



4Q22 & 2022 Earnings Release



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4Q22 Highlights and subsequent events

Net Revenue of R\$ 777 millions (4Q22) and R\$ 2.98 billions (2022), +186% YoY;

EBITDA of R\$ 391 millions (4Q22) and R\$ 1.6 billion (2022), +201% vs. 2021 ;

Hedged adjusted EBITDA of R\$ 490 millions (4Q22) and R\$ 2.05 billion (2022);

Net income of R\$ 409 millions (4Q22) and R\$ 1.15 billion (2022), +552% vs. 2021;

Proposal for **R\$ 130 million additional dividends** to be approved at Annual General Meeting;

Average production of 23K BOEPD (4Q22), +5% vs. 3Q22 and 21.3K BOEPD (2022), +72% YoY;

Drilling of 38 wells and 263 workovers and completion executed in 2022;

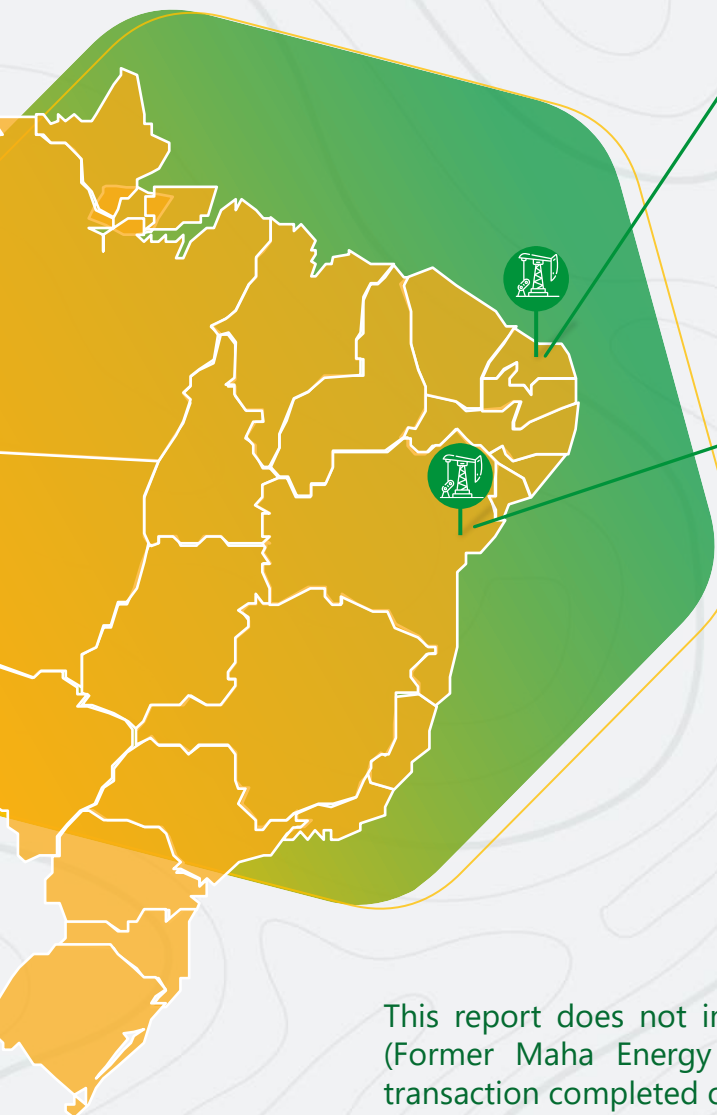
Structuring of the commercialization area and **significant increase in the natural gas realization price**;

2P Reserves Report (Dec'22) of 170.8 MMBOE, a Reserves Replacement Ratio (RRR) of 3.0x;

As a subsequent event, the **transaction of Maha Energy Brasil acquisition**, was concluded in February 2023.



Operational Performance



POTIGUAR ASSET

Potiguar E&P S.A.

32 operated fields
1 field operated by partner
(PRSA work interest)
1 exploratory block

Riacho da Forquilha Cluster

BAHIA ASSET

PetroRecôncavo S.A.

12 operated fields
Remanso Cluster

Recôncavo E&P S.A.

5 operated fields
BTREC Cluster

Remanso
+ BTREC

SPE Miranga S.A.

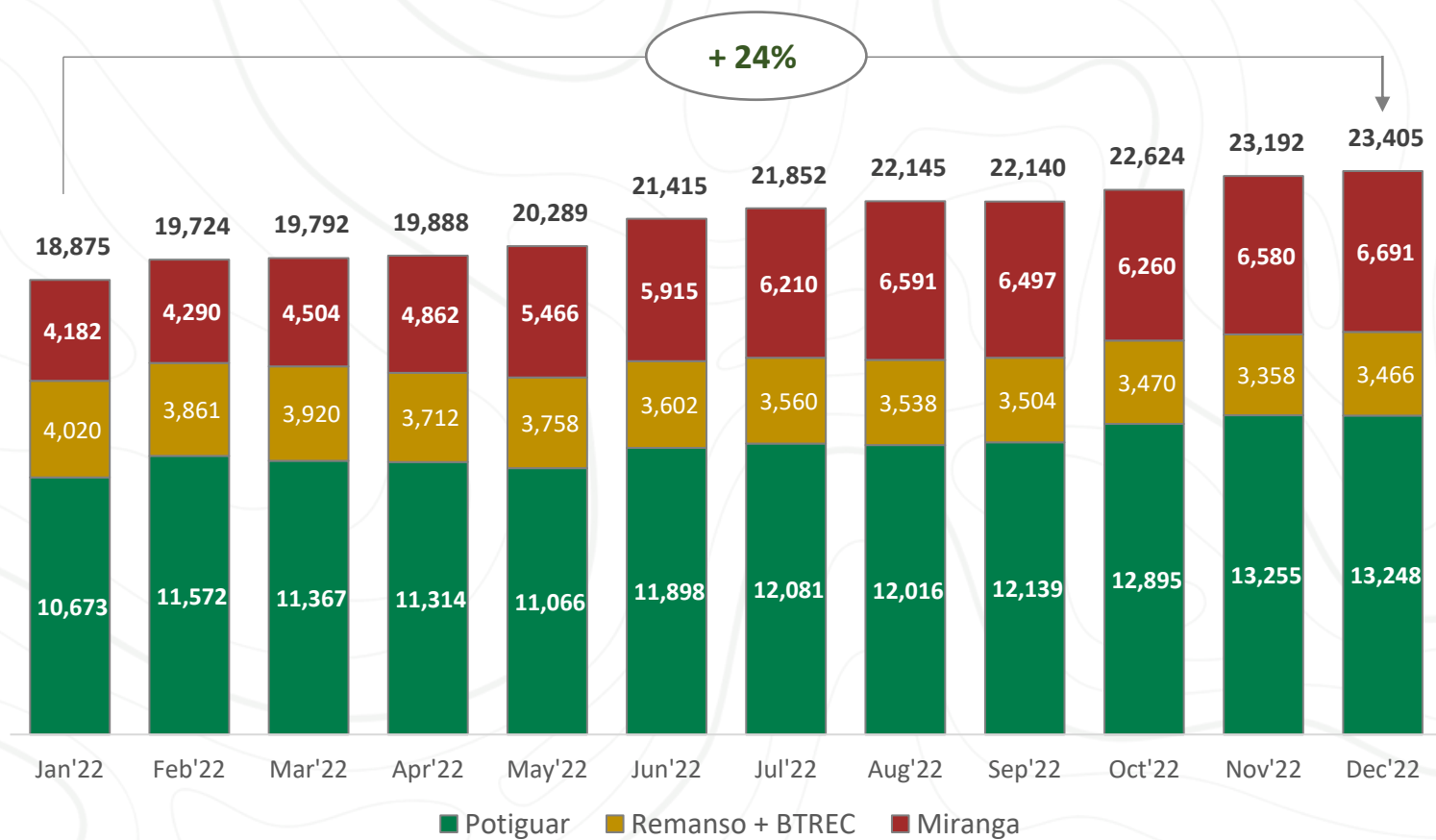
9 operated fields
Miranga Cluster

This report does not include the Tiê and Tartaruga fields of SPE TIETA Ltda. (Former Maha Energy Brasil Ltda.), acquired by Petroreconcavo S.A. in a transaction completed on February 28th, 2023.



Average Gross WI Production	In Barrels of Oil Equivalent per day - BOEPD		
	2022	2021	Δ%
BAHIA ASSET	9,326	3,965	135%
POTIGUAR ASSET	11,961	8,426	42%
AVG. GROSS PRODUCTION	21,287	12,391	72%

Production by Cluster

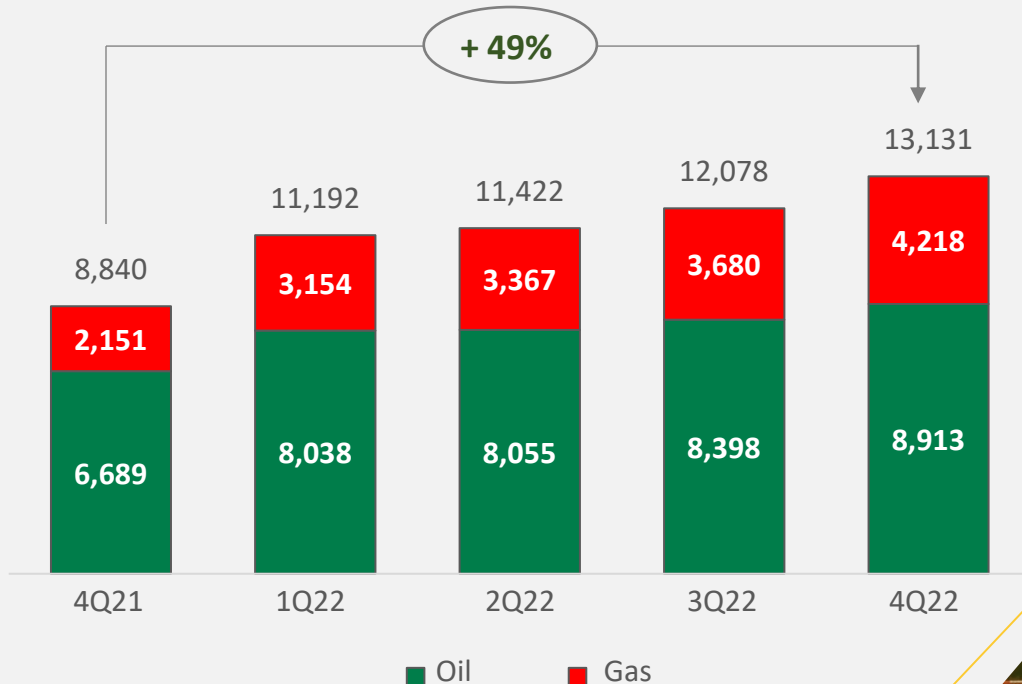


- 2022 Average production exceeds by 4% the average production expected in the 2P Reserves Certification Report;
- Focus of the investment program in the Potiguar Asset and Miranga Cluster
- Data will be consolidated by Asset from 2023

Potiguar Asset

9% Incremental Production in 4Q22 vs 3Q22

Average production (working interest) in barrels of oil equivalent per day (BOED)



Average of **4.7 workover rigs** available in 2022



140 workover interventions and initials completions, focusing on conventional hydraulic fracturing projects and completion of recently drilled wells



38 wells drilled YTD and 32 completed accounted for production

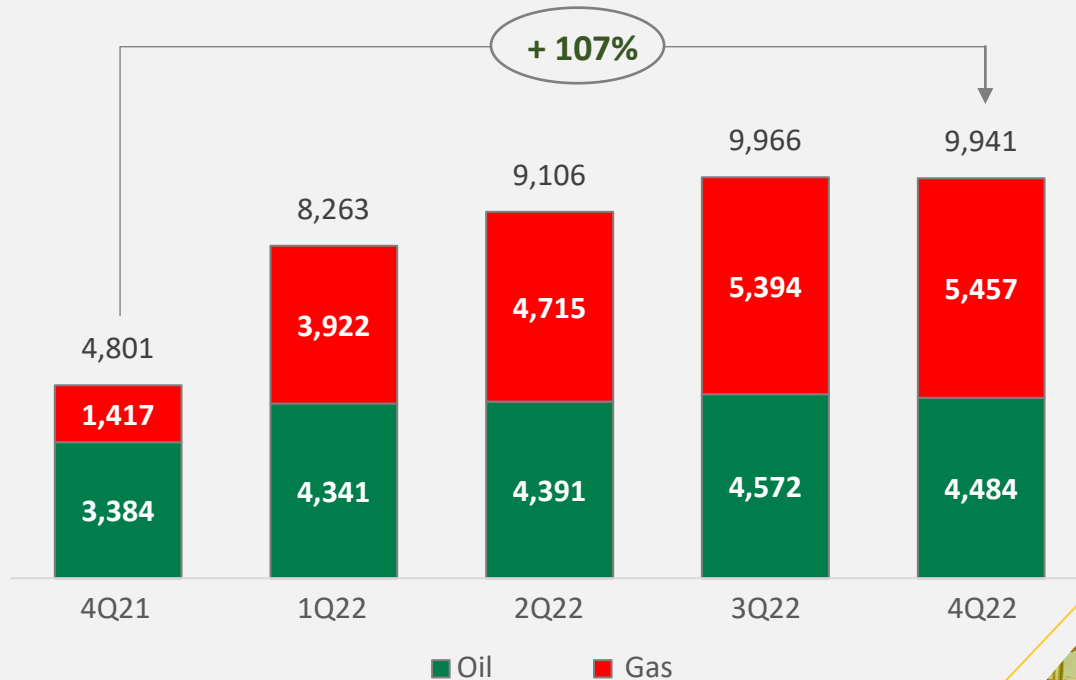


Facilities projects to increase **processing and transport capacity** of the production

Bahia Asset

Production of 4Q22 in line with 3Q22

Average production (working interest) in barrels of oil equivalent per day (BOED)



As of December 7th, 2021, includes the Miranga Cluster.



Average of **3.8 workover rigs** available in 2022



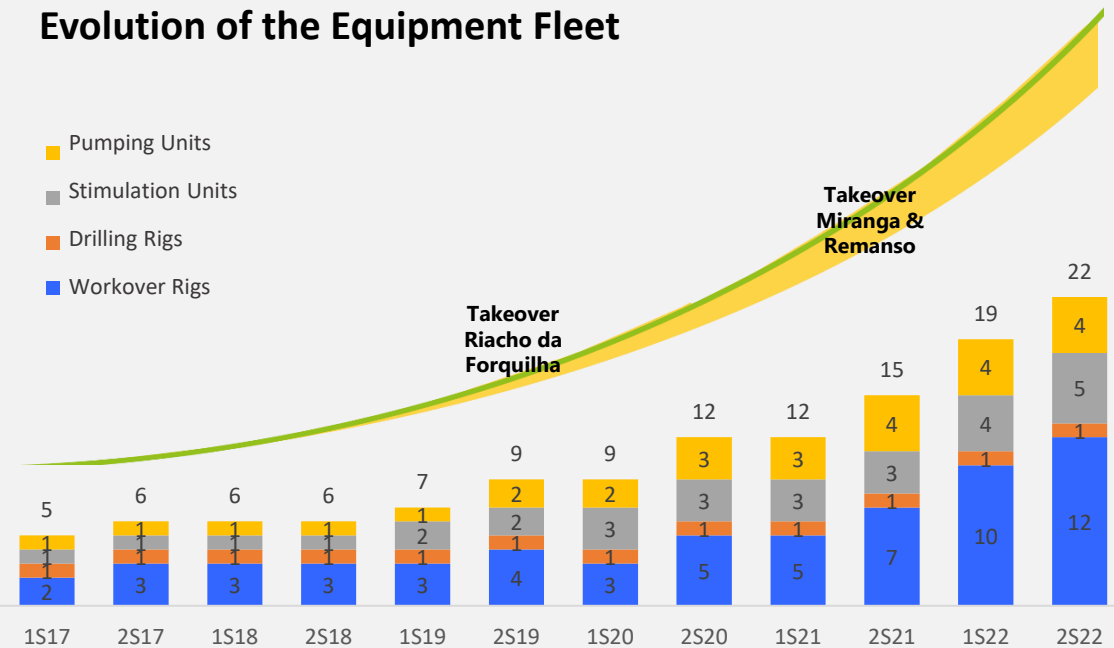
123 workovers interventions focused on return-to-production projects



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

PetroReconcavo has proven to be able to increase its execution capabilities in order to develop new assets

Evolution of the Equipment Fleet



Throughout 2022, we made R\$ 122 MM of investments in the internalization and expansion of the fleet.

In the mobilization phase:

- 2 new own **drilling rigs**
- 1 outsourced **drilling rig**
- 4 own **workover rigs**
- 1 **frac unit**

Capex

Reserves Development and reinforcement of the structure for future investments

Capex 2022 (In R\$MM)	Additions	Transfer	Subtotal	Write-off	Total
Development of new reserves	483	163	646	0	646
Capital asset inventories Oil and gas production rights	529	(157)	372	-137	235
Oil and gas production rights	30	-	30	-5	25
Exploratory expenses	4	-	4	0	4
Other fixed and intangible assets	181	(6)	176	-1	175
Total	1,228	-	1,228	-143	1,085

(*) The drops of the values recognized represent, mainly, engines, equipment and various materials that were used in repair and maintenance activities and recognized in the cost of services provided and products sold.

(**) Totals may not add up due to rounding.

- Capex equivalent to 70% of 2022 operating cash generation
- Investments to increase production and well drilling consumed 60% of Capex
- 22% for additions to the warehouse (inventories) for:
 - Formation of initial inventory in Miranga
 - Preparation for investment activities ramp up
- Other expenses account for 18%
 - 11% for acquisition of new equipment (mainly rigs)

Capex

Applied in the development of reserves

	Bahia Asset (R\$MM)	Potiguar Asset (R\$MM)	Total (R\$MM)
Drilling Well	0	141	141
Workover	222	154	376
Facilities	67	63	130
Total	290	356	646

Capex 2P NSAI (12.31.2021)	265	319	584*
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Variance %	9.1%	11.6%	10.7%
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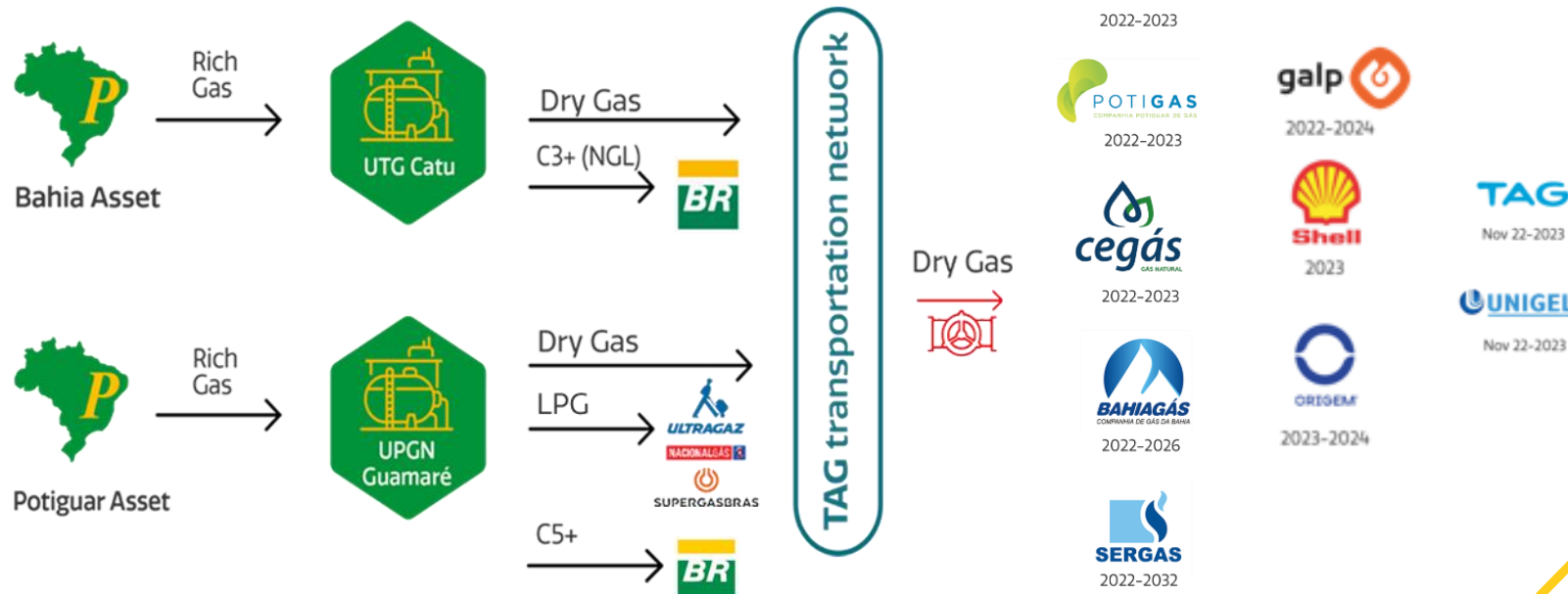
(*) Considers exchange rate of R \$ 5.50 used in the reserve certification report prepared by NSAI with a base date of December 31st, 2021.

(**) Considers investment to increase production and drilling of wells, according to movements of the fixed assets map divided by volume produced in 2022 added to the change in the volume of proven reserves, developed producing (PDP), according to reserve reports prepared by Netherland, Sewell & Associates, Inc. – NSAI with base dates of December 31st, 2022, and December 31st, 2021, divided to the average dollar of the year 2022 of R \$ 5.16.

(***) Totals may not add up due to rounding.

- 10.7% above the estimated in the 2P Reserves Certification of Dec/2021 for the year 2022 due to inflationary pressures, especially in specialized materials and services.
- Capital efficiency of \$6.12 per incremental barrel (gross working interest)**

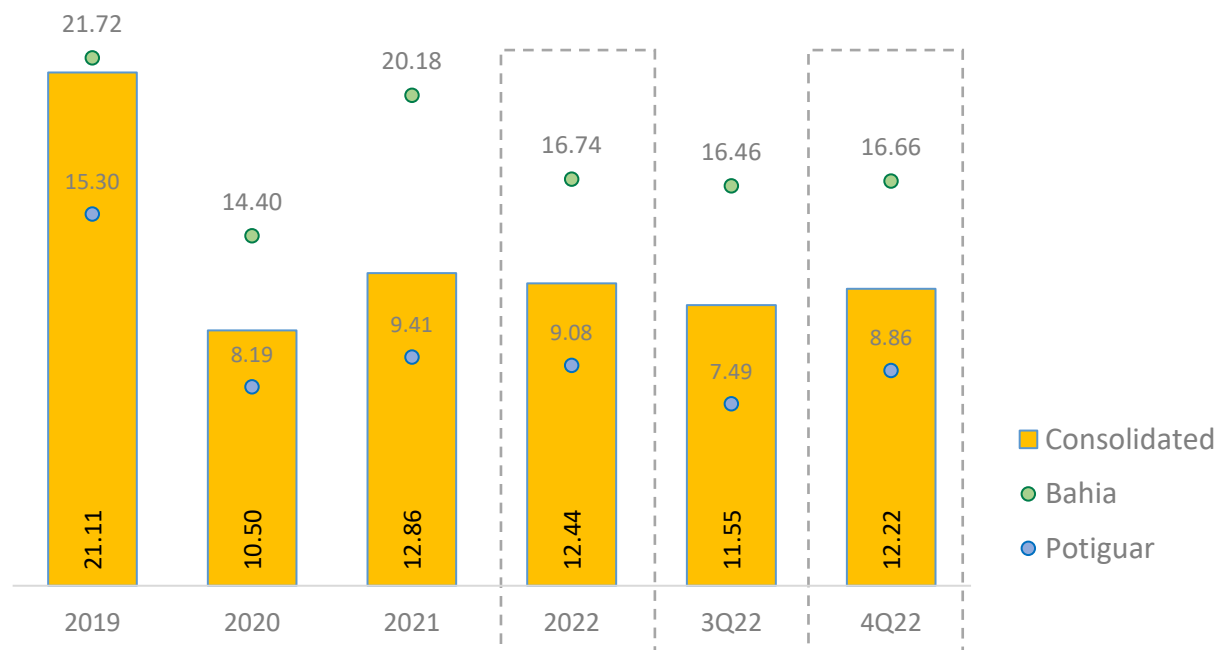
Natural gas and byproducts monetization transformation



- Long-term contracts with Sergas at prices of 13.6% of Brent (2023-2024) and 12.6% of Brent (2025-2032).
- Purchase and sale of natural gas contracts with Shell and Origem
- Contract signed with Supergasbras for LPG sale
- Definitive contract for the natural gas outflow and processing at UTC Catu valid as of March 1st, 2023

Average production cost of US\$12.22/BOEPD in 4Q22 and US\$12.44 in 2022

Average production cost (US\$/BOEPD)



Represents the total costs of the services provided and sales, excluding costs with acquisition, processing and transportation of gas, royalties, depreciation, amortization and depletion, divided by total gross production in BOE in the period.

- Increase 4Q22 vs 3Q22 due to well service and fluid transportation costs;
- In the accumulated annual comparison, despite the inflationary pressure, there was a reduction in the lifting cost due to production increase and the effect of costs dilution.

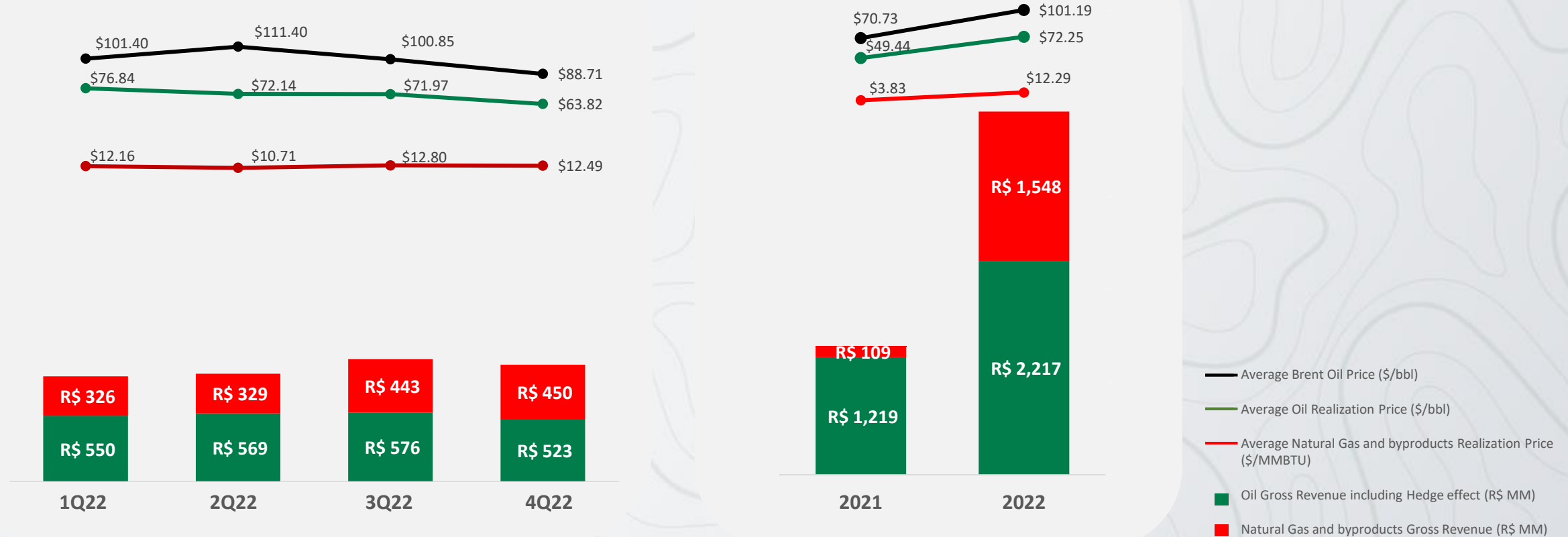
Costs and Expenses

Represent 37% of net revenue in 2022 vs 38% in 2021

Costs and expenses (in thousands of Brazilian reais – R\$)

	4Q22	3Q22	Δ%	4Q21	Δ%	2022	2021	Δ%
Personnel	62,448	62,667	0%	42,273	48%	228,024	128,268	78%
Services, Consulting, Rent and Materials	69,012	60,543	14%	44,229	56%	254,625	161,832	57%
Electric power	19,852	19,014	4%	17,796	12%	73,877	56,868	30%
Environmental licensing	3,202	3,510	-9%	2,672	20%	13,398	13,207	1%
Outflow, processing and transportation of gas	141,385	124,929	13%	-	n.m.	445,912	-	n.m.
Expected credit losses	32,749	37,962	-14%	-	n.m.	70,711	-	n.m.
Other costs and expenses	5,136	11,293	-55%	9,602	-47%	39,096	41,643	-6%
Total	333,784	319,918	4%	116,572	186%	1,125,643	401,818	180%

New contracts for the sale of natural gas and liquids accounts provide protection against fluctuations in the oil price



(1) Gross revenue corresponds to the company's net revenue before the effect of derivative instruments settled in the period plus taxes on net revenue.

(2) The average price of Brent oil corresponds to the average of the period;

(3) The average selling price of oil is the division of Net Revenue by the volume produced by the Company and reported to the ANP and may differ from the volumes traded in the period;

(4) The average selling price of natural gas is the division of the net revenue of gas by the volume of rich gas made available corresponds to the production measured at the entry of processing plants, converted into energy (MMbtu);

(5) In 2021, the average selling price of oil was impacted by production contracts with clauses (CPCR);

(6) The exchange rate used corresponds to the average for each period.

Financial Statements- Summarized Income Statement

Consolidated statement of profit and loss (in thousands of Brazilian reais R\$)

	4Q22	3Q22	Δ%	4Q21	Δ%	2022	2021	Δ%
Net revenue *	776,606	804,848	-4%	285,362	172%	2,975,939	1,040,604	186%
Costs and expenses	(333,784)	(319,918)	4%	(116,572)	186%	(1,125,643)	(401,818)	180%
Royalties	(51,445)	(61,497)	-16%	(31,568)	63%	(240,876)	(103,980)	132%
EBITDA	391,377	423,433	-8%	137,221	185%	1,609,420	534,806	201%
Depreciation, amortization & depletion	(83,600)	(112,580)	-26%	(43,107)	94%	(351,220)	(250,200)	40%
Operating profit	307,777	310,853	-1%	94,115	227%	1,258,200	284,606	342%
Net financial income	52,886	(45,488)	n.m.	1,266	4077%	66,400	(50,989)	n.m.
Current taxes	47,403	(81,140)	n.m.	(12,835)	n.m.	(129,246)	(46,653)	177%
Deferred taxes	573	27,658	-98%	(10,249)	n.m.	(41,963)	(10,065)	317%
Net income	408,639	211,883	93%	72,297	465%	1,153,391	176,899	552%

(*) Net Revenue, including the hedge effect

Hedge Effect on Net Revenue

(R\$99)MM in 4Q22 vs (R\$127)MM in 3Q22

Hedging instruments outstanding contracts	Average Strike price	Quantity	Fair value of hedging instruments
	12/31/2022	12/31/2022	12/31/2022
	US\$/barrel	Barrels	R\$ thousand
Under 3 months	51.17	434,350	(77,998)
From 3 to 6 months	51.80	462,000	(77,796)
From 6 to 12 months	53.82	899,750	(129,389)
De 1 a 2 anos	58.18	1,012,250	(102,409)
Total	54.65 *	2,808,350	(387,592)

* Average strike price of fixed-term contracts not yet settled as of December 31st, 2022

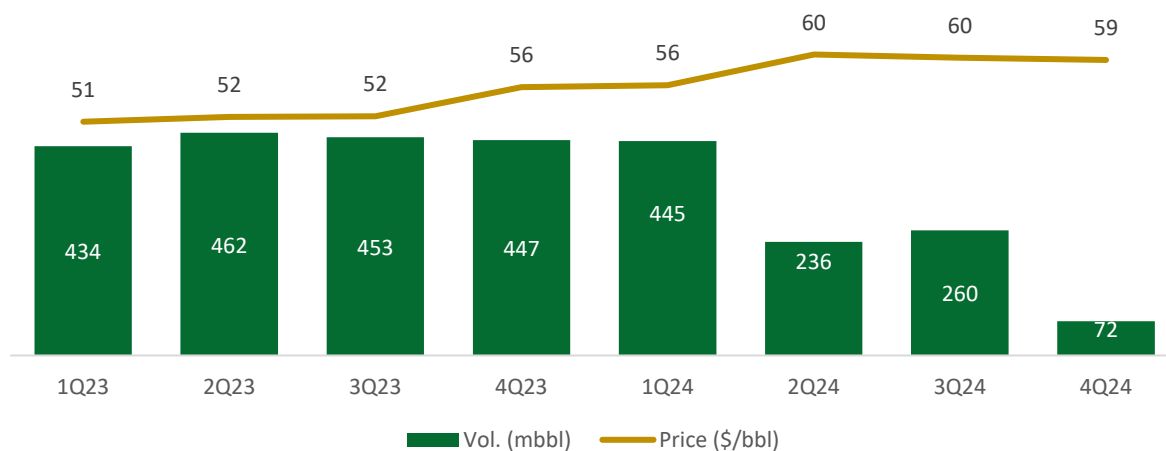
- In the quarter, hedge contracts were settled in a volume of 519k barrels of oil, at an average price of US\$53.77/bbl.
- In 2022, the Company signed a syndicated loan and has prepaid the debt contracted for the acquisition of Riacho da Forquilha Cluster, simplifying *covenants* and guarantees, which eliminate the need to contract additional hedging.

Oil Hedges

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



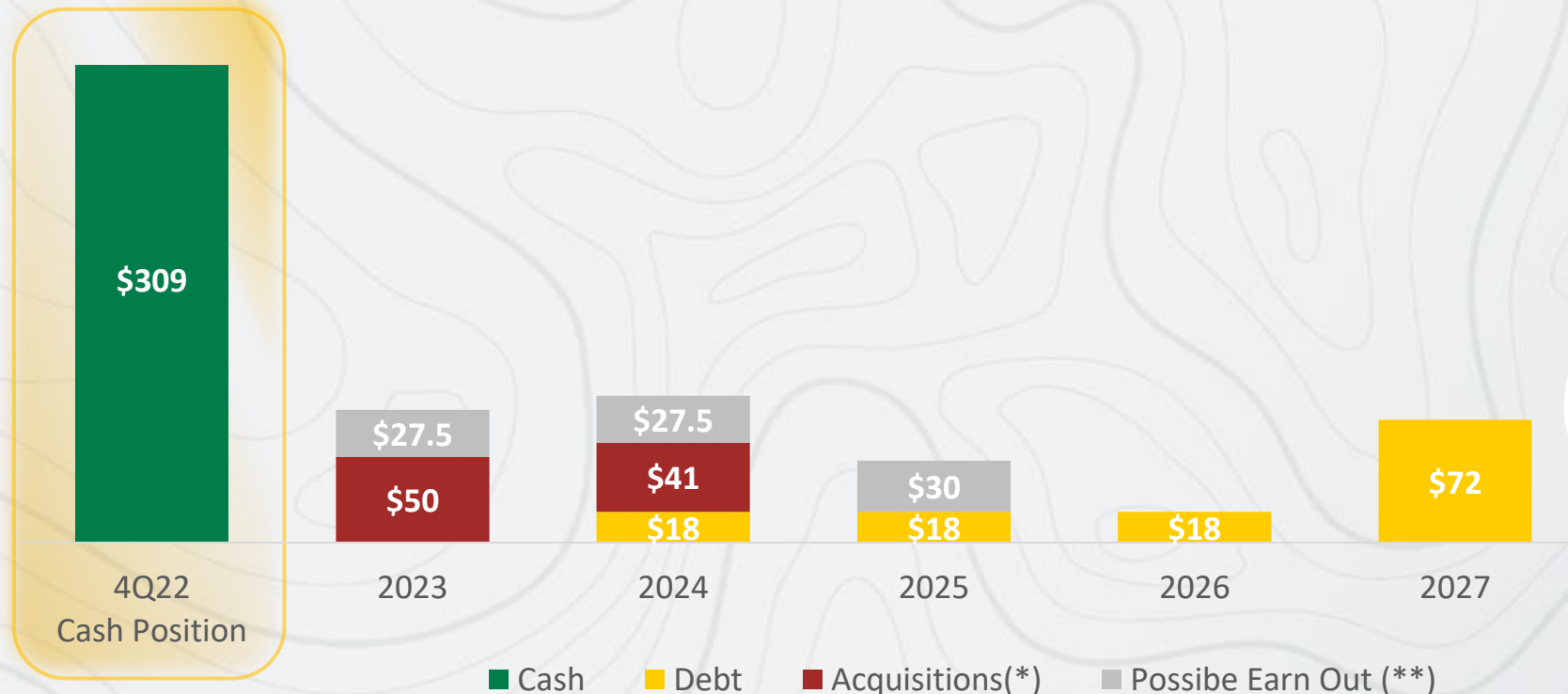
Hedged Volumes x Contracted Price per Quarter (USD/Barrel)



Average hedge volume for 2023:

- Approximately 4,921 boed;
- Equivalent to 21,3% of the 4Q22 of the O&G average production;
- Equivalent to 36,7% of the 4Q22 oil average production.

Company's Cash of US\$309MM as of 12-31-2022, Bank Debt of US\$126MM and US\$176MM payable for acquisitions



Syndicated loan benefits:

- **Simplification** of *covenants* and guarantees;
- **Elimination** of future hedging commitments;
- **Reduction** in the cost of debt;
- **Extension** on the debt payment term.

(*) It does not include the acquisition of the Tiê and Tartaruga fields from SPE TIETA Ltda. (former Maha Energy Brasil Ltda.), acquired by Petroreconcavo S.A. in a transaction concluded on February 28, 2023, with payment of of US\$ 95,883,122.00 as first installment and US\$ 55,200,000.00 as second installment to be paid in 6 months.

(**) Contingent payments, linked to the acquisition of the Miranga Pole in different possible ranges of the oil reference price (Brent) above US\$ 65

(***) 4Q22 Cash Position considers dollar rate of 12/30/2022 (R\$/US\$ 5.2177)

ESG

- **Partnership with ICMBio** for planting 18,572 native seedlings;
- Expansion of the **Ciranda Viva Recôncavo and Viva Sabiá Projects**, the last one in partnership with **Fundação Banco do Brasil**. Signed a partnership with **ISDM - Institute of Social Development through Music**;
- In partnership with **SENAI**, we developed the **Course on the Formation of Rig Professionals**, training 180 people, with 42 of those hired by the end of 2022;
- Disclosure of the first **Sustainability Report**, according to the Global Reporting Initiative (GRI) methodology;
- The Company is a signatory to the **ETHOS Institute** and joined the **Business Pact for Integrity Against Corruption**, having received the “**Companhia Limpa**” certificate.



Track record of 23 years

Adaptability to changes
Preservation of cash generation
even in adverse moments

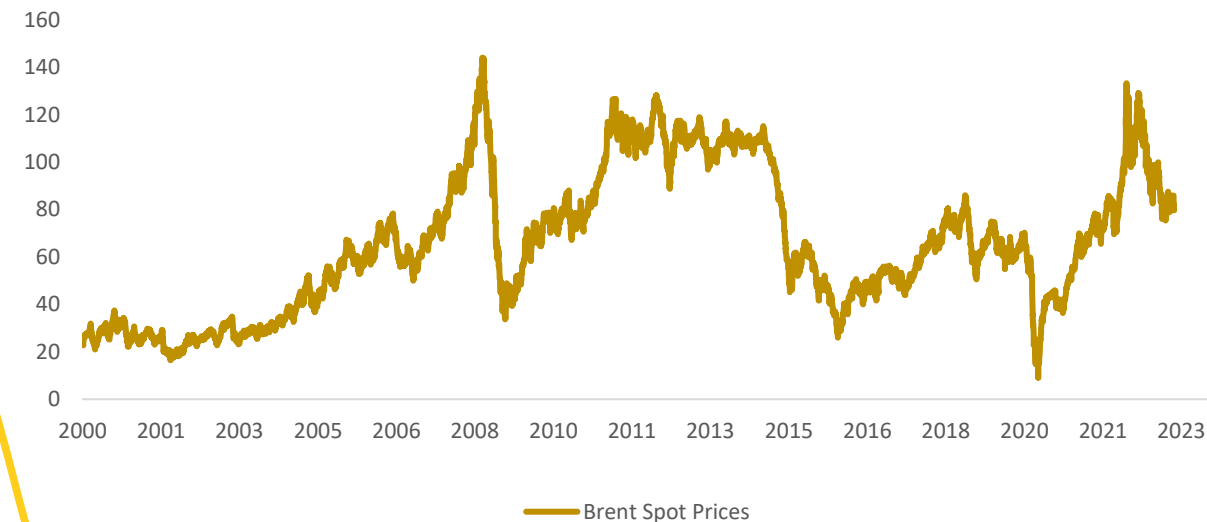
Vision

To be the safest, most efficient and profitable independent
Oil and Gas operator and to lead the transformation of the
onshore industry in Brazil.

Values

Resilience
Enthusiasm
Entrepreneurship
Austerity
Respect and trust in people
Integrity
Safety

Brent Price History (USD/barrel)



Future Prospects



Value Creation



Focus on execution efficiency

We will continue to
transform
resources into value
and dreams into reality

Brent Futures Prices (USD/barrel)

