

(Convenience Translation into  
English from the Original Previously Issued in Portuguese)

## **PetroRecôncavo S.A.**

Report on Review of Interim Financial  
Information for the Three-month Period  
Ended March 31, 2022

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Management of  
PetroRecôncavo S.A.

### **Introduction**

We have reviewed the accompanying individual and consolidated interim financial information of PetroRecôncavo S.A. ("Company"), included in the Interim Financial Information Form - ITR, for the quarter ended March 31, 2022, which comprises the balance sheet as at March 31, 2022 and the related statements of profit and loss, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion on the individual and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information referred to above was not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34, applicable to the preparation of ITR, and presented in accordance with the standards issued by the CVM.

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## Emphasis of matter

Without modifying our conclusion, we draw attention to note 20.3 to the individual and consolidated interim financial information, which states that the Company's and its subsidiaries' petroleum sales revenue derives from one single customer, Petróleo Brasileiro S.A. - Petrobras. Consequently, any interpretation or analysis of this individual and consolidated interim financial information must take these circumstances into consideration.


## Other matters

### *Statement of value added*

The interim financial information referred to above includes the individual and consolidated statements of value added ("DVA") for the three-month period ended March 31, 2022, prepared under the responsibility of the Company's Management and presented as supplemental information for international standard IAS 34 purposes. These statements were subject to the review procedures performed together with the review of the ITR to reach a conclusion on whether they are reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are consistent with the criteria set forth in technical pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, in accordance with such standard and consistently with the individual and consolidated interim financial information taken as a whole.

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

Salvador, May 5, 2022

  
DELOITTE TOUCHE TOHMATSU  
Auditores Independentes Ltda.

  
Jônatas José Medeiros de Barcelos  
Engagement Partner



BALANCE SHEET AS AT MARCH 31, 2022  
(In thousands of Brazilian reais - R\$)

Company						Consolidated					
ASSETS	Notes	03/31/2022	12/31/2021	03/31/2022	12/31/2021	LIABILITIES AND NET EQUITY	Notes	03/31/2022	12/31/2021	03/31/2022	12/31/2021
CURRENT ASSETS						CURRENT LIABILITIES					
Cash and cash equivalents	3	103.981	172.288	156.467	217.159	Suppliers	7	64.560	58.200	153.583	98.708
Short-term investments	3	434.125	531.863	514.353	585.655	Payroll and related charges		28.647	22.526	41.875	30.563
Trade receivables	4	65.198	34.398	452.538	169.847	Recoverable taxes		18.113	5.671	124.939	66.995
Inventories		6.477	5.709	8.992	6.552	Loans and financing	8	1.210	1.211	251.762	281.762
Dividends receivable	15	4.015	4.015	-	-	Lease amounts payable		5.746	7.063	11.364	10.486
Recoverable taxes		25.527	20.221	34.823	41.825	Derivative financial instruments	13	-	-	405.828	231.125
Other assets		39.224	12.906	14.597	11.769	Dividends payable	14	40.566	40.566	40.566	40.566
Total current assets		678.547	781.400	1.181.770	1.032.807	Amounts payable for acquisitions	10	23.865	27.903	389.697	453.318
						Provision for well abandonment	12	-	-	419	419
NONCURRENT ASSETS						Other payables		2.069	2.220	30.912	30.588
Short-term investments	3	-	-	74.829	69.989	Total current liabilities		184.776	165.360	1.450.945	1.244.530
Recoverable taxes		479	479	13.374	13.374	NONCURRENT LIABILITIES					
Judicial deposits		2.839	2.445	2.839	2.445	Loans and financing	8	-	300	327.079	459.529
Other assets		964	394	5.848	483	Lease amounts payable		2.538	1.929	3.266	2.421
Deferred taxes	9	26.567	20.692	290.662	222.941	Derivative financial instruments	13	-	-	347.494	233.559
Investments	5	1.056.380	740.117	-	-	Deferred taxes	9	-	-	52.992	5.672
PP&E and intangible assets	6	538.814	523.790	3.464.455	3.360.865	Amounts payable for acquisitions	10	-	-	690.018	809.731
Lease right-of-use assets		8.408	9.448	14.031	12.489	Provision for tax, civil and labor contingency risks	11	3.243	3.443	3.243	3.443
Total noncurrent assets		1.634.451	1.297.365	3.866.038	3.682.586	Provision for well abandonment	12	37.063	35.920	87.393	84.695
						Total noncurrent liabilities		42.844	41.592	1.511.485	1.599.050
						NET EQUITY					
						Share capital	14	1.814.125	1.813.936	1.814.125	1.813.936
						Treasury shares		(2.266)	(2.292)	(2.266)	(2.292)
						Capital reserve		37.185	35.176	37.185	35.176
						Profit reserve		297.202	297.202	297.202	297.202
						Retained earnings		401.843	-	401.843	-
						Equity valuation adjustment		(497.192)	(306.690)	(497.192)	(306.690)
						Capital transaction		34.481	34.481	34.481	34.481
						Total net equity		2.085.378	1.871.813	2.085.378	1.871.813
TOTAL ASSETS		2.312.998	2.078.765	5.047.808	4.715.393	TOTAL LIABILITIES AND NET EQUITY		2.312.998	2.078.765	5.047.808	4.715.393

The accompanying notes are an integral part of the interim financial statements.



STATEMENT OF PROFIT AND LOSS FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022  
(In thousands of Brazilian reais - R\$, except earnings per share)

	Notes	Company		Consolidated	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
NET REVENUE	17	154.457	73.764	703.476	245.788
COST OF SALES AND SERVICES	18	(98.321)	(53.589)	(333.865)	(153.098)
GROSS PROFIT		56.136	20.175	369.611	92.690
INCOME (EXPENSES)					
General and administrative	18	(7.320)	(9.566)	(21.788)	(11.283)
Other income (expenses), net	18	8.449	690	(3.016)	(10.827)
Equity in subsidiaries	5	409.830	(26.691)	-	-
Total		410.959	(35.567)	(24.804)	(22.110)
OPERATING INCOME (LOSS)		467.095	(15.392)	344.807	70.580
FINANCIAL INCOME					
Financial income	19	7.809	5.965	298.194	15.575
Financial expenses	19	(75.918)	(4.643)	(112.339)	(110.360)
Total		(68.109)	1.322	185.855	(94.785)
INCOME (LOSS) BEFORE TAXES		398.986	(14.070)	530.662	(24.205)
INCOME TAX AND SOCIAL CONTRIBUTION					
Current		(12.161)	(4.323)	(88.112)	(4.459)
Deferred		5.875	3.275	(77.737)	13.478
Reduction - tax incentive		9.138	2.228	37.025	2.296
Total	9	2.852	1.180	(128.824)	11.315
NET INCOME (LOSS) IN THE PERIOD		401.838	(12.890)	401.838	(12.890)
net earnings (loss) per share - R\$	14	1,6177	(0,0768)		
Diluted earnings (loss) per share - R\$	14	1,6100	(0,0763)		

The accompanying notes are an integral part of the interim financial statements.



STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022  
(Em milhares de reais - R\$)

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
NET INCOME (LOSS) IN THE PERIOD	401.838	(12.890)	401.838	(12.890)
Hedging instruments	-	-	(288.640)	(241.524)
Deferred taxes on financial instruments	-	-	98.138	82.117
COMPREHENSIVE INCOME IN THE PERIOD	<u>401.838</u>	<u>(12.890)</u>	<u>211.336</u>	<u>(172.297)</u>

The accompanying notes are an integral part of the interim financial statements.



STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022  
(In thousands of Brazilian reais - R\$)

	Notes	Share capital	Capital reserve		Profit reserves			Other comprehensive income	Capital transaction	Accrued profit (loss)	Total net equity
			Income tax relief incentive	Shares and stock options granted	Legal reserve	Tax incentives	Reinvestment reserve	Cash flow hedge accounting			
BALANCE AS AT DECEMBER 31, 2020		674.941	18.501	12.657	23.187	36.423	101.335	78.671	34.481	-	980.196
Other comprehensive income of subsidiary		-	-	-	-	-	-	(159.407)	-	-	(159.407)
Loss in the period		-	-	-	-	-	-	-	-	(12.890)	(12.890)
BALANCE AS AT MARCH 31, 2021		674.941	18.501	12.657	23.187	36.423	101.335	(80.736)	34.481	(12.890)	807.899
BALANCE AS AT DECEMBER 31, 2021		1.811.644	18.501	16.675	32.032	42.220	222.950	(306.690)	34.481	-	1.871.813
Share option exercise	14	189	-	-	-	-	-	-	-	-	189
Sale of treasury shares		26	-	-	-	-	-	-	-	5	31
Share based payment		-	-	2.009	-	-	-	-	-	-	2.009
Other comprehensive income of subsidiary	5	-	-	-	-	-	-	(190.502)	-	-	(190.502)
Profit in the period		-	-	-	-	-	-	-	-	401.838	401.838
BALANCE AS AT MARCH 31, 2022		1.811.859	18.501	18.684	32.032	42.220	222.950	(497.192)	34.481	401.843	2.085.378

The accompanying notes are an integral part of the interim financial statements.



STATEMENT OF CASH FLOWS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022  
(In thousands of Brazilian reais - R\$)

	Notes	Company		Consolidated	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Income (loss) before taxes on income		398.986	(14.070)	530.662	(24.205)
Adjustment to reconcile income (loss) before taxes in the period with cash from operating activities					
Net interest and foreign exchange variations		68.083	3.278	(193.553)	104.342
Depreciation and depletion of PP&E	6	15.055	17.600	64.649	56.043
Amortization of intangible assets	6	273	221	310	241
Depreciation of right-of-use assets		2.706	1.577	4.973	4.768
Amortization of borrowing costs	8	27	14	2.449	3.353
Vesting of share-based payments	14	2.009	-	2.009	-
Equity in investments	5	(409.830)	26.691	-	-
Fair value of the settled hedge	13	-	-	85.230	(3.540)
Provision and net reversal for tax, civil, labor and regulatory contingency risks	11	(165)	-	(165)	-
Adjustment of provision for well abandonment	12	1.143	480	2.698	2.065
Write-off of property, plant and equipment and leases		26.366	10.551	45.119	32.270
Changes in assets:					
Trade receivables		(30.800)	8.350	(282.691)	(36.389)
Inventories		(768)	127	(2.440)	(50)
Recoverable taxes		(5.306)	(1.528)	7.002	(5.656)
Judicial deposits		(394)	13	(394)	13
Other assets		(26.888)	(2.885)	(8.193)	(1.585)
Changes in liabilities:					
Suppliers		6.360	(3.846)	54.875	5.308
Payroll and related charges		6.121	2.696	11.312	3.700
Recoverable taxes		12.297	(1.690)	36.218	10.045
Other payables		(151)	(956)	324	(703)
Payment of tax, civil, labor and regulatory contingencies	11	(35)	-	(35)	-
Payments of hedge contracts	13	-	-	(85.230)	3.540
Interest paid	8	(29)	(44)	(12.194)	(15.586)
Lease interest paid		-	(107)	-	(181)
Income tax and social contribution paid		(2.879)	(135)	(29.361)	(135)
Net cash from operating activities		62.181	46.337	233.574	137.658
CASH FLOWS FROM INVESTMENT ACTIVITIES					
Loans to related parties		-	(13.167)	-	-
Advance for future capital increase in subsidiaries	5	(96.935)	-	-	-
(Application) redemption of financial investments		25.836	9.993	(20.091)	2.225
Additions to PP&E	6	(56.222)	(24.589)	(213.439)	(126.003)
Additions to intangible assets	6	(914)	(1)	(972)	(2)
Capital increase in subsidiaries	5	-	(60.550)	-	-
Cash used in investment activities		(128.235)	(88.314)	(234.502)	(123.780)
CASH FLOWS FROM FINANCING ACTIVITIES					
Financing raised	8	-	60.479	-	60.479
Repayment of financing	8	(328)	(331)	(56.931)	(55.548)
Stock option exercised	14	189	-	189	-
Lease amortization - principal		(2.145)	(1.804)	(4.438)	(5.625)
Sale of treasury shares		31	-	31	-
Cash from (used) in financing activities		(2.253)	58.344	(61.149)	(694)
Exchange variations on cash and cash equivalents		-	-	1.385	-
INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS		(68.307)	16.367	(60.692)	13.184
Cash and cash equivalents at the beginning of the period	3	172.288	11.663	217.159	30.861
Cash and cash equivalents at the end of the period	3	103.981	28.030	156.467	44.045
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(68.307)	16.367	(60.692)	13.184

The accompanying notes are an integral part of the interim financial statements.





STATEMENT OF VALUE-ADDED  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022  
(In thousands of Brazilian reais - R\$)

Notes		Company		Consolidated	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
WEALTH CREATION					
Revenue:					
Services	17	-	79.768	-	79.768
Products	17	176.045	-	876.065	225.010
Other		389	886	993	219
Total revenue		176.434	80.654	877.058	304.997
INPUTS AND SERVICES ACQUIRED FROM THIRD PARTIES					
Cost of products, goods and services sold		(5.976)	(6.981)	(13.736)	(14.672)
Materials, energy, outsourced services and other		(18.538)	(17.947)	(151.249)	(48.685)
Recovery (loss) of receivables		-	-	-	414
Total inputs acquired from third parties		(24.514)	(24.928)	(164.985)	(62.943)
GROSS VALUE-ADDED		151.920	55.726	712.073	242.054
Depreciation, amortization and depletion		18	(18.034)	(19.398)	(69.932)
NET VALUE-ADDED		133.886	36.328	642.141	181.002
VALUE-ADDED RECEIVED IN TRANSFER					
Financial income		7.809	6.123	298.194	16.618
Equity in investments	5	409.830	(26.691)	-	-
Total value-added received in transfer		417.639	(20.568)	298.194	16.618
Total value-added to distribute		551.525	15.760	940.335	197.620
DISTRIBUTION OF VALUE-ADDED					
Personnel:					
Direct remuneration		23.651	10.317	36.108	14.824
Benefits		6.629	3.255	12.553	6.178
FGTS		970	623	1.874	986
Taxes, duties and contributions:					
Federal		17.188	4.441	210.395	16.385
State		3.938	-	92.858	32.499
Municipal		374	2.926	374	2.926
Third-party capital remuneration:					
Rent	18	4.215	2.288	8.838	4.733
Royalties	18	16.804	-	63.158	20.579
Interest		75.918	4.800	112.339	111.400
Own capital remuneration:					
Net income (loss) in the period		401.838	(12.890)	401.838	(12.890)
WEALTH DISTRIBUTED		551.525	15.760	940.335	197.620

The accompanying notes are an integral part of the interim financial statements.



## 1. GENERAL INFORMATION

PetroRecôncavo S.A. (“Company”, “PetroRecôncavo” or “Parent Company”) is engaged in the operation and production of mature petroleum and natural gas fields in Brazil. In operation since February 2000, the Company operated until December 22, 2021 through a “risk production agreement”, with the purpose of restoring, reactivating and renewing 12 mature petroleum and gas Fields in the Recôncavo Basin in Brazil.

On December 23, 2020 the Company entered into an agreement to acquire the total equity interest held by Petrobras in the 12 onshore fields, subject matter of the “risk production agreement”, which were grouped in another set called the Remanso Cluster, which include the 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, in the Recôncavo Basin, state of Bahia. With the closing of the transaction, the “risk production agreement” was terminated.

As at March 31, 2022 the Company believes that it is in a position of satisfactory liquidity, despite presenting negative consolidated net working capital, corresponding to the difference between current assets and current liabilities, in the amount of R\$269,175 (2021, R\$211,723). Management judges that the Company does not have significant liquidity risk, considering its cash generating capacity in the EBITDA concept, taking into account that this cash generation is sufficient for the payment of debts, maintenance of investments and to cover any working capital requirements from its obligations.

The subsidiaries of the Company are Recôncavo E&P S.A. (“Recôncavo”), Reconcavo America LLC (“Reconcavo America”), Potiguar E&P S.A. (“Potiguar”) and SPE Miranga S.A. (“SPE Miranga”) (collectively with PetroRecôncavo referred to as the “Group”), whose activities are described below:

### **Recôncavo**

Recôncavo E&P S.A. was established on March 22, 2004 and currently holds concessions for the exploration and production of the fields Lagoa do Paulo, Lagoa do Paulo Norte, Lagoa do Paulo Sul, Acajá-Burizinho and Juriti, which were acquired in ANP’s (the Brazilian National Agency of Petroleum, Natural Gas and Biofuels) Bidding Rounds 4 and 6.

### **Reconcavo America**

Reconcavo America, established on May 15, 2006, based in the state of Delaware, United States of America, is engaged in purchasing oilfield equipment, especially workover and onshore drilling rigs, and leasing them in Brazil, under the special customs regime for export and import of goods intended for use in petroleum and natural gas prospection and extraction activities, called REPETRO. In December 2020, Reconcavo America sold its assets to its parent company Petrorecôncavo S.A. In the three-month period ended March 31, 2022, the subsidiary held only a cash balance and did not register any transaction. Management is assessing the future of the subsidiary and expects to conclude this assessment in 2022.

## **Potiguar**

A Potiguar E&P S.A., headquartered in the municipality of Mossoró, state of Rio Grande do Norte, was established on June 15, 2018 and is a concessionaire of a group comprised of 34 concessions, all located in the state of Rio Grande do Norte, of which 30 are 100% owned and operated by Potiguar E&P, two in a partnership with Sonangol Hidrocarbonetos Brasil Ltda, which began to be operated by Potiguar E&P as of June 2021, and two with Mandacaru Energia Ltda and operated by them.

Potiguar signed, on June 28, 2021, in Rio de Janeiro, a concession contract for the exploration and production of petroleum and natural gas of the POT-T-702 block, acquired in the 2nd Cycle of the Permanent Offer carried out by ANP. The concession contract comprises an area of 17,178 km<sup>2</sup> and a Minimum Exploratory Program (PEM) composed of 1,000 work units, corresponding to R\$6,000,000.00 (six million Brazilian reais), with a five-year term for its execution, in one single period. The PEM value was guaranteed, in compliance with the que tender document, through a performance bond issued in favor of ANP, valid for the total period of exploration, and which will be returned as soon as the exploratory commitment is fulfilled. The area acquired is adjacent to blocks already operated by Potiguar E&P, and its exploratory program will consist of the drilling of at least one well with the purpose of assessing the existence of accumulations in reserves similar to the existing ones in the neighboring concessions of the Block.

## **SPE Miranga**

SPE Miranga S.A., was established on January 12, 2021. On February 24 of the same year, SPE Miranga signed a contract for acquiring the total equity interest of Petrobras in the nine onshore fields Apraius, Biriba, Fazenda Onça, Jacupe, Miranga, Miranga Norte, Rio Pipiri, Riacho de São Pedro and Sussuarana which form the Miranga Cluster, in the Recôncavo Basin, in Bahia. The acquisition was concluded on December 6, 2021.

### **1.1. Main COVID-19 measures and impacts**

The Group continues operating in accordance with the rules defined by health crisis management committee. The main objectives of the committee are to preserve the health of its collaborators and outsourced workers, maintain the activities of the Company without impact to operational safety or the environment, and, at the same time, assess the development of the crisis on the business plan.

The Group reviewed its operating revenue and cash flow projects for 2022 and did not ascertain the need to recognize any impairment loss of property, plant and equipment, deferred taxes and trade receivables. Considering the unpredictability of the evolution of the outbreak and its impacts, the current estimate of the financial impact of the outbreak on operating revenue and projected cash flows may be revised according to new developments related to this pandemic.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLIED IN PREPARING THE INTERIM FINANCIAL STATEMENTS**

The accounting practices of the previous year were applied consistently in the preparation of these interim financial statements.

## **2.1. Basis of preparation and presentation of the interim financial statements**

- The individual and consolidated interim financial statements were prepared and are presented in accordance with technical pronouncement CPC 21 (R1) – issued by the Accounting Pronouncements Committee (“CPC”); with the IAS 34 – issued by the International Accounting Standards Board (“IASB”); and with the standards and guidance issued by the Brazilian Securities and Exchange Committee (CVM).
- The individual and consolidated interim financial statements should be read in conjunction with the individual and consolidated financial statements of the Company as at December 31, 2021.
- In preparing these interim financial statements Management is required to use certain critical accounting estimates and to make judgments in the process of applying its accounting practices.
- There were no significant changes to the assumptions and judgments made by Management in the use of the estimates for the preparation of these interim financial statements in relation to those used for the financial statements as at December 31, 2021.
- These interim financial statements were authorized for issue by Company Management on May 5, 2022.

## **2.2. Significant accounting policies**

All relevant information specifically related to these interim financial statements, and only in relation to these, are being evidenced and correspond to the information used by the Company in its management. The significant accounting policies and estimates adopted by the Company and its subsidiaries are in accordance with CPC 21 and IAS 34 and were disclosed in the individual and consolidated financial statements as at December 31, 2021. There were no alterations between the policies disclosed in the financial statements as at December 31, 2021 and these interim financial statements.

New accounting pronouncements (effective in 2022), listed in the financial statements as at December 31, 2021, did not have any effect, or were not applicable to the accounting policies used in the preparation of these interim financial statements.

## **2.3. Basis of consolidation and investments in subsidiaries**

The Company consolidates all investees over which it has control, i.e., when it is exposed or has rights to variable returns from its involvement with the investee, and has the ability to guide all relevant activities of the investee.

When necessary, the subsidiaries’ interim financial statements are adjusted to conform their accounting policies to those adopted by the Company. All intragroup transactions, balances, income and expenses are fully eliminated in the consolidated interim financial statements.

In the Company’s interim financial statements, the financial information on the subsidiaries is recognized under the equity method. The same adjustments are made to the Company’s interim financial statements.

## 2.4. Functional currency and foreign currency translation

The Company's Management defined the Brazilian currency, the real (R\$), as the "Functional Currency", for the Company and each of its subsidiaries, since this is the currency of the primary economic environment in which the Company and each subsidiary operate. The Brazilian real is also the presentation currency for these interim financial statements.

## 3. CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

### 3.1. Cash and cash equivalents

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Bank checking accounts	560	2,372	11,362	14,176
Short-term investments and Bank Deposit Certificates (CDB)	103,421	169,916	145,105	202,983
Total	103,981	172,288	156,467	217,159

Short-term investments and CDBs refer to fixed-income transaction (CDB – Bank Deposit Certificates and repo operations), indexed between 70.0% and 102.50% of the Interbank Deposit Certificate rates (CDI) (70% to 102.50% of the CDI rate as at December 31, 2021) maintained by top tier banks, as per Note 20.3 to the interim financial statements, having ratings of between Aa1 (BR) and Ba3, based on the Moody rating and to investment funds with yields equivalent to 102.47% of the CDI rate (99.32% in 2021). The Company and its subsidiaries can immediately redeem these investments without any fee or restriction and their market values do not differ from the amounts recognized in books.

### 3.2. Short-term investments

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Short-term investments	434,125	531,863	589,182	655,644
Total	434,125	531,863	589,182	655,644
Current	434,125	531,863	514,353	585,655
Noncurrent	-	-	74,829	69,989

Short-term investments of the Company refer mainly to investments in Exchange Funds, once Management opted to invest part of the funds from its IPO in this type of investments

as a manner of protection from exchange variations due to the fact that its bank debts (and those of the subsidiaries) and remaining payments to Petrobras for the acquisition of assets are in U.S. dollars

Most of these funds are invested in an Exchange Fund (Itaú Cambial FICFI), with an average yield of -14.66%, a little over the foreign exchange variation (-15.10%) during the same period.

Subsidiary Potiguar must keep short-term investments as loan collateral. Minimum values and specificities of the restriction are disclosed under Note 8 to the financial statements.

#### 4. TRADE RECEIVABLES

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Petrobras	58,712	34,398	365,746	169,847
Companhia de Gás da Bahia - Bahiagás	6,486	-	47,131	-
PBGÁS – Companhia Paraibana de Gás	-	-	8,160	-
Potigás – Companhia Potiguar de Gás	-	-	12,975	-
Companhia Ultragaz S.A.	-	-	18,526	-
Total	65,198	34,398	452,538	169,847

As at March 31, 2022 and December 31, 2021, the Company and its subsidiaries had no past-due balances and no estimated loss on doubtful debts. Invoices are issued to the customers with an average due date from 30 to 50 days. The Company and its subsidiaries have no history of material losses or delays of receivables, and expect no future loss on such receivables.

## 5. INVESTMENTS

Information on investees		Common shares held (thousands)	Participation in paid-in capital %	Share capital	Total assets	Total liabilities	Net equity	Gross revenue	Net income (loss)
Investees	Base-date								
-									
Recôncavo E&P S.A.	03/31/2022	6,125	100	6,561	21,296	4,207	17,378	4,135	1,105
Recôncavo America LLC	03/31/2022	n/a	100	9,242	25,546	-	25,542	-	(1,392)
Potiguar E&P S.A.	03/31/2022	622,009	100	622,009	2,328,361	1,848,463	479,896	460,144	252,022
SPE Miranga S.A.	03/31/2022	344,101	100	344,101	1,553,480	1,004,930	548,549	187,531	158,095
Recôncavo E&P S.A.	12/31/2021	6,125	100	6,561	20,418	4,142	16,276	14,286	5,311
Recôncavo America LLC	12/31/2021	n/a	100	9,242	26,931	-	26,931	-	29
Potiguar E&P S.A.	12/31/2021	622,009	100	622,009	2,049,900	1,700,933	348,967	951,753	102,065
SPE Miranga S.A.	12/31/2021	344,1014	100	344,101	1,327,310	971,031	356,279	15,242	12,692

Changes in investments	Recôncavo	Reconcavo America (iii)	Potiguar	SPE Miranga	Total
Balance as at December 31, 2020	11,662	26,904	521,437	-	560,003
Equity in investments	5,311	(8,309)	102,064	12,692	111,758
Cancellation of dividends (i)	304	-	-	-	304
Minimum mandatory dividends	(1,001)	-	-	(3,014)	(4,015)
Equity valuation adjustment	-	-	(385,361)	-	(385,361)
Advance for future capital increase (iv)	-	-	14,000	2,500	16,500
Capital increase (ii)	-	-	96,827	344,101	440,928
Balance as at December 31, 2021	16,276	18,595	348,967	356,279	740,117
Equity in investments	1,105	(1,392)	252,022	158,095	409,830
Equity valuation adjustment	-	-	(190,502)	-	(190,502)
Advance for future capital increase (iv)	-	-	75,000	21,935	96,935
Balance as at March 31, 2022	17,381	17,201	485,487	536,311	1,056,380



- (i) As mentioned under Note 10 to the interim financial statements as at 12/31/2021, the financing contract obtained with the purpose of financing part of the acquisition of the Riacho da Forquilha Cluster, forbids the payment of dividends by the Company and its subsidiaries resulting from the profit obtained or other cash balances obtained during the fiscal year 2020. Considering these restrictions, Management of the Company recommended to the shareholders to vote for the cancellation of the minimum mandatory dividends mentioned above. As at December 31, 2020 the subsidiary Recôncavo had minimum mandatory dividends in the amount of R\$ 304. Such dividends were cancelled during the General Shareholders' Meeting held in 2021.
- (ii) Potiguar:

During the year ended December 31, 2021 the issue of 96,826,947 (ninety-six million, eight hundred and twenty-six thousand, nine hundred and forty-seven) nominative common shares with no par-value occurred, at the issue price of R\$ 1.00 (one Brazilian real) per share. All of the shares were subscribed and paid-in by the Company in legal tender.

Miranga

During the year ended December 31, 2021 the issue of 344,101,587 (three hundred and forty-four million, one hundred and one thousand, five hundred and eighty-seven) common shares of the investee SPE Miranga at a subscription price of R\$1.00 (one Brazilian real). All of the shares were subscribed and paid-in by the Company in legal tender.
- (iii) Equity in investments of the subsidiary Reconcavo America in the nine-month year ended December 31, 2021 and for the period ended March 31, 2022 includes the elimination of a balance related to unrealized profits between related parties
- (iv) Refers to advances for future capital increase in the subsidiaries Potiguar and SPE Miranga. These contributions will be subscribed and paid-in to the share capital in the next General Shareholders' Meeting of the subsidiaries.

## 6. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Company	Balance 12/31/2020	Additions	Write-offs (v)	Transfer	Balance 12/31/2021	Additions	Write-offs (v)	Transfer	Balance 03/31/2022
<b>Property, plant and equipment</b>									
<u>Cost</u>									
Land	80	-	-	-	80	-	-	-	80
Properties and constructions	7,805	85	-	1,275	9,165	4	-	-	9,169
Machinery and equipment	33,175	2,541	(111)	4,524	40,129	3,249	-	-	43,378
Furniture and fixtures	11,277	1,174	-	437	12,888	564	-	-	13,452
Vehicles	3,387	-	(434)	151	3,104	-	-	-	3,104
Computers and peripherals	2,353	414	-	133	2,900	72	-	-	2,972
Investment for increasing production and well drilling (i)	883,679	62,509	(28)	12,128	958,288	6,040	-	(33)	964,295
Petroleum and gas production rights (ii)	-	79,880	-	20,629	100,509	-	-	-	100,509
Advance to acquire petroleum and gas production rights	20,629	-	-	(20,629)	-	-	-	-	-
Spare parts inventory (iii)	31,793	76,327	(52,243)	(12,142)	43,735	27,003	(16,679)	15	54,074
Advance for acquisition of fixed assets	1,988	16,930	(37)	-	18,881	2,723	(10,105)	-	11,499
PP&E in progress (iv)	2,236	15,507	(1,645)	(7,529)	8,569	16,567	-	18	25,154
Total	998,402	255,367	(54,498)	(1,023)	1,198,248	56,222	(26,784)	-	1,227,686
<u>Depreciation, amortization and depletion</u>									
Properties and constructions	(4,460)	(579)	-	-	(5,039)	(171)	-	-	(5,210)
Machinery and equipment	(9,995)	(4,109)	103	-	(14,001)	(1,200)	-	-	(15,201)
Furniture and fixtures	(6,819)	(856)	-	-	(7,675)	(258)	-	-	(7,933)
Vehicles	(1,970)	(271)	283	-	(1,958)	(59)	-	-	(2,017)
Computers and peripherals	(1,161)	(282)	-	-	(1,443)	(73)	-	-	(1,516)
Investment for increasing production and well drilling	(587,905)	(62,701)	-	-	(650,606)	(12,420)	-	-	(663,026)
Petroleum and gas production rights – Amortization	-	(75)	-	-	(75)	(874)	-	-	(949)
Total	(612,310)	(68,873)	386	-	(680,797)	(15,055)	-	-	(695,852)
<b>Intangible assets</b>									
<u>Cost</u>									
Software	8,649	1,604	-	1,023	11,276	914	-	-	12,190
<u>Amortization</u>									
Software	(4,042)	(895)	-	-	(4,937)	(273)	-	-	(5,210)
Total property, plant and equipment and intangible assets	390,699	187,203	(54,112)	-	523,790	41,808	(26,784)	-	538,814

Consolidated	Balance 12/31/2020	Additions	Write-offs (v)	Transfer	Balance 12/31/2021	Additions	Write-offs (v)	Transfer	Balance 03/31/2022
<b>Property, plant and equipment</b>									
<u>Cost</u>									
Land	105	-	-	-	105	-	-	-	105
Properties and constructions	13,121	953	-	1,275	15,349	4	(7)	-	15,346
Machinery and equipment	43,503	7,862	(11,089)	4,524	44,800	6,986	(727)	25	51,084
Furniture and fixtures	13,105	5,456	-	1,182	19,743	1,284	(35)	1	20,993
Vehicles	3,536	680	(434)	151	3,933	116	-	-	4,049
Computers and peripherals	3,060	2,020	-	(613)	4,467	137	-	(1)	4,603
Investment for increasing production and well drilling (i)	974,300	199,121	(279)	29,658	1,202,800	78,523	(109)	26,447	1,307,661
Petroleum and gas production rights (ii)	1,237,215	1,580,644	-	81,176	2,899,035	-	-	-	2,899,035
Advance to acquire petroleum and gas production rights	20,628	60,548	-	(81,176)	-	-	-	-	-
Spare parts inventory (iii)	55,413	226,671	(122,879)	(29,672)	129,533	101,238	(35,036)	(26,503)	169,232
Advance for acquisition of fixed assets	5,686	21,891	(325)	-	27,252	6,074	(10,687)	-	22,639
PP&E in progress (iv)	6,982	24,640	(10,180)	(7,529)	13,913	19,077	-	31	33,021
Total	2,376,654	2,130,486	(145,186)	(1,024)	4,360,930	213,439	(46,601)	-	4,527,768
<u>Depreciation, amortization and depletion</u>									
Properties and constructions	(6,105)	(742)	-	-	(6,847)	(212)	-	-	(7,059)
Machinery and equipment	(12,133)	(2,886)	502	-	(14,517)	(1,516)	802	-	(15,231)
Furniture and fixtures	(6,928)	(1,095)	-	-	(8,023)	(437)	35	-	(8,425)
Vehicles	(1,970)	(270)	283	-	(1,957)	(67)	-	-	(2,024)
Computers and peripherals	(4,164)	(1,004)	-	-	(5,168)	(140)	-	-	(5,308)
Investment for increasing production and well drilling	(613,262)	(92,993)	-	-	(706,255)	(25,625)	-	-	(731,880)
Petroleum and gas production rights – Amortization	(135,181)	(132,560)	-	-	(267,741)	(36,652)	-	-	(304,393)
Total	(779,743)	(231,550)	785	-	(1,010,508)	(64,649)	837	-	(1,074,320)
<b>Intangible assets</b>									
<u>Cost</u>									
Software	9,195	1,789	-	1,024	12,008	972	(172)	-	12,808
<u>Amortization</u>									
Software	(1,185)	(380)	-	-	(1,565)	(310)	74	-	(1,801)
Total property, plant and equipment and intangible assets	1,604,921	1,900,345	(144,401)	-	3,360,865	149,452	(45,862)	-	3,464,455

- (i) 'Investment to increase production' refers to motors, transformers, equipment or sundry expenses used in the wells or overground facilities aimed at increasing production or work in recoverable reserves. Well drilling refers to the capitalization of expenses incurred on the drilling of new wells in fields that have been proved commercially feasible. The depreciation of these assets and the depletion of expenses are made using the percentage of current production as a ratio of the developed proven reserve of each field. Assessment of the total reserve as at December 31, 2021 was performed by independent expert *Netherland Sewell & Associates, Inc.*
- (ii) The "petroleum and gas production rights" represents acquisition costs of concessions for the exploitation of petroleum and natural gas fields.

#### PetroRecôncavo – Remanso Cluster

On December 12, 2020 the Company entered into an agreement to acquire the total equity interest of Petrobras in 12 onshore fields that are the subject matter of the "risk production agreement", grouped in another set called the Remanso Cluster, which include the fields of Brejinho, Canabrava, Cassarongongo, Gomo, Fazenda Belém, Mata de São João, Norte Fazenda Caruaçu, Remanso, Rio dos Ovos, Rio Subaúma, São Pedro and Sesmária, in the Recôncavo basin, state of Bahia.

The acquisition price was of US\$30.0 million. Of this amount: (i) US\$4.0 million, equivalent to R\$20.6 million, was paid on the signature date, December 23, 2020; (ii) US\$21.0 million which, less the cash generation of the asset from July 2020 to the closing date of the transaction (totaled US\$ 7.6 million equivalent to R\$ 41.5 million), was paid on December 22, 2021 - the date of the transaction's closing. As part of the price adjustment, the Company reclassified receivables from Petrobras in the amount of R\$9,947 with reference to contractual revenue not received between the date of signature of the contract and the conclusion of the transaction; and (iii) US\$5.0 million payable in twelve monthly installments after the closing of the transaction, registered under current liabilities of the Company (see Note 10 to the interim financial statements). The residual portion payable was registered under assets in the amount of R\$28,455. The total amount registered under assets in relation to the acquisition of this asset was of R\$100,509.

#### Recôncavo – Remanso Cluster

The onshore blocks BT-REC-10 and BT-REC-14 were acquired through the 4<sup>th</sup>, 6<sup>th</sup> and 9<sup>th</sup> bidding rounds of the ANP. The cost value of this asset is of R\$1,248.

#### Potiguar - Potiguar Cluster

On April 25, 2019 the subsidiary Potiguar entered into a purchase and sale agreement for the acquisition of Petrobras' equity interests in a set of 34 onshore petroleum and natural gas production fields, called "Riacho da Forquilha Cluster", located in the Potiguar Basin, state of Rio Grande do Norte. Upon closing the transaction, the Group registered the amount of R\$1,235,967 under assets. In 2021, the Group registered the amount of R\$313,805 in relation to the remaining portion payable to Petrobras, see Note 10 to the interim financial statements. The total registered value of the asset is of R\$1,549,772.

#### SPE Miranga - Miranga Cluster

On February 24, 2021 SPE Miranga signed a contract for the purchase of the total equity interest of Petrobras in nine onshore fields: Apraius, Biriba, Fazenda Onça, Jacuípe, Miranga, Miranga Norte, Rio Pipiri, Riacho de São Pedro and Sussuarana, which form the Miranga Cluster, in the Recôncavo basins, in Bahia. The transaction was concluded on December 6, 2021.

The registered amount of the asset is of R\$1,247,506, of which: (i) R\$60,548 (US\$11.0 million) was paid on the date of the signature of the contract; (ii) R\$247,919 (US\$44.0 million) were paid on the closing date of the transaction, December 6, 2021; (iii) R\$939,039 refers to the installments payable as described in Note 10 to the interim financial statements.

- (iii) Motors, production equipment and sundry materials that will be used in production are recognized in line item 'capital asset inventories'. The depreciation of these assets is calculated using the method of units produced, which calculating the ratio of the annual volume produced to the total proven reserve of each field, limited to the expiration date of the concession agreements, as from the time they are transferred to line item 'Investment to increase production'.
- (iv) Constructions in progress represent items of property, plant and equipment that are in the process of construction or transportation, and are not yet ready for use.
- (v) The write-offs recognized in line item 'Spare parts inventories' refer basically to motors, production equipment, and sundry materials which were used in repair and maintenance activities and recognized in the cost of services and sales.

### Property, plant and equipment impairment loss

The Company and its subsidiaries annually review indications of possible impairment of their investments to increase production and well drilling, pursuant to the accounting policy shown in Note 8. to the financial statements as at December 31, 2021. The recoverable values of the Cash-Generating Units (CGUs) were determined based on value-in-use calculations, made based on estimates (see Note 3 of the financial statements as at December 31, 2021). As at March 31, 2022 and December 31, 2021 the Company did not identify any indications of impairment of its assets.

### Assets pledged as collateral

The Company has a land drilling rig pledged as collateral in tax foreclosure lawsuit No. 0000566-44.2011,805.0164, filed against the parent company.

As part of the bank financing contractual obligations, Potiguar pledged as collateral (i) the rights arising from the concession contracts of the 34 fields belonging to the Riacho da Forquilha Cluster; (ii) its position in petroleum and natural gas purchase and sale, and interests in well decommissioning contracts, all entered into with Petrobras; (iii) petroleum inventories; (iv) own equipment and machinery, (v) 100% of its shares; and (vi) receivables arising from: (a) petroleum and natural gas purchase and sale, and interests in well decommissioning contracts, (b) insurance policies, (c) swaps entered into with Banco ABC, Goldman Sachs, Deutsche Bank, Itaú Unibanco and Morgan Stanley, and (d) the guarantees granted under the assigned contracts.

## 7. SUPPLIERS

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
In local currency	41,372	32,464	143,254	88,206
In foreign currency	4,862	4,217	9,370	10,194
Related parties (Note 15)	18,326	21,519	959	308
Total	64,560	58,200	153,583	98,708

## 8. LOANS AND FINANCING

Loan position	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
FINEP	1,320	1,648	1,320	1,647
Bank loans	-	-	597,509	762,081
Unamortized costs	(110)	(137)	(19,988)	(22,437)
Total	<u>1,210</u>	<u>1,511</u>	<u>578,841</u>	<u>741,291</u>
Total current	1,210	1,211	251,762	281,762
Total noncurrent	-	300	327,079	459,529

### Changes in loans

Changes in loans	Company	Consolidated
Balance as at December 31, 2020	2,734	894,040
Additions	60,479	60,479
Payment of principal	(59,145)	(283,210)
Interest paid	(1,194)	(58,399)
Accrued interest	1,250	55,574
Amortization of borrowing costs	97	12,991
Foreign exchange variation	(2,703)	59,816
Balance as at December 31, 2021	<u>1,511</u>	<u>741,291</u>
Payment of principal	(328)	(56,931)
Interest paid	(29)	(12,194)
Accrued interest	29	10,586
Amortization of borrowing cost	27	2,449
Foreign exchange variation	-	(106,360)
Balance as at March 31, 2022	<u>1,210</u>	<u>578,841</u>

Loan per currency	Company		Consolidated	
	R\$	US\$	R\$	US\$
As at December 31, 2021				
FINEP	1.512	-	1.512	-
Bank loans	-	-	-	132.541
As at March 31, 2022				
FINEP	1.210	-	1.210	-
Bank loans	-	-	-	121.920

The maturities of noncurrent loans are demonstrated below:

Noncurrent loans	Consolidated
2023	194,682
2024	132,397
Total	327,079

In the year ended December 31, 2016 the Company obtained a financing facility from *Financiadora de Estudos e Projetos* (Finep). There were no alterations to the financing conditions to those disclosed in the financial statements as at December 31, 2021.

On February 19, 2021 the Company, through its subsidiary SPE Miranga S.A., signed a contract for the purchase of 100% of the equity interest of Petrobras in nine onshore fields. With the purpose of financing part of the payment, the Company signed an International Loan Contract, AGE1187904 with the financial institution Itaú Unibanco S.A. Nassau Branch, in the total amount of US\$11,000,000.00 (eleven million U.S. dollars), at a fixed interest rate of 3.7225%. The loan was fully paid in 2021.

On April 25, 2019, the subsidiary Potiguar contracted a loan for the purpose of financing part of the payment arising from the acquisition of the 34 petroleum and natural gas producing fields, a transaction closed on December 9, 2019. The loan was contracted with financial institutions Itaú BBA, Morgan Stanley and Deutsche Bank. The total amount contracted was of US\$232,000, at an interest rate of 6.3% above the three-month LIBOR, and the amount was of US\$195,428.

Potiguar must maintain, as at March 31, 2022, short-term investments as collateral for the loan with a carrying amount of at least R\$117,937 (R\$117,937 as at December 31, 2021), this amount being comprised of 100% of the next installment for the amortization of principal and interest, plus two-thirds of the amount of the next installment. As at December 31, 2021 the subsidiary had the necessary balance and was adhering to the contractual rules. The loan will be repaid in quarterly installments until April 2024.

As part of the early maturity covenant clause, the contract provisions for hedge contracts to protect its net volumes presented in the reserve report as follows:

- For months 1 to 12, (i) at least 85% of its PDP (proven, developed, producing )reserves or (ii) 80% of its 1P reserves, limited to 95% of its 1P reserves.
- For months 13 to 24, at least 60% of its 1P reserves, limited to 75% of its 1P reserves.
- For months 25 to 36, at least 40% of its 1P reserves, limited to 55% of its 1P reserves.

Additionally, the contract establishes conditions for the distribution of dividends, the main ones being:

- Dividend distribution only after the grace period, which expired on July 15, 2020. Non-payment of dividends resulting from the net profit or other cash balances obtained during the year 2019.
- Average Brent Petroleum price in the prior year cannot be lower than US\$45/bbl.
- The average Brent Petroleum price on the final date of the last quarter may not be lower than US\$45 bbl. Potiguar must be non-defaulting in all of its contractual obligations.
- The Company and its subsidiaries must adhere to all of the early maturity covenant clause.

As at March 31, 2022 the Company had met all of the covenants set forth in its debt agreements, with emphasis to: (i) presentation of the annual financial statements of the subsidiary Potiguar within 90 days, audited by independent auditors; (ii) the covenant whereby the Company and its subsidiaries

undertake not to create liens on its assets to guarantee debt beyond those permitted; (iii) the covenants requiring compliance with laws, rules and regulations applicable to its business, including, but not limited to, environmental laws; and; (iv) the covenants in financing agreements that require the Company and its subsidiaries to conduct their business in compliance with anticorruption laws and anti-money laundering laws, and to implement and maintain policies necessary for such compliance. Additionally, the financing of the subsidiary Potiguar includes covenants requiring compliance with periodic performance indexes, under the penalty of accelerating debt maturity in case of noncompliance. As at March 31, 2022, the obligations are as follows:

- On the last day of each fiscal quarter, the Leverage Ratio (Net Debt-to-EBITDA) of subsidiary Potiguar must not be greater than:
  - 2.0 during the fiscal year 2022.
  - 1.5 during the fiscal year 2023 onward.
- On the last day of each fiscal quarter, the Group's consolidated Leverage Ratio (Net Debt-to-EBITDA) must not be greater than 2.5.
- On the last day of each fiscal year, the Asset Coverage Ratio (PV-10 of Proven Reserves-to-Gross Debt) of subsidiary Potiguar must not be lower than 1.5.
- At any time, Free Cash (Cash and cash equivalents, including restricted accounts relating to loans) of subsidiary Potiguar must not be lower than R\$20,000.

The subsidiary Potiguar E&P obtained from the financial creditor institutions of the financing contract waiver in order not to sign additional hedge contracts of petroleum for the period beginning January 1, 2022 and ending June 30, 2022.

In the three-month period ended March 31, 2022 and in the year 2021, the Group complied with the applicable covenants.

The assets pledged as collateral for the contract were disclosed in Note 6 to the interim financial statements.

## 9. INCOME TAX AND SOCIAL CONTRIBUTION

The income tax ("IR") and Social Contribution on Net Income ("CSLL") affecting results are demonstrated below:

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Net income (loss) before IR and CSLL	398,986	(14,070)	530,662	(24,205)
Combined IR and CSLL rates	34%	34%	34%	34%
IR and CSLL at rates according the legislation	(135,655)	4,784	(180,425)	8,230
Equity in investments (a)	140,732	(9,075)	-	-
Rate difference in the establishment of deferred taxes (b)	(14,708)	-	10,225	-
Other	3,345	3,243	4,351	789
Reduction – tax incentive	9,138	2,228	37,025	2,296
Income tax and social contribution	<u>2,852</u>	<u>1,180</u>	<u>(128,824)</u>	<u>11,315</u>

(a) According to Law 12973 of May 13, 2014, as of January 1, 2020 the net income of the subsidiary Reconcavo America began



to be calculated in the determination of the taxable income and on the calculation base of the CSLL of the Company.

- (b) Refers to the difference between the nominal and the effective rate from the Sudene tax benefit over temporary differences of the foreign exchange variation which as of 2022 began to be taxed by the cash regime.

The balance of deferred income tax and social contribution arises basically from the temporary difference of the provision for well abandonment, subsidiaries' tax loss carryforwards (tax assets), and deferred taxes on the balance of the fair value of derivative financial instruments of the subsidiary Potiguar and CPC adoption (tax liabilities).

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
<b>Assets</b>				
Provision for well abandonment	4,441	4,052	6,951	6,217
Derivative financial instruments	-	-	256,129	157,992
Tax loss/tax loss carryforward	7,973	13,267	23,379	46,088
Unrealized foreign exchange variation	12,123	-	12,192	-
Deferred tax on provisions and other	6,771	8,153	17,751	17,880
Total	31,308	25,472	316,402	228,177
<b>Liabilities</b>				
CPC adoption (property, plant and equipment) (a)	4,741	4,780	4,849	4,890
Unrealized foreign exchange variation	-	-	73,883	6,018
Total	4,741	4,780	78,732	10,908
Total deferred IR e CSLL	26,567	20,692	237,670	217,269
Total deferred tax asset	26,567	20,692	290,662	222,941
Total deferred tax liability	-	-	52,992	5,672

- (a) Refers to temporary differences between the accounting and tax base, resulting from compliance of the financial statements of the Company to IFRS.

Management considers that the tax assets arising from the temporary provisions will be realized in the proportion in which the wells are abandoned and the contingencies and other provisions are realized.

Management's expectations for the realization of the tax credits are presented below:

	Company	Consolidated
2022	12,067	152,047
2023	5,906	107,558
2024	2,242	43,207
2025	2,033	2,041
2026 onward	9,060	11,549
Total	31,308	316,402

## 10. AMOUNTS PAYABLE FOR ACQUISITIONS

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Current amounts				
<u>Remanso Cluster</u>				
Amortized cost	23,865	27,903	23,865	27,903
<u>Potiguar Cluster</u>				
Amortized cost	-	-	270,723	313,805
<u>Miranga Cluster</u>				
Amortized cost	-	-	95,109	111,610
Total current amounts	<u>23,865</u>	<u>27,903</u>	<u>389,697</u>	<u>453,318</u>
Noncurrent amounts				
<u>Miranga Cluster</u>				
Amortized cost	-	-	285,804	335,388
Fair value through profit or loss	-	-	404,214	474,343
Total noncurrent amounts	-	-	690,018	809,731
Total	<u>23,865</u>	<u>27,903</u>	<u>1,079,715</u>	<u>1,263,049</u>
Total in US\$	<u>5,037</u>	<u>5,000</u>	<u>228,997</u>	<u>228,344</u>

Changes in amounts payable for acquisitions	Company	Consolidated
Balance as at December 31, 2020	-	-
Additions	28,455	1,281,300
Foreign exchange variation	(552)	(18,251)
Balance as at December 31, 2021	<u>27,903</u>	<u>1,263,049</u>
Interest	189	2,951
Foreign exchange variation	(4,227)	(186,285)
Balance as at March 31, 2022	<u>23,865</u>	<u>1,079,715</u>

### Remanso Cluster

As described under Note 1 to the financial statements as at December 31, 2021, on December 23, 2020 the Company entered into an agreement to acquire the total equity interest of Petrobras in 12 onshore fields object of the “risk production agreement”, grouped in another set called the Remanso Cluster. The remaining amount payable for this transaction is of US\$ 5 million and shall be paid in December 2022. The amount is adjusted by an annual interest rate (Libor plus 3%).

## Potiguar Cluster

On April 25, 2019 the subsidiary Potiguar signed a purchase and sale agreement for the acquisition of Petrobras' equity interest in a set of 34 onshore petroleum and natural gas producing fields, called "Riacho da Forquilha Cluster", located in the Potiguar Basin, in the state of Rio Grande do Norte. The acquisition was concluded on December 9, 2019, after approval of the regulatory bodies.

The subsidiary must pay Petrobras a remaining balance corresponding to 16% of the adjusted acquisition value, or approximately US\$56,000, contingent to the extension of the concessions of eleven of the 34 fields acquired, as shown below:

Field	Percentage
Baixa do Algodão	0.2%
Boa Esperança	0.5%
Brejinho	1.5%
Cachoeirinha	1.0%
Fazenda Curral	0.2%
Fazenda Malaquias	1.0%
Leste de Poço Xavier	0.3%
Livramento	1.8%
Lorena	2.8%
Pajeú	0.2%
Riacho da Forquilha	6.5%
Total	16.0%

The process for extending concessions involves filing Development Plans with ANP showing a viable investment and production plan beyond the current contractual period. On March 5, 2020, Potiguar filed with the ANP the Development Plans for the eleven fields listed above. The assessment process of the extension requests is managed by ANP's Development and Production Authority, which judges the development strategy presented, the physical and financial calendar of the production development projects, the increase in production capacity of the facilities, financial provisions for decommissioning and abandonment of facilities, among other issues.

As described under Note 3 to the financial statements as at December 31, 2021 Management understands that such renewals will be approved and, accordingly, registered in 2021 the amount of R\$313,805 under current liabilities. This amount refers to the total amount of the installment. The Purchase and Sales Contract for the acquisition, signed with Petrobras, does not provide for any adjustment to this value.

## Miranga Cluster

On February 24, 2021 SPE Miranga signed a contract for the purchase of the total equity interest of Petrobras in nine onshore fields which form the Miranga Cluster, in the Recôncavo Basin, in Bahia. The Acquisition was concluded on December 6, 2021.

The amounts payable for the acquisition were measured at amortized cost and fair value through profit or loss, as demonstrated below:

### Amortized cost:

- US\$20.0 million payable in twelve months after the closing of the transaction;

- US\$20.0 million payable in twenty-four months after the closing of the transaction;
- US\$40.1 million payable in thirty-six months after the closing of the transaction.

These amounts are adjusted at a fixed interest rate of 1.5% per year.

Fair value through profit or loss:

As part of the contract, the subsidiary Miranga may pay up to US\$ 85 million in contingent payments provisioned by contract. These are pegged to the average price of the Brent Petroleum in the last calendar years of 2022, 2023 and 2024. As at December 31, 2021 and March 31, 2022 the Subsidiary had registered the maximum possible amount of the liability.

These amounts are adjusted at a fixed interest rate of 1.5% per year.

## 11. PROVISION FOR TAX, CIVIL, LABOR AND REGULATORY CONTINGENCY RISKS

### 11.1 Probable loss – labor and tax

Based on the individual analysis of the legal claims filed against the Company and its subsidiaries, and supported by the opinion of its internal and external legal counsels, provisions were recognized under noncurrent liabilities for risks where the likelihood of loss is considered as probable, as demonstrated below:

Probable loss prognosis	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Labor claims	2,201	2,416	2,201	2,416
Tax claims	1,042	1,027	1,042	1,027
Total	3,243	3,443	3,243	3,443

Changes in the provision	Company	Consolidated
Balance as at December 31, 2020	4,965	4,965
Payments made	(1,522)	(1,522)
Balance as at December 31, 2021	3,443	3,443
Recognized provisions	65	65
Reversed provisions	(230)	(230)
Payments made	(35)	(35)
Balance as at March 31, 2022	3,243	3,243

The Company is a party to 35 labor claims (44 as at December 31, 2021), of which 16 (19 as at December 31, 2021) are assessed as of probable loss. Most of these labor claims are filed against companies outsourced by the Company, in which PetroRecôncavo appears as a jointly and severally liable party.

## 11.2 Possible loss – labor, civil and social security claims

As at March 31, 2022 and December 31, 2021 the Company was a party to claims with possible likelihood of loss, based on the opinion of Management and its legal counsel, as follows:

Possible loss prognosis	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Tax claims	25,350	24,792	25,722	26,469
Labor claims	914	764	914	764
Regulatory claims	500	500	500	869
Civil claims	365	365	375	365
Total	27,129	26,421	27,511	28,467

Tax claims consist of sundry claims involving federal taxes.

Labor claims consist of sundry claims filed by former employees and mainly related to joint and several liability, claiming the payment of severance pay, overtime, risk premiums, among other.

## 12. PROVISION FOR WELL ABANDONMENT

Changes in the provisions	Company	Consolidated
Balance as at December 31, 2020	10,914	40,111
Recognized provision	23,667	44,480
Adjustment	1,339	6,563
Reversal	-	(6,040)
Balance as at December 31, 2021	35,920	85,114
Adjustment	1,143	2,698
Balance as at March 31, 2022	37,063	87,812
Total current liabilities	-	419
Total noncurrent liabilities	37,063	87,393

### 13. DERIVATIVE FINANCIAL INSTRUMENTS

The subsidiary Potiguar entered into offset agreements with counterparties Itaú BBA, Morgan Stanley, Goldman Sachs and Banco ABC. The resulting derivatives are as follows:

Position of financial instruments	Consolidated	
	03/31/2022	12/31/2021
Derivative financial liabilities		
Commodity forward contracts - current liabilities	(405,828)	(231,125)
Commodity forward contracts - noncurrent liabilities	(347,494)	(233,559)
Total	<u>(753,322)</u>	<u>(464,684)</u>

Changes in financial instruments	Consolidated
Balance as at December 31, 2020	119,196
Fair value of financial instruments reclassified to profit or loss	(126,780)
Settlement of derivative contracts	126,780
Fair value of financial instruments	(583,880)
Balance as at December 31, 2021	<u>(464,684)</u>
Fair value of financial instruments reclassified to profit or loss	(85,230)
Settlement of derivative contracts	85,230
Fair value of financial instruments	<u>(288,638)</u>
Balance as at March 31, 2022	<u>(753,322)</u>

Regarding the hedge effectiveness requirements, Management concluded that:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not significantly affect the fair value changes that result from such economic relationship of the hedging instruments.

The hedge ratio of the hedge relationship is 1:1 and is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge the quantity of the hedged item.

### 14. NET EQUITY

#### 14.1 Share capital

As at March 31, 2022 the subscribed and paid-in capital is of R\$1,864,105 (R\$ 1,863,916 as at December 31, 2021), represented by 248,535,088 (two hundred and forty-eight million, four hundred and thirty-five thousand and eighty-eight) common shares (248,517,120 as at December 31, 2021), all non-par, registered and book-entry .

Of the subscribed and paid-in capital, costs with the issue of the shares were deducted, relating to expenses with the preparation of prospectus and reports, fees related to third-party professional

services (lawyers, auditors, consultants, investment bank professionals, brokers, etc.), expenses with publicity, fees and commissions, transfer and registration costs. These costs totaled R\$75,728 and were recorded net of tax effects (R\$ 25,748) in the net amount of R\$49,980. As at March 31, 2022 the share capital, net of the costs for issuing the shares, amount to R\$1,814,125 (R\$1,813,936 as at December 31, 2021).

As at March 31, 2022 and December 31, 2021 the common shares were distributed as follows:

Shareholder	PetroRecôncavo S.A.	
	03/31/2022	12/31/2021
PetroSantander Luxembourg Holdings S.a.r.l.	82,536,716	82,536,716
Funds managed by Opportunity	63,930,089	63,930,089
Eduardo Cintra Santos	14,749,105	14,749,105
Perbras - Empresa Brasileira de Perfurações Ltda	12,539,404	12,539,404
Other shareholders	74,779,774	74,761,806
Total	248,535,088	248,517,120
Treasury shares	(141,389)	(143,009)
Total net shares	248,393,699	248,374,111

In the three-month period ended March 31, 2022 the Company did not buy back shares (in 2021 327,822 shares bought back) and delivered or sold 1,620 common shares (2021, 184,813) to executives of the Company as part of the share-based payment plan.

As at March 31, 2022 the Company held 141,389 common shares in treasury (143,009 as at December 31, 2021) at the average price of R\$ 16.03, totaling R\$2.267 (R\$2,292 as at December 31, 2021).

### Changes in share capital

In the three-month period ended March 31, 2022 and during the year 2021 the following changes occurred:

Meeting	Date	Changes
Extraordinary Shareholders' Meeting	02/24/2021	<ul style="list-style-type: none"> <li>• Conversion of the total of preferred shares, 949,005, into common shares;</li> <li>• Approval of authorized capital increase, from R\$300,000,000.00 to R\$2,750,000,000.00; and,</li> <li>• Approval of the IPO of the Company and authorization of the submission, by the Company, of the application for registering as a publicly-held company, as category "A",</li> </ul>
Extraordinary Shareholders' Meeting	04/01/2021	<ul style="list-style-type: none"> <li>• Split of the total amount of common registered, book-entry shares and without par value issued by the Company at the ration of 1:2;</li> <li>• The share capital, previously divided into 83,911,766 common shares, now divided into 167,823,532 common shares without par value;</li> <li>• Approve the Consolidated Incentive Program approved by the Board of Directors and by the General Shareholders' Meeting of April 1, 2021 ("Incentive Program").</li> </ul>
Executive Committee Meeting	05/03/2021	<ul style="list-style-type: none"> <li>• Fixation of the price at R\$14.75 per common share issued by the Company object of the public offering for primary distribution of common shares;</li> </ul>

		<ul style="list-style-type: none"> <li>Capital increase of the Company in the amount of R\$1,032,500,000.00, from R\$674,941,437.37 to R\$1,707,441,437.37, through the issue of 70,000,000 new common shares, with an issue price of R\$14.75 each, all registered, book-entry and without par value, the object of the above-mentioned IPO. Share capital of the Company is now divided into 237,823,532 common shares.</li> </ul>
Executive Committee Meeting	06/02/2021	<ul style="list-style-type: none"> <li>Capital increase of the Company, within the limit of its authorized capital, in the amount of R\$ 154.9 million, going from R\$1,707 million to R\$ 1,862.3 million, through the issue of 10.5 million new common shares with issue price of R\$ 14.75 each, all non-par, registered, book-entry common shares</li> </ul>
Executive Committee Meeting	07/22/2021	<ul style="list-style-type: none"> <li>Approve the acquisition by the Company of non-par, registered, book-entry common shares issued by the Company, respecting legal limits ("Buyback Program"), for (i) disposal or cancelation, and (ii) to address the commitments undertaken by the Company in the scope of the Consolidated Incentive Program approved by the Board of Directors and General Shareholders' Meeting of April 1, 2021, through the disposal and delivery of shares to statutory directors and employees of the Company and its subsidiaries;</li> <li>Capital increase of the Company from the current R\$1,862,316,437.37, divided into 248,323,532 non-par, registered, book-entry common shares, to R\$1,863,093,962.37, divided into 248,428,532 non-par, registered, book-entry common shares. This increase occurred due to the exercise of stock option, within the authorized capital limits..</li> </ul>
Executive Committee Meeting	10/21/2021	<ul style="list-style-type: none"> <li>Capital increase of the Company, to R\$1,863,093,962.37, divided into 248,428,532 non-par, registered, book-entry common shares. Such increase was due to the exercise of stock option, within the authorized capital limits.</li> </ul>
Executive Committee Meeting	12/15/2021	<ul style="list-style-type: none"> <li>Capital increase, from R\$1,863,551,482.01, divided into 248,482,668 non-par, registered, book-entry common shares, to R\$1,863,916,056.99, divided into 248,517,120 non-par, registered, book-entry common shares. Such increase was due to the exercise of stock option, within the authorized capital limits</li> </ul>
Executive Committee Meeting	02/25/2022	<ul style="list-style-type: none"> <li>Capital increase of the Company, from R\$1,863,916,056.99, divided into 248,517,120 non-par, registered, book-entry common shares, to R\$1,864,105,015.31 divided into 248,535,088 non-par, registered, book-entry common shares. Such increase was due to the exercise of stock option, within the authorized capital limits.</li> </ul>
Executive Committee Meeting	03/21/2022	<ul style="list-style-type: none"> <li>Approve, by majority votes, the proposal of Management for the net income of the period to be allocated as follows: (i) the amount of R\$8,844,889.40, corresponding to 5% of net income allocated to legal reserve; (ii) the amount of R\$5,797,007.01, allocated to tax incentive reserve; (iii) the amount of R\$40,563,972.90, corresponding to 25% of net income adjusted by legal reserve and tax incentive reserve, allocated for distribution to shareholders and mandatory dividends; and (iv) the remaining value, adjusted by the effect of the negative results of transactions with treasury shares in the amount of R\$77,543.84, corresponding to R\$121,614,373.51, to the reserve account for investment and expansion.</li> </ul>



## 14.2 Capital reserve and profit reserve – Income tax reduction

The Company and its subsidiaries Recôncavo and Potiguar are entitled to a tax benefit consisting of a 75% relief of income tax on their profits from operations (see Note 11 to the financial statements as at December 31, 2021).

The corresponding tax incentive calculated in the period is recognized in profit or loss for the period and, after calculating profit for the period, it is transferred to the tax incentive reserve (earnings reserve). The legal reserve can only be used in capital increases or to offset losses. This capital reserve was used until 2007.

## 14.3 Reinvestment reserve

Recognizes the earnings retained for reinvestment; retained earnings are subject to the approval of shareholders at the Annual Shareholders' Meeting. It will also be up to the Annual Shareholders' Meeting to allocate the portion of earnings reserves that exceeds the amount of the share capital.

In 2021, the Company registered reinvestment reserve in the amount of R\$ 121,615.

## 14.4 Legal reserve

The legal reserve is established based on 5% of profit for each year, and must not exceed 20% of share capital. The purpose of the legal reserve is to ensure the integrity of capital and can only be used to offset losses or capital increase.

In 2021, the Company registered a legal reserve in the amount of R\$ 8,845.

## 14.5 Earnings (loss) per share

Earnings per share	PetroRecôncavo S.A.	
	03/31/2022	03/31/2021
Net income (loss)	401,838	(12,890)
Weighted average of shares issued	248,400,487	167,823,532
Basic earnings per share - R\$	1.6177	(0.0768)
Weighted average of shares and stock-options issued	249,591,293	169,021,126
Diluted earnings per share - R\$	1.6100	(0.0763)

In order to reflect the share-split and options occurred on April 1, 2021, as detailed under Note 14.1, the denominator of the calculation of earnings per share was adjusted for the three-month period as at March 31, 2021 to reflect the effect of the share split.

## 14.6 Minimum proposed dividends

According to the Company's bylaws, the mandatory minimum dividends correspond to 25% of net income for the year, less any accumulated losses, adjusted by the legal, tax incentive, and contingency reserves, if any.

Earnings per share	Consolidated
Balance as at December 31, 2020	2
Minimum proposed mandatory dividends	40,564
Balance as at December 31, 2021 and as at March 31, 2022	40,566

## 14.7 Share-based compensation

### Deferred shares

On June 25, 2021, in a meeting of the Executive Committee, the concession of extraordinary benefits to the participants of the Consolidated Incentive Program was approved, due to the conclusion of the initial public offering of shares issued by the Company, in the total amount of R\$ 16,395, of which: (a) 25% (twenty-five percent) were paid in cash in July 2021, and (b) the remaining 75% (seventy-five percent) will be paid in shares or cash, at the criterion of the Company, based on the amount of R\$ 14.75 (fourteen Brazilian reais and seventy-five cents), convertible into shares issued by the Company in 3 (three) equal lots, in respectively 12 (twelve), 24 (twenty-four) and 36 (thirty-six) months, as of the date of the meeting.

In the above mentioned meeting the concession of annual benefits to the participants of the Consolidated Incentive Program was also approved in relation to the year ended December 31, 2020, in view of the respective Annual Targets having been achieved. The annual benefit was granted in the form of Deferred Shares to be delivered after three years. The payments will be, at the criterion of the Company, made in shares or cash.

As at March 31, 2022 and December 31, 2021 the following stock-option agreements were in effect:

Stock-option series	Quantity	Grant date	Validity	Fair value on the grant date R\$	Vesting 03/31/2022	Vesting 12/31/2021
Extraordinary bonus – 2 <sup>nd</sup> installment	201,462	06/25/2021	06/25/2022	19.59	2,831	1,888
Extraordinary bonus – 3 <sup>rd</sup> installment	201,462	06/25/2021	06/25/2023	19.59	1,351	901
Extraordinary bonus – 4 <sup>th</sup> installment	201,462	06/25/2021	06/25/2024	19.59	858	572
Annual Target Benefits - 2020	231,488	06/25/2021	06/25/2024	19.59	987	657
Total	835,874				6,027	4,018

In accordance with CPC 10 (R1) the Company recognized expenses related to the granting of extraordinary benefits and the Deferred Share Plan offset against capital reserve, considering the Company's intention to carry out the liquidation with the granting of shares. Additionally, labor charges are recognized as a provision under liabilities.

For both plans, the fair value corresponds to the closing price of the share on the grant date, June 25, 2021.

### Additional acquisition of shares and share-matching program.

Furthermore, still in relation to the meeting of the Executive Committee of June 25, 2021, also regarding the achievement of the respective annual targets, the participants of the incentive program had the right to the acquisition of additional shares that were complemented, in equal quantity of the acquisition, by the Company (“matching”). The shares acquired by the executives and the matching shares were delivered in July 2021. Despite the executives being in possession of these shares, they have transfer restrictions (“lock up”) for a three-year period. The total amount of shares purchased by executives and strategic collaborators was 88,911 common shares and an equal amount were delivered by the Company as a matching.

## Stock option compensation

In the years ended December 31, 2013, 2014 and 2016, the Company granted employees holding strategic positions a stock option-based compensation plan. Due to the share split of the Company, occurred on April 1, 2021, each employee stock option may be converted into two Company common share upon exercise of the option. No amounts are paid or will be paid by the beneficiary upon receiving a stock option. The stock options have a vesting period, where one third the stock options become vested each year after the grant date. After the vesting period, the stock options can be exercised at any time up to their expiry date.

The following stock option agreements became effective during the year ended December 31, 2021 and the three-month period ended March 31, 2022:

Stock-option series	Quantity	Grant date	Validity date	Strike price R\$	Fair value on grant date R\$
Issued on October 10, 2013	188,054	10/10/2013	10/09/2023	20.73	15.84
Issued on August 20, 2014	215,743	08/20/2014	08/19/2024	21.41	16.99
Issued on May 13, 2016	195,000	05/13/2016	05/12/2026	14.81	11.93

On April 1, 2021, in an Extraordinary Shareholders' Meeting, the shareholders of the Company made certain resolutions, among which emphasis is given to the number of shares related to the shareholders of the Company, already granted under the Stock Option Plan of the Company and not yet exercised to date, will be adjusted proportionally, in order to reflect the approved split of shares issued by the Company.

On June 25, 2021, in a meeting of the Executive Committee, the waiver of the share transfer restrictions ('Lock-up') presently prevailing on existing shares of the Company at this date, subscribed and/or acquired by beneficiaries of the Stock Option Plan, that are not statutory directors of the Company.

There is no remaining balance of estimated fair value to be recognized in profit or loss in the coming years as the vesting periods expired during the year ended December 31, 2019.

In the three-month period ended March 31, 2022 and in the year ended December 31, 2021, there were 140,000 shares exercised related to the options issued on May 13, 2016; 41,556 shares exercised related to the options issued on October 10, 2013 and 30,000 shares exercised related to the options issued on August 20, 2014, all after the share-split. The Company received R\$1,789 regarding these stock options.

## 14.8 Equity valuation adjustments

In the three-month period ended March 31, 2022, the subsidiary Potiguar recognized the effective portion of the changes in the fair value of derivatives, net of taxes, which are designated and qualified as cash flow hedges, totaling R\$190,502 (R\$385,361 as at December 31, 2021).

## 15. RELATED PARTIES

Balance	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
<u>Other assets:</u>				
Recôncavo E&P	292	386	-	-
PERBRAS (b)	5	5	5	5
7Miranga (d)	10,651	-	-	-
Potiguar (d)	20,696	6,534	-	-
Total other assets	<u>31,644</u>	<u>6,925</u>	<u>5</u>	<u>5</u>
<u>Dividends payable</u>	<u>40,566</u>	<u>40,566</u>	<u>40,566</u>	<u>40,566</u>
<u>Dividends receivable:</u>				
Recôncavo E&P	1,001	1,001	-	-
Miranga	3,014	3,014	-	-
Total dividends receivable	<u>4,015</u>	<u>4,015</u>	<u>-</u>	<u>-</u>
<u>Suppliers:</u>				
PERBRAS (b)	750	47	959	308
Recôncavo	1,588	1,588	-	-
Reconcavo America (a)	14,566	14,566	-	-
Potiguar (e)	1,422	5,318	-	-
Total suppliers	<u>18,326</u>	<u>21,519</u>	<u>959</u>	<u>308</u>

Transactions	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
<u>Other income:</u>				
Recôncavo (d)	115	-	-	-
Potiguar (d)	6,831	776	-	-
SPE Miranga (d)	9,902	-	-	-
<u>Cost of services/materials:</u>				
PERBRAS (b)	(1,876)	(1,065)	(2,813)	(1,412)
PetroSantander Management Inc. (c)	(37)	-	(37)	-
PetroSantander Holdings GMBH (c)	(11)	-	(11)	-
PetroSantander Colombia (c)	(29)	-	(29)	-
Interservice USA	(34)	-	(34)	-
Potiguar (e)	(1,313)	-	-	-
SPE Miranga (e)	(130)	-	-	-
Apportionment (f)	14,453	-	-	-
<u>General and administrative expenses</u>				
PetroSantander Holdings GMBH (c)	-	(24)	-	(24)
Total	<u>27,871</u>	<u>(313)</u>	<u>(2,925)</u>	<u>(1,436)</u>

- (a) Refers to the amount that PetroReconcavo owes Recôncavo America due to the acquisition of the equipment in December 2020. This transaction was carried out through REPETRO SPED, which is a special customs and tax regime for the Petroleum & Gas industry, which allows the production, purchase, and/or permanent or temporary import of goods used in the petroleum and natural gas exploration and production operations with total or partial tax exemption throughout the chain.
- (b) The Company and its subsidiaries Recôncavo and Potiguar conduct transactions with shareholder PERBRAS - Empresa Brasileira de Perfuração Ltda., which performs services using onshore production rigs and other sundry production support services, under a unit price service agreement, annually adjusted using the General Market Price Index (IGP-M).
- (c) The Company conducts transactions with PetroSantander Management Inc., PetroSantander Colombia, and PetroSantander Holdings GMBH which provide technical assistance and specialized consulting services on a "man-hour" basis related to the exploration and production of petroleum wells, under a service agreement that does not provide for finance charges.
- (d) Refers to services provided (rigs and sundry) and sale of materials by the Company to subsidiaries Potiguar and Miranga.
- (e) Refers to the sale of processed natural gas of the subsidiary Potiguar to the Company and the sale of materials of the subsidiaries Miranga and Potiguar to the Company.
- (f) Refers to the apportionment of corporate administrative expenses to the subsidiaries.

### Key-management personnel compensation

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Benefits - Board of Directors (a)	1,507	999	1,513	1,006
Benefits - Executive Committee (a)	1,296	210	1,296	210
Other benefits (b)	59	46	59	46
Profit sharing	1,011	-	1,011	-
Share-based compensation (c)	2,255	-	2,255	-
Total	6,109	1,255	6,115	1,262

- (a) Refers to management compensation paid to Company officers and directors.
- (b) Refers to contributions made by the Company to a private pension plan.
- (c) Refers to the payments and vesting of the programs described under Note 14.7.

The compensation of the Executive Committee is determined by the shareholders. On April 27, 2022 the shareholders defined, in an Extraordinary Shareholders' Meeting, maximum compensation for 2022 in the amount of R\$25,426, excluding social obligations, which is the responsibility of the employer.

## 16. RIGHTS AND COMMITMENTS TOWARDS ANP - AGÊNCIA DE PETRÓLEO, GÁS E BIOCOMBUSTÍVEIS

The Group is a concessionaire to 59 petroleum fields subdivided among the Remanso, Potiguar and Miranga Clusters, as well as having rights to exploratory blocks in the Potiguar Cluster, as described under Note 1. Through the terms of the mentioned concession contracts, in the case of discovering and evidencing commercially viable fields, the Company is guaranteed the rights to develop and produce, over a 27-year period, petroleum and natural gas that may be ringfenced within the boundaries of these blocks. There are no price restrictions on the sale of products resulting from the exploitation of these areas.

The following government and third-party participations are payable by the Company as a result of holding and conducting activities in these fields:

Participations	Details
Royalties	7.5% up to 10% applied on the gross production of petroleum and/or natural gas, from the date of the beginning of the commercial production of the Concession Area (R\$63,158 as at March 31, 2022 and R\$20,579 as at March 31, 2021).
Special participation	In the amount defined in the Participation Decree 2705/98 and ANP Administrative Rule 10/99.
Payment for occupying and retaining the Concession Area.	An amount in R\$ per square kilometer in payable for each field there, which varies according to each field's concession agreement and the stage of operation, which can be: (i) exploration stage; (ii) development stage; and (iii) production stage. All fields are in the production stage.
Payment to landowners	Equivalent to one percent (1%) of petroleum and natural gas production, in accordance with applicable Brazilian law (R\$ 4,091 as at March 31, 2022 and R\$1,056 as at March 31, 2021).

## 17. SALES REVENUE, NET

Sales revenues are directly related to the Brent Petroleum prices, the quotations of which are freely negotiated in the foreign market, and to the contractual sale price of natural gas and its byproducts.

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
<u>Gross revenue</u>				
Services provided	-	79,768	-	79,768
Sale of petroleum	149,257	-	635,161	211,828
Sale of gas and byproducts	26,788	-	326,134	9,642
Hedge contracts	-	-	(85,230)	3,540
Total	176,045	79,768	876,065	304,778
<u>Taxes on income</u>				
PIS (profit participation contribution)	(3,082)	(548)	(14,156)	(4,201)
COFINS (social security financing contribution)	(14,194)	(2,530)	(65,201)	(19,364)
ISS (service tax)	(374)	(2,926)	(374)	(2,926)
ICMS (state VAT)	(3,938)	-	(92,858)	(32,499)
Total	(21,588)	(6,004)	(172,589)	(58,990)
Net revenue	154,457	73,764	703,476	245,788

## 18. INFORMATION ON THE NATURE OF THE EXPENSES RECOGNIZED IN THE STATEMENT OF PROFIT AND LOSS

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Personnel	(16,288)	(16,530)	(48,037)	(25,614)
Services	(14,708)	(4,286)	(31,374)	(8,680)
Consultancy, audits and fees	(3,933)	(3,145)	(4,866)	(3,741)
Materials	(11,690)	(11,490)	(14,876)	(20,163)
Gas acquisition, processing and transportation	(7,529)	-	(88,579)	-
Rent	(4,215)	(2,288)	(8,839)	(4,733)
Electricity	(9,153)	(7,727)	(19,048)	(12,195)
Depletion, depreciation and amortization	(15,328)	(17,821)	(64,959)	(56,284)
Depreciation of right-of-use assets	(2,706)	(1,577)	(4,973)	(4,768)
Costs of non-operated fields	-	-	(3,722)	(5,377)
Royalties	(16,804)	-	(63,158)	(20,579)
Share-based compensation and associated costs	(4,164)	-	(4,164)	-
Environmental licensing	(34)	(1)	(1,433)	(3,887)
Other	9,360	2,400	(641)	(9,187)
<b>Total</b>	<b>(97,192)</b>	<b>(62,465)</b>	<b>(358,669)</b>	<b>(175,208)</b>
Cost of sales and services	(98,321)	(53,589)	(333,865)	(153,098)
General and administrative	(7,320)	(9,566)	(21,788)	(11,283)
Other net income (expenses)	8,449	690	(3,016)	(10,827)
<b>Total</b>	<b>(97,192)</b>	<b>(62,465)</b>	<b>(358,669)</b>	<b>(175,208)</b>

## 19. FINANCIAL INCOME

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
<b>Financial income:</b>				
Interest and yield, net	3,352	5,865	4,277	15,528
Interest for loan agreements	-	97	-	-
Other	11	3	10	15
<b>Total</b>	<b>3,363</b>	<b>5,965</b>	<b>4,287</b>	<b>15,543</b>
<b>Foreign exchange variation:</b>				
Payables for acquisitions	4,227	-	186,285	-
Loans and financing	-	-	106,360	-
Foreign exchange fund	-	-	887	32
Other	219	-	375	-
<b>Total</b>	<b>4,446</b>	<b>-</b>	<b>293,907</b>	<b>32</b>
<b>Total financial income</b>	<b>7,809</b>	<b>5,965</b>	<b>298,194</b>	<b>15,575</b>

**Financial expenses:**

Interest on well abandonment	(1,143)	(480)	(2,698)	(2,065)
Income tax (IR) on foreign transactions	(693)	-	(3,070)	-
Amortization of borrowing costs	-	-	(2,423)	(3,338)
Interest on loans	(358)	(335)	(13,909)	(15,698)
Interest on lease operations	(214)	(265)	(394)	(840)
Bank expenses and other charges	(394)	(492)	(688)	(1,001)
Loss in short-term investments	-	(119)	-	(119)
<b>Total</b>	<b>(2,802)</b>	<b>(1,691)</b>	<b>(23,182)</b>	<b>(23,061)</b>

**Foreign exchange variation:**

Fundo cambial	(71,902)	-	(86,553)	-
Loans and financing	-	(2,193)	-	(87,299)
Other	(1,214)	(759)	(2,604)	-
<b>Total</b>	<b>(73,116)</b>	<b>(2,952)</b>	<b>(89,157)</b>	<b>(87,299)</b>

<b>Total financial expenses</b>	<b>(75,918)</b>	<b>(4,643)</b>	<b>(112,339)</b>	<b>(110,360)</b>
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<b>Total</b>	<b>(68,109)</b>	<b>1,322</b>	<b>185,855</b>	<b>(94,785)</b>
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## 20. FINANCIAL INSTRUMENTS

### 20.1 Capital risk management

The Company and its subsidiaries manage their capital to ensure that both the Company and its subsidiaries can continue as going concerns. It is the Management's policy to sustain a solid capital basis to ensure the confidence of investors, creditors and the market and to maintain the future development of the business.

Management monitors the return on capital employed taking into account the results of the economic activities of its operational segment. Historically the Company has financed its operations with its own capital and had low indebtedness to third parties, not related to the Company. In 2021, the Company went public to raise funds. The debt instruments currently in effect refer to a finance lease, a financing facility aimed at funding innovation with Finep and bank loans in the Potiguar subsidiary.

The Company's capital structure consists of its equity (which includes capital, reserves, and earnings reserve, as disclosed in note 14) and the bank and Finep debts.

The Company is not subject to any external requirement on capital.

Management reviews its capital structure annually. As part of this review, Management assesses possible financing requirement (or not) for its operations and investment programs, as well as the cost of capital and the risks associated to each class of capital.

### 20.2 Category of financial instruments and fair value hierarchy

Fair value hierarchy awards greater weight to available market information (i.e., observable inputs) and less weight to information related to opaque data (i.e., unobservable inputs). Additionally, the relevant standard requires that the Company takes into consideration all aspects of the nonperformance risk, including the Company's own credit, when measuring the fair value of a liability.



CPC 40 /IFRS 7 establishes a three-level fair value hierarchy to measure and disclose the fair value. A categorization instrument in the fair value hierarchy is based on the lowest level of input significant to its measurement.

	Notes	Company		Consolidated	
		03/31/2022	12/31/2021	03/31/2022	12/31/2021
<b>Financial assets</b>					
<u>Amortized cost</u>					
Cash and cash equivalents	3	103,981	172,288	156,467	217,159
Short-term investments	3	434,125	531,863	589,182	655,644
Trade receivables	4	65,198	34,398	452,538	169,847
Dividends receivable	5	4,015	4,015	-	-
Judicial deposits		2,839	2,445	2,839	2,445
<b>Financial liabilities</b>					
<u>Amortized cost</u>					
Suppliers	7	64,560	58,200	153,583	98,708
Loans and financing	8	1,210	1,211	578,841	281,762
Dividends payable	14	40,566	40,566	40,566	40,566
Leases payable		5,746	7,063	11,364	10,486
Payables for acquisitions	10	23,865	27,903	675,501	788,706
<b>Fair value through other comprehensive income</b>					
<u>(i)</u>					
Derivative financial instruments	13	23,865	27,903	1,365,519	1,598,437
<b>Fair value through profit or loss (i)</b>					
Payables for acquisitions	10	-	-	404,214	474,343

- (i) Level 2 – Are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs included prices practiced an active market for similar assets or liabilities, prices practiced in an inactive market for identical assets or liabilities, or inputs that are observable or that could corroborate in the observation of market date through correlation or other forms to substantiate the whole part of the asset or liability.

## 20.3 Financial risk management

The Company and its subsidiaries are exposed to the following risks arising from the use of financial instruments: credit risk, liquidity risk, and market risk.

This Note provides information on the Company's exposure to each one of the risks above, including the Company's goals, policies and processes designed to measure and manage risks, and manage the Company's capital. Additional quantitative disclosures are included throughout these interim financial statements and also in this Note to the interim financial statements.

### Risk management structure

The Company's risk management policies are set out to identify and analyze the risks faced by the Company, set limits and appropriate risk controls, and monitor risks and compliance with limits.

Risk and system management policies are frequently reviewed in order to reflect changes in market conditions and the Company's activities.

The Company, through its training and management standards and procedures, aims at developing a regulated and constructive control environment, where all employees understand their roles and obligations.

The Company does not operate derivative financial instruments for speculative purposes; all contracted

derivatives are aimed at mitigating the risks arising from the Company's exposures arising in its operations.

The main market risks to which the Company is exposed in conducting its business are:

#### Credit risk

Credit risk refers to the risk of a counterparty not complying with its contractual obligations, which would result in financial losses for the Company.

##### a) Cash and cash equivalents

Bank deposits and investments are made in top tier financial institutions.

The Company maintains bank accounts and short-term investments in financial institutions, according to strategies previously approved by Management. These transactions are carried out with Banco do Brasil S.A., Banco Itaú S.A., Banco Opportunity, Banco Santander S.A., Banco Safra S.A, Caixa Econômica Federal, Banco XP and Banco Bradesco S.A.

##### b) Trade receivables

The risk arises from the possibility of the Company and its subsidiaries incurring losses due to the difficulty of receiving the amounts invoiced to its customer, as detailed in Note 4.

Since January 2022, the Company and its subsidiaries E&P S.A., Potiguar E&P S.A. and SPE Miranga became able to aggregate new players to its client base. The New Gas Market permitted access of producers to the Gas Treatment Units (UPGNs) and, consequently, the possibility of selling natural gas and its byproducts to a broader pool of companies.

For the sale of petroleum, the Company continues exclusively linked to Petrobras.

#### Liquidity risk

Liquidity risk represents the possibility of a mismatch between maturities of assets and liabilities, which could result in an inability to meet obligations by the established due dates.

It is the Company's policy to maintain adequate liquidity levels that can ensure that present and future liabilities are met, while seizing any commercial opportunities that may arise.

Management believes that the Company has low liquidity risk, considering its cash generation capacity and its capital structure with moderate participation of third-party capital. The Company manages the liquidity risk by maintaining reserves it considers adequate, based on the continuous monitoring of projected and actual cash flows, and the combination of the maturity profiles of assets and liabilities.

The nominal (undiscounted) flow of principal and interest on financing and financial instruments, by maturity, is shown below:

Maturity	2022	2023	2024	2025	Total
Loans and financing (a)	221,392	528,690	136,669	-	886,751
Derivative financial instruments	322,440	312,315	122,367	-	757,122
Payables for acquisitions	315,423	315,423	315,423	150,856	1,097,125

(a) Projected flow based on the contract's future benchmark rate according to the futures traded on B3

## Market risk

### Foreign exchange risk

In the three-month period ended March 31, 2022, 97% (98% as at March 31, 2021) of the gross operating revenues of the Company and its subsidiaries were indexed to the U.S. dollar exchange rate at the time of billing, as they refer to the sale of petroleum that is indexed to the price of Brent Petroleum, which in turn is quoted in US dollars, and for natural gas being indexed to fixed prices in U.S. dollars. The only contract, in the period, in which pricing is in Brazilian reais and refers to the sale of LPG.

Most of the costs of the Company were, conversely, denominated in Brazilian reais. Furthermore, the subsidiary of the Company located in the United States of America, Reconcavo America LLC, has some financial assets in U.S. dollars (bank deposits), which are translated into Brazilian reais on the reporting date. The subsidiary Potiguar contracted, on April 25, 2019, a loan in U.S. dollars for the purpose of financing part of the payment arising from the acquisition of 34 petroleum and natural gas producing fields, a transaction closed on December 9, 2019. The total amount contracted with the financial institutions Itaú BBA, Morgan Stanley and Deutsche Bank. The total amount contracted was of US\$232,000, at an interest rate of 6.3% above the three-month LIBOR, and the amount disbursed was of US\$195,428.

The group has registered, in the item payables for acquisitions, deferred/contingent installments for the acquisition of assets in amounts indexed to the U.S. dollar. In the Company, US\$5,000 have been recognized to be paid in December 2022, while at Potiguar E&P and SPE Miranga, the amounts of US\$56,232 and US\$165,100, respectively, have been recognized.

The Company does not currently operate derivative financial to protect against variations in the foreign exchange rate. However, the Group has financial investments in foreign exchange funds to mitigate exposure to U.S. dollar liabilities.

Sensitivity analysis – foreign currency:

03/31/2022	Risk	Rate (a)	Company			
			Foreign currency exposure - R\$	Probable	Scenario A 25% (b)	Scenario B 50% (b)
<u>Assets</u>						
Short-term investments	US\$ depreciation	5.3748	434,125	492,492	325,593	217,062
<u>Liabilities</u>						
Payables for acquisitions	US\$ depreciation	5.3748	23,865	27,074	17,898	11,932
Net effect on income (loss)				55,158	(102,565)	(205,130)

03/31/2022	Risk	Rate (a)	Consolidated			
			Foreign currency exposure R\$	Probable	Scenario A 25% (b)	Scenario B 50% (b)
<u>Assets</u>						
Short-term investments	US\$ appreciation	5.3748	589,182	668,398	736,479	883,775
<u>Liabilities</u>						
Payables for acquisitions	US\$ appreciation	5.3748	1,079,715	1,224,883	1,349,645	1,619,574
Loans and financing	US\$ appreciation	5.3748	577,631	655,293	722,039	866,447
Net effect on income (loss)				(143,613)	(267,041)	(534,082)

(a) The translation rate (R\$ to US\$) used in the sensitivity tables as the probable scenario were obtained from the B3 and correspond to the rate of the future dollar contract for March 2023. As at March 31, 2022 the rate was of R\$4.7378.

(b) Scenario A considers a depreciation of the U.S. dollar against the Brazilian real at 25% and scenario B a depreciation of 50% of the US dollar effective as at March 31, 2022.

Sensitivity analyses consider the worst net scenario (dollar appreciation or depreciation) among financial assets and liabilities.

#### Interest rate risk

This risk arises from the possibility of the Company and its subsidiaries incurring losses due to fluctuations in the interest rates that are applied to their assets (investments) or liabilities (loans) in the market.

In relation to assets, the Company has short-term investments exposed to floating interest rates, mostly linked to the CDI variation.

Regarding liabilities, interest is recognized at a spread of 6.3% plus 3-month LIBOR.

As at 03/31/2022- Balance	Company					
	Risk	Rate (a)	Accounting Scenario	Probable Scenario	Scenario A 25% (b)	Scenario B 50% (b)
<u>Assets</u>						
Short-term investments	CDI depreciation	13.00%	103,981	117,499	113,066	110,038
Effect on income (loss)				1,404	(3,028)	(6,057)

As at 03/31/2022 – Balance	Risk	Rate (a)	Accounting Scenario	Consolidated		
				Probable	Scenario A 25% (b)	Scenario B 50% (b)
<u>Assets</u>						
Short-term investments	CDI depreciation	13.00%	156,467	176,808	170,138	165,581
Effect on income (loss)				2,113	(4,557)	(9,114)
<u>Liabilities</u>						
Loans and financing	Libor appreciation	1.239%	577,631	577,850	578,815	579,999
Effect on income (loss)				(219)	(1,184)	(2,368)

(a) The rates used in the sensitivity table as the probable scenario were obtained from B3 and the ICE.

For the CDI, future contracts of the CDI for March 2023 were used, and as for the LIBOR rates, the closing rate of April 27, 2022.

(b) Scenario A considers the 25% variation, while B considers a 50% variation. Both project stress scenarios (either depreciation or appreciation of the index) on the effective rate as at March 31, 2022.

#### Commodity price risk

During the three-month period ended March 31, 2022, 62% of the Company's gross operating revenue was directly linked to the price of Brent Petroleum, the quotations of which are freely traded in foreign markets (96% as at March 31, 2021).

It should be emphasized that as of 2022 new natural gas contracts were signed, which do not have any direct relation to the petroleum price.

As a way of hedging against the volatilities of the petroleum market, the Company entered into several hedge contracts, and hedged, during this period, a volume of almost 510 thousand barrels (52% of net petroleum production for the year) as at March 31, 2022 (2021, 512 thousand barrels, 70% of the net production of petroleum for the year) at an average price of US\$56.61/bbl as at March 31, 2022 (US\$59.29/bbl in 2021).

	Risk	Price (a)	Consolidated			
			Accounting Scenario	Probable	Scenario A 25% (b)	Scenario B 50% (b)
Gross operating income - Petroleum	Brent Depreciation	99.98	635,155	635,181	465,747	296,338
Financial instruments - Hedge	Brent Depreciation	99.98	(85,230)	(117,008)	(32,959)	29,045
Total			549,925	518,173	432,788	325,383
Probable effect on income (loss)				(31,752)	(117,137)	(224,542)

(a) The commodity prices used in the sensitivity table as the probable scenario, in US dollars, were obtained from the commodity pricing agency S&P Global Platts and represent the average for the next 12 months.

(b) Scenarios A and B consider an index decrease of 25% and 50%, respectively over the Brent petroleum and natural gas prices shown in the accounting scenario.

The policy of the Company and its subsidiaries is to contract commodity forwards to manage the commodity price risk associated to the payment of contracted loans. In the current year, it has not been necessary to contract additional hedging, once the Company understands that it is sufficiently protected in relation to price fluctuations.

The table below describes the outstanding commodity forwards at the end of the three-month period ended March 31, 2022, as well as information related to its corresponding items object of hedging. The commodity forwards are presented in the line item "derivative financial instruments" in the balance sheet (for further information, see Note 13):

Consolidated			
Hedge instruments	Average	Quantity	Fair value of hedge instruments
	strike price		
	03/31/2022	03/31/2022	03/31/2022
Outstanding contracts	US\$/barrel	In barrels	R\$ thousand
Under 3 months	55.56	482,680	(112,952)
From 3 to 6 months	53.64	484,728	(106,217)
From 6 to 12 months	52.59	953,839	(186,659)
From 1 to 2 years	53.85	1,806,500	(286,592)
From 2 to 3 years	59.85	567,500	(60,901)

Consolidated			
Hedge instruments	Average	Quantity	Fair value of hedge instruments
	strike price		
	03/31/2021	03/31/2021	03/31/2021
Outstanding contracts	US\$/barrel	In barrels	R\$ thousand
Under 3 months	58.87	453,340	(10,540)
From 3 to 6 months	58.52	527,860	(9,361)
From 6 to 12 months	57.24	1,067,760	(15,062)
From 1 to 2 years	53.28	1,876,247	(45,030)
From 2 to 3 years	49.70	1,280,000	(42,333)

## 21. INSURANCE

The Company maintain a monitoring policy of the risks inherent to its business. As at March 31, 2022, the Company had insurance contracts in place to cover operational, environmental, civil liability and other risks.

Modality	Currency	Risk amount		Maximum indemnifiable amount	
		Company	Consolidated	Company	Consolidated
Environmental risks	US\$	6.050	6.050	6.050	6.050
Material damage	US\$	45.543	164.273	25.100	25.100
Civil responsibility	US\$	3.000	3.000	3.000	3.000
Corporate D&O	R\$	120.000	120.000	120.000	120.000

## 22. SEGMENT INFORMATION

The Group operates exclusively in the exploration and production (E&P) of Petroleum and Natural Gas, whether by providing services or selling products, which accounts for 100% of the Company's net revenue.

The information reported to the Company's management (chief operating decision maker) for the purposes of resource allocation and assessment of segment performance is reviewed monthly using managerial results reports that present expenses by cost center. Company's Management evaluates investments, expenses, production, and other operating indicators and makes its decisions based on the consolidated information from all the Group companies.

## 23. NON-CASH TRANSACTIONS

In the three-month period ended March 31, 2022 and 2021, the Company carried out the following transactions not involving cash; therefore, these are not reflected in the statements of cash flows.

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
conversion of loan agreements to advance for future capital increase	-	29,150	-	-
Additions for new contracts IFRS 16	3,583	359	9,931	2,568
Total	3,583	29,509	9,931	2,568

## 24. SUBSEQUENT EVENTS

### Extension of the concession contract and reduction in the rate of royalties for the surplus production in the Pajeú Field

On April 19, 2022 the subsidiary Potiguar E&P signed with ANP two addenda to the Concession Contract 48000.003813/97-01 (Pajeú Field), that provision for:

(i) Extension of the Production Phase to 12/31/2035;

The extension of the production phase follows the guideline of Resolution 2/2016 of the CNPE (Brazilian National Energy Policy Council), that authorizes ANP to extend concession contracts signed during Round Zero. Originally these contracts would end in 2025. Apart from the payments foreseen for Petrobras, as disclosed under Note 10, there were no additional costs for renewal of the concession.

(ii) Reduction in the royalty rates applied on surplus production:

The reduction of the royalty rates will be based only on surplus production resulting from the implementation of development projects approved in the Development Plan. For production levels up to the reference curve, the royalty rates practiced will be maintained.

### **Bahia Terra Cluster – Selected Bidding Offeror**

Petrobras informed, in relation to the process for divestment of the Bahia Terra Cluster, that the Company is the *“Selected Binding Offeror”*. The negotiation phase of the terms and conditions for the potential acquisition of the total equity interest of Petrobras will be started in a set of E&P onshore production fields and associated installations (Bahia Terra Cluster), located in the Recôncavo and Tucano Basins, in the state of Bahia, Brazil.

The Company states that it presented a joint offer with Eneva S.A. (“Eneva”), as a consortium, with 60% (sixty percent) participation of PetroReconcavo and 40% (forty percent) participation of Eneva, with PetroReconcavo being the operator of the assets.

The effective realization of the potential acquisition, as well as its term and conditions and amounts involved, are subject to the acceptance of the offer by Petrobras, to the negotiation and signing of purchase and sale contract and other instruments related to the acquisition, related legal and regulatory approvals, as well as the fulfillment of certain conditions precedent which are typical for operations of this nature, notably the approval of the Administrative Council of Economic Defense (CADE) and the ANP, among other factors.

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