresponded to 44.5% of the average oil production of the Company in the months of January and February 2022, which was of 12,310 bopd.

The subsidiary Potiguar E&P obtained on March 21st, 2022, from the financial creditor institutions of the financing contract, waiver to not enter into additional oil hedging contracts for the period beginning on January 1st, 2022 until June 30th, 2022.

05 Reserve Certification

This section contains a summary of the Reserve Reports prepared by an independent expert Netherland, Sewell & Associates, Inc. (NSAI). The Reserve Reports were prepared based on an analysis of our concessions located in the Recôncavo basin in the State of Bahia, and in the Potiguar Basin in the State of Rio Grande do Norte, as of December 31, 2021. The evaluation of the Company's Reserves and Resources was completed on February 7, 2022 and presented to the market in an online event on February 11, 2022 and open to the public.

Below is a summary table of the Company's net reserves and contingent resources, as of December 31, 2021. The reserves represent the portions of the reserves of the mentioned concessions held by or contractually attributed to the Company, discounted by the participations of any third parties.

In 2021, the Contingent Reserves associated to the extension of the concessions migrated to the category of reserves in view of the prevailing regulations, the recent history of concession renovations by ANP and the intention of the Company to request such extensions.

	Gross Working Interest ("WI") Reserves 12/31/2021					Gross WI Reserves 12/31/2020 *			Gross WI Reserves Variance		
	Oil	Gas	Oil Equiv.	Net Revenue	PV10	Oil Equiv.	Net Revenue	PV10	Oil Equiv.	Net Revenue	PV10
	MMBBL	BCF	MMBOE	MM$	MM$	MMBOE	MM$	MM$	MMBOE	MM$	MM$
Remanso + BTREC	19.3	10.5	21.0	$ 442.2	$ 277.9	16.8	$ 123.7	$ 67.7	4.3	$ 318.5	$ 210.2
Riacho da Forquilha	39.0	64.4	49.7	$ 1,383.4	$ 855.6	48.2	$ 767.7	$ 473.7	1.6	$ 615.7	$ 381.9
Miranga	14.8	226.6	52.6	$ 1,364.6	$ 659.4	51.9	$ 577.0	$ 261.1	0.7	$ 787.6	$ 398.3
Proved (1P)	73.1	301.4	123.4	$ 3,190.3	$ 1,792.9	116.8	$ 1,468.4	$ 802.4	6.6	$ 1,721.8	$ 990.5
Remanso + BTREC	25.3	12.9	27.4	$ 647.6	$ 369.5	23.0	$ 228.6	$ 113.4	4.4	$ 419.0	$ 256.1
Riacho da Forquilha	52.4	79.3	65.6	$ 1,872.1	$ 1,123.6	64.1	$ 1,049.7	$ 600.1	1.5	$ 822.3	$ 523.6
Miranga	17.2	273.6	62.8	$ 1,639.2	$ 753.4	63.4	$ 684.4	$ 282.4	(0.6)	$ 954.8	$ 471.0
Proved + Probable (2P)	94.9	365.7	155.9	$ 4,158.9	$ 2,246.6	150.6	$ 1,962.7	$ 995.9	5.3	$ 2,196.2	$ 1,250.7

Notes:

(1) Gas volumes were converted into boe at the ratio of 6,000 cubic feet of gas to 1 boe.

(2) Cash flow before financial expenses and income tax and social contribution discounted at an annual rate of 10%. ("PV10");

(3) Reserves as at Dec/2021 of the Remanso Cluster + BTREC include 100% equity interest in 17 fields located in the state of Bahia; 12 fields that comprise the Remanso Cluster and 5 BTREC fields, and equity interest of approximately (47.73%) in the Bom Sucesso concession (not operated);

(4) The reserves of the Riacho da Forquilha Cluster is comprised of 33 fields and 1 exploratory block located in the state of Rio Grande do Norte, out of which 30 fields and 1 exploratory block are 100% owned and operated by Potiguar E&P, 2in partnership with Sonangol Hidrocarbonetos Brasil Ltda (approximately 70% Potiguar E&P and 30% Sonangol) and 1 with Mandaracu Energia (previously Partex Brasil Ltda, 50% Potiguar E&P and 50% Mandaracu), The values presented in the tables reflect only the participation (working interest) of the Company in these concessions;

(5) Reserves of the Miranga Cluster include 100% equity interest in 9 fields of this Cluster, located in the state of Bahia;

(6) The total values may not reflect the exact value due to possible rounding-off of numbers;

(7) The different classifications of oil accumulations have varying degrees of technical and commercial risks that are difficult to quantify; accordingly, reserves, contingent resources and prospective resources should not be aggregated without a broad consideration of these factors. This table demonstrates the sum of the reserves shown on the NSAI reports without adjustments to these factors; these sums are shown on this table for convenience purposes only.

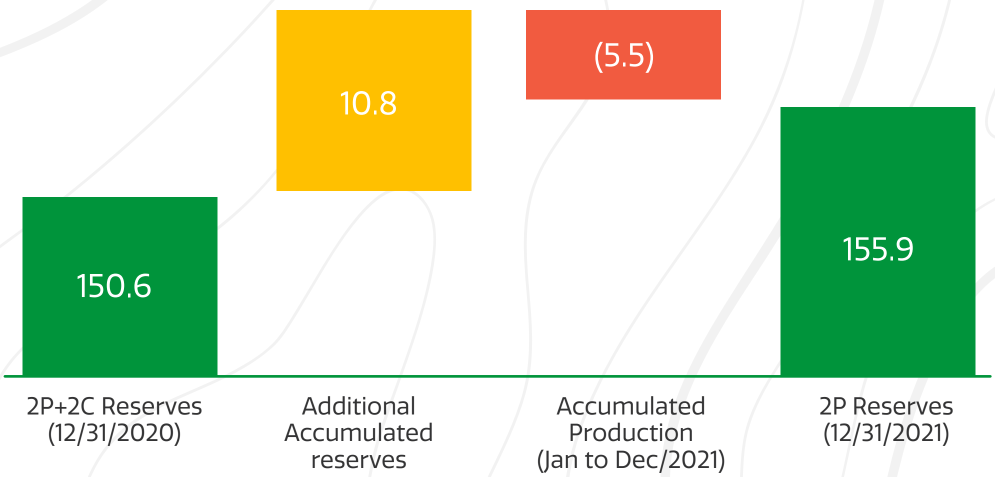
* The 2020 figures also included Contingent Resources (1P+1C and 2P+2C). In 2021 the Contingent Resources associated with the extension of concessions migrated to the category of reserves in wiew of the regulations in force, the recent history of concession extensions by the ANP and the Company's intention to request such extensions.

Considering only gross oil and gas reserves held by the Company (working interest) classified as 2P (proven + probable), the Company had an increase of 5.3 MMBOE in reserves in relation to the last report with reference date of December 31, 2020.

Considering the total accumulated gross production in the fields during the period between the issue of the reports, in other words, during the year 2021, of 5.5 MMBOE, the total volume of incremental reserves generated by the Company was of 10.8 MMBOE, representing a 2P reserve replacement ratio ("RRR") of 196%. Accumulated production in 2021 includes the total volume produced in the Miranga Cluster during 2021 and result in a small decrease in the reserves of this Cluster given that significant investments were not made by the previous operator and that the Company had taken over the Cluster only on December 7, 2021.

The ratio between the 2P reserve volume and the volume produced in 2021 is of 28 years (R/P). This indicator, known as Reserves to Production ratio (R/P), measures the number of years that the reserves of the Company will last if the production rates continue the same. The Company has the purpose of continuously improving its operational efficiency and, consequently, lowering this ratio.

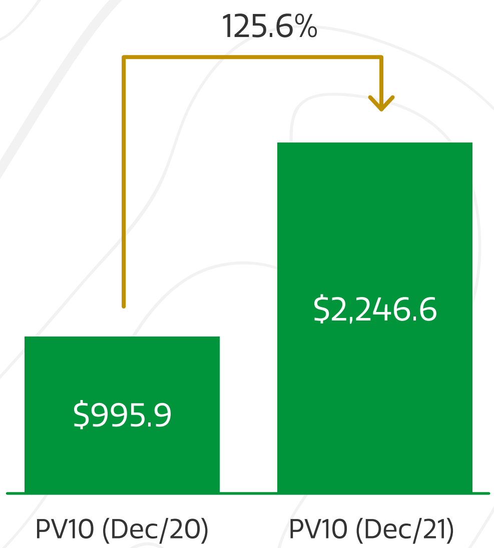
In millions of barrels of oil equivalent



Development costs of the reserves, considering total capital expenses in U.S. dollars divided by incremental reserves (2P less PDP Reserves) in barrels of oil equivalent according to reserve reports. This reserve development cost is of 5.59 USD/boe.

It is important to observe the significant increase of 125.6% in PV10, totaling US$ 2,246.6 million, which is the result of a combination of an increase in the volume of reserves, increase in the price of oil (Brent futures curve) and improved monetization of natural gas and its subproducts, based on new contracts. Considering future net revenue from 2P reserves discounted at an annual rate of 10% (PV10 according to the reserves report) less the estimated income tax deduction and net debt as at Dec-31-21 and divided by the number of outstanding shares, a value of approximately R$ 39 per shares is obtained.

In millions of U.S. dollars



Other relevant factors in this reserve report: 1 - Proven reserves over Probable Proven reserves (1P/2P – 1P reserves divided by 2P reserves) is of 79%, considering the reserves of gross working interest, and 2 - The relation between the 2P gas reserves (in boe) over total 2P reserves (oil + gas, in boe) is of 39%, considering the conversion of reserve certification (6.0 kcf = 1 boe).

06 HS&E & ESG (Environmental, Social and Governance)

Safety and Health

Our business requires a performance of excellence based on a responsible management of risks and impacts that our activity generates on people, communities and the environment. With the aim of strengthening the HS&E (Safety, Health, Environment and Sustainability) at all levels of our Company, with SAFETY having been defined as the core value in the company's identity, guiding conduct in promoting physical and mental health, aiming for the wellbeing of direct and contract workers and of the surrounding communities. The Company has been improving its processes based on the continued improvement dynamics of the HSE&S management, updating its policies, processes and procedures, focused on best market practices.

In 2021, the Company recorded an 80% reduction in the safety indicator of Lost Time Injury Rate (LTIR 2020: 1,47 to LTIR 2021: 0,3) including direct employees and third parties, because of the implementation of various preventive actions. Emphasis is given to campaigns, training, audits, inspections, safety dialogues and the tool "Caça Desvios" (Hunt Down Irregularities) that stimulates all Employees and Outsourced Workers to register opportunities for improvements that are handled by the HS&E teams. Another important matter was the continuity and reinforcement of the Safe Leader Program that focuses on all of the hierarchical levels of leadership in the Company, broadening the concept of ownership of the area and of being responsible for the health and safety of the teams.

In addition, in October 2021, within a process of encouraging new ideas and processes in the area of HS&E, we achieved a silver medal in the category of Occupational Hygiene from the Brazil Protection Award 2021 (Prêmio Proteção Brasil 2021)", with the project "Controlling Occupational Risks when Dewaxing Oil Pipes".

Sustainability

In the last quarter of 2021, we advanced in the process for preparing our first Sustainability report in accordance with the Global Reporting Initiative (GRI) methodology. The matters and data depicted in the report are the result of a process of materiality that defined the most relevant themes, both for the sector, as in relation to our main stakeholders: shareholders, clients, communities, board of directors, suppliers, investors, NGOs and regulatory authorities.

The process was carried out by means of qualitative interviews via internet and online questionnaires, as well as consultations to publications by clients, companies of the sector and entities linked to sustainability processes. The research resulted in eight key themes, divided into environmental, social and governance concerns, as follows: environmental impacts; residues; socioenvironmental impact in surrounding operations; relationship with the community; health, safety and wellbeing; business ethics; risk management and standardization of processes. These themes shall be addressed in our report providing the basis to guide our processes for identification of risks and opportunities in relation to sustainability.

PetroReconcavo shall use the Sustainability Report as an instrument for communication and management, to assist the Company in the development of a strategy guided towards the future and based on consistent information on positive and negative impacts on sustainability.

Environment

We advanced in our project for the preparation of our first inventory of greenhouse gas emissions, following the GHG Protocol methodology. The inventory shall consider the results of the operations of the PetroReconcavo Group (Bahia and Potiguar) in the years 2020 and 2021 and will be the starting point for the construction of an action plan that will be disclosed to the market in due course.

With reference to the Solid Residue Management, along the lines of the successfully implemented strategy at the Potiguar Asset, the Company established a partnership with a company specialized in the development of strategies geared to environmental management, to manage the Solid Residue Management Plan of the Bahia Asset.

The Technical Commission for Environmental Guarantee at the Bahia Asset, a multidisciplinary group that meets monthly with the purpose of guaranteeing the fulfillment of the restrictions on environmental licenses and promote actions to improve the Company's environmental performance.

Social

Since 2014, PetroReconcavo has maintained a partnership with AVSI Brasil ("Projeto Ciranda Viva Recôncavo'), focused on restoring and valuing the culture and identity of the communities surrounding our operations in the Recôncavo of Bahia, working with the communities of Pedras, Flechas and Veadinho, in the municipality of Catu-BA, with the purpose of promoting sustainable development, restoring and valuing their culture and identity. The program comprises "Ciranda Educativa", promoting environmental education and food safety for children ages of 4 to 6 years; the "Ciranda Esportiva" where children and teenagers of ages between 7 and 17 are encouraged to practice sports; and "Ciranda da Leitura" where school tutoring is offered, production of texts and reading workshops.

With great enthusiasm we began, in 2021, another partnership with AVSI Brasil, with the socioenvironmental program "Viva Sabiá". The new initiative will benefit the semiarid surrounding communities of the Potiguar Asset in the quest for promoting local socioeconomic and environmental development. The program will benefit the following communities: Monte Alegre 1, Monte Alegre 2, Lajes e Livramento and Olho d'Agua da Onça, in an inclusive and sustainable model, with the purpose of developing social awareness and offering wellbeing and arousing in the people their possibilities as individuals and citizens.

"Viva Sabiá" will endeavor to promote improvement in the access to drinking water, including the restoration of tanks, performance of educational workshops on the use and consumption of water and the importance of sanitation. Furthermore, we also established a partnership with the startup SDW – Safe Drinking Water, for the implementation of the AQUALUZ system, a technology of solar panels as systems for purification of the water through solar irradiation, enabling access to drinking water in regions of water scarcity.

In January 2022, the Company began a partnership with SENAI, a course for training rig professionals in Bahia and Rio Grande do Norte with a total of 180 openings, including free qualification in a course lasting 3 months which will increase employment in the regions.

Governance

Integrity is one of our cornerstone values. We believe that the success of our business is linked to a transparent and ethical relationship with our employees, clients, suppliers, regulatory authorities, government, unions investors and the community. Our activities are in compliance with the law and prevailing regulations in the areas in which we operate, as well as fulfilling our own internal guidelines and procedures based on the best market practices.

In June 2021 we established a new Ethics Committee and in the 4Q21 we introduced the Transparency Channel with the purpose of maintaining open communication with all the stakeholders to clarify any doubts, receive suggestions and eventual reporting of failure to comply with our Code of Conduct, in a in a confidential manner.

The Diversity and Inclusion Committee was established with the purpose of implementing actions for stimulating and valuing diversity and non-discrimination in the processes of the Company and is under the phase of approval of the Diversity and Inclusion Policy with basic principles and guidelines based on respect, inclusion, equity and valuing human diversity.

In addition, the Board of Directors approved the Donation and Sponsorship Policy, establishing guidelines for donations and sponsorships of socioenvironmental projects in compliance with the ethics and transparency criteria. The policy for the engagement of non-audit services, with the purpose of establishing guidelines and conditions for engaging non-audit services.

07 Relationship with Independent Auditors

In response to CVM Instruction 381/03, we hereby inform that Deloitte Touche Tohmatsu Auditores Independentes ("Deloitte") was engaged to provide the following services:

Audit of the financial statements prepared in accordance with the accounting practices adopted in Brazil and International Financial Reporting Standards ("IFRS") and additional procedures, according to the auditors' responsibility as independent auditors; to accompany, read and review eventual documents prepared by the Company, including the reference form for use in the process for obtaining the register of a publicly-held company in the CVM (Brazilian Securities Commission), in compliance with CVM instruction 480, of December 7, 2009, as amended ("CVM Instruction 480"), verify consistency of the accounting and financial information in relation to the financial statements of the Company, audited by Deloitte.

The engagement of independent auditors is based on principles that safeguard the independence of the auditor, whereby: (a) the auditor must not audit their own work; (b) does not exercise any management role; and (c) does not provide any services that could be considered as prohibited by the prevailing standards. Furthermore, Management must obtain from the independent auditors a declaration that special services provided do not affect their professional independence.

Annex 1 – Balance Sheet

PETRORECÔNCAVO S.A. AND CONTROLLED

Balance Sheet as at december 31, 2021

(in thousands of Brasilian reais – R$)

	Company		Consolidated	
ASSETS	12/31/2021	12/31/2020	12/31/2021	12/31/2020
CURRENT				
Cash and cash equivalents	172,288	11,663	217,159	30,861
Short-term investments	531,863	9,993	585,655	66,414
Trade receivables	34,398	52,578	169,847	108,733
Inventories	5,709	127	6,552	1,211
Dividends receivable	4,015	304	-	-
Recoverable taxes	20,221	13,457	41,825	22,433
Derivative financial instruments	-	-	-	80,506
Other assets	12,906	11,161	11,769	12,826
Total current assets	781,400	99,283	1,032,807	322,984
NONCURRENT				
Short-term investments	-	-	69,989	68,597
Related parties	120	20,460	-	-
Recoverable taxes	479	14	13,374	562
Derivative financial instruments	-	-	-	56,576
Escrow deposits	2,445	2,237	2,445	2,311
Other assets	274	475	483	475
Deferred income tax and social contribution	20,692	2,482	222,941	3,070
Investments	740,117	560,003	-	-
Property, plant and equipment and intangible assets	523,790	390,699	3,360,865	1,604,918
Lease right-of-use assets	9,448	10,528	12,489	20,680
Total noncurrent assets	1,297,365	986,898	3,682,586	1,757,189
TOTAL DO ATIVO	2,078,765	1,086,181	4,715,393	2,080,173

	Company		Consolidated	
LIABILITIES AND NET EQUITY	12/31/2021	12/31/2020	12/31/2021	12/31/2020
CURRENT				
Suppliers	58,200	49,022	98,708	80,089
Payroll and related charges	22,526	12,002	30,563	16,065
Taxes payable	5,671	14,083	66,995	22,762
Loans and financing	1,211	1,355	281,762	212,931
Leases payable	7,063	5,995	10,486	15,241
Derivative financial instruments	-	-	231,125	-
Dividends payable	40,566	2	40,566	2
Payables for acquisitions	27,903	-	453,318	-
Provision for well abandonment	-	-	419	6,301
Other payables	2,220	1,168	30,588	1,170
Total current liabilities	165,360	83,627	1,244,530	354,561
NONCURRENT				
Loans and financing	300	1,379	459,529	681,109
Leases payable	1,929	5,100	2,421	7,646
Derivative financial instruments	-	-	233,559	17,886
Deferred income tax and social contribution	-	-	5,672	-
Payables for acquisitions	-	-	809,731	-
Provision for tax, civil and labor contingency risks	3,443	4,965	3,443	4,965
Provision for well abandonment	35,920	10,914	84,695	33,810
Total noncurrent assets	41,592	22,358	1,599,050	745,416
NET EQUITY				
Share capital	1,813,936	674,941	1,813,936	674,941
Treasury shares	(2,292)	-	(2,292)	-
Capital reserve	35,176	31,158	35,176	31,158
Profit reserve	297,202	160,945	297,202	160,945
Equity variation adjustment	(306,690)	78,671	(306,690)	78,671
Capital transactions	34,481	34,481	34,481	34,481
Net equity	1,871,813	980,196	1,871,813	980,196
TOTAL LIABILITIES AND NET EQUITY	2,078,765	1,086,181	4,715,393	2,080,173

Annex 2 – Statements of Profit and Loss

PETRORECÔNCAVO S.A. AND CONTROLLED

Statement of cash flows for the six-month period ended december 31, 2021

(in thousands of Brasilian reais - R$, except result per share)

	Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
NET REVENUE	327,415	264,291	1,040,604	787,841
COSTS OF SERVICES AND SALES	(241,040)	(214,636)	(667,850)	(510,600)
GROSS PROFIT	86,375	49,655	372,754	277,241
INCOME (EXPENSES)				
General and administrative	(50,136)	(37,428)	(62,844)	(47,486)
Other income (expenses), net	(8,859)	6,794	(25,304)	2,065
Equity in investments	111,758	(78,500)	-	-
Total	52,763	(109,134)	(88,148)	(45,421)
OPERATING INCOME (LOSS)	139,138	(59,479)	284,606	231,820
FINANCIAL INCOME				
Financial income	76,304	5,819	107,511	7,525
Financial expenses	(8,373)	(16,142)	(158,500)	(356,982)
	67,931	(10,323)	(50,989)	(349,457)
INCOME (EXPENSES) BEFORE TAXES	207,069	(69,802)	233,617	(117,637)
INCOME TAX AND SOCIAL CONTRIBUTION				
Current	(28,429)	(15,279)	(74,173)	(15,281)
Deferred	(7,538)	4,183	(10,065)	51,159
Tax relief - incentive	5,797	-	27,520	-
	(30,170)	(11,096)	(56,718)	35,878
NET INCOME (LOSS) FOR THE PERIOD	176,899	(80,898)	176,899	(81,759)
Net earnings (loss) per common and preferred share - R$	0.8028	(0.9657)		
Diluted earnings (loss) per common and preferred share - R$	0.7986	(0.9589)		

Annex 3 – Statements of Cash Flows

PETRORECÔNCAVO S.A. AND CONTROLLED

Statement of cash flows for the six-month period ended december 31, 2021

(in thousands of Brasilian reais – R$)

	Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before taxes on income	207,069	(69,803)	233,617	(117,637)
Adjustments to reconcile profit (loss) for the year to cash generated by operating activities:				
Interest and exchange differences, net	(52,950)	302	80,031	305,886
Exchange differences on translating cash and cash equivalents	-	-	596	(199)
Interest and foreign exchange differences on leases	1,752	6,991	3,161	8,871
Depreciation and depletion of property, plant and equipment and intangible assets	69,768	77,015	231,930	218,548
Depreciation of right-of-use assets	7,441	11,280	18,270	24,037
Amortization of borrowing costs	97	-	12,991	16,848
Vesting of share-based compensations	4,018	-	4,018	-
Reversal of estimated impairment of property, plant and equipment	-	(1,691)	-	(1,691)
Provision for inventory loss	-	-	-	5,342
Equity in investments	(111,758)	78,500	-	-
Fair value of settled hedge	-	(43,025)	126,780	(196,994)
Net provision and reversal for tax, civil, labor and regulatory contingency risks	-	2,188	-	2,188
Share-based compensation and stock-option	11,763	5,342	16,153	-
Adjustment of provision for well abandonment	1,340	1,740	6,562	5,480
Reversal of provision for well abandonment	-	(1,408)	(6,994)	(1,975)
Derecognition of property, plant and equipment and commercial leases	54,112	39,904	162,240	81,277
Changes in assets:				
Trade receivables	8,233	(9,375)	(71,061)	(30,123)
Inventories	(5,582)	(127)	(5,341)	(731)
Recoverable taxes	(7,229)	173	(19,013)	(7,798)
Escrow deposits	(208)	(185)	(134)	(185)
Other assets	(1,544)	(6,472)	1,049	(11,451)
Changes in liabilities:				
Suppliers	9,178	24,584	18,619	37,574
Payroll and related charges	462	(1,059)	46	2,226
Taxes payable	(27,672)	(9,101)	20,407	(7,736)
Other payables	1,052	780	16,227	780
Payment of tax, civil, labor and regulatory contingencies	(1,522)	-	(1,522)	-
Collection (payment) of hedge contracts	-	43,025	(126,780)	196,994
Interest paid	(1,194)	(308)	(58,405)	(67,929)
Commercial lease interest paid	(776)	(2,124)	(1,721)	(4,079)
Income tax and social contribution paid	(3,372)	(135)	(22,827)	(1,424)
CASH GENERATED BY OPERATING ACTIVITIES	162,478	147,011	638,899	456,099
CASH FLOWS FROM INVESTING ACTIVITIES				
Loans to related parties	(8,810)	(13,306)	-	-
Investments in short-term investments	(470,374)	(8,802)	(485,872)	(124,829)
Additions to property, plant and equipment	(195,455)	(118,848)	(832,281)	(227,555)
Dividends received	-	-	-	-
Advance for future capital increase in subsidiary	(16,500)	-	-	-
Capital increase in subsidiaries	(411,778)	-	-	-
CASH USED IN INVESTING ACTIVITIES	(1,102,917)	(140,956)	(1,318,153)	(352,384)
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing raised	60,479	-	60,479	-
Payment of financing	(59,152)	(1,522)	(283,203)	(104,585)
Stock-option	1,600	-	1,600	-
Amortization of commercial lease - principal	(9,440)	(12,707)	(20,901)	(24,394)
Capital increase	1,187,375	-	1,187,375	-
Cost of share issue	(75,727)	-	(75,727)	-
Repurchase of shares	(5,527)	(140)	(5,527)	(140)
Sale of treasury shares	1,456	-	1,456	-
CASH GENERATED BY (USED IN) FINANCING ACTIVITIES	1,101,064	(14,369)	865,552	(129,119)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	160,625	(8,314)	186,298	(25,404)
Cash and cash equivalents at the beginning of the year	11,663	19,977	30,861	56,265
Cash and cash equivalents at the end of the year	172,288	11,663	217,159	30,861
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	160,625	(8,314)	186,298	(25,404)

return