Earnings Release

2Q21

2Q21 Conference Call

August 03, 2021

Portuguese
3 pm (BRA)

English
2 pm (NYC)

Webinar: click here

The link for the Webinar is also available on the Investor Relations website: ri.petroriosa.com.br/en/

The conference call will be held in Portuguese with simultaneous translation to English.

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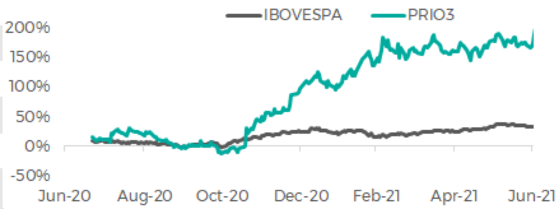
Rio de Janeiro, August 02, 2021 – Petro Rio S.A. ("PetroRio" or "Company") (B3: PRIO3) presents its results for the second quarter of 2021 ("2Q21"). The financial and operating information described below, except where otherwise indicated, is presented on a consolidated basis and in Reais (R$) in accordance with the international financial reporting standards (IFRS), and includes the Company's direct subsidiaries: Petro Rio O&G Exploração e Produção de Petróleo Ltda., Petro Rio Internacional SA, PetroRioUSA Inc., and their respective subsidiaries and affiliates.

Stock Information		
Ticker (B3)		PRIO3
# Shares issued ex-Treasury		839.159.130
Market Cap (06/30/2021) ex-Treasury stocks	R$	16.355.211.444
Last Price (06/30/2021)	R$	19,49
12-month Low - High		175%
90-day average trading volume	R$	165.581.129

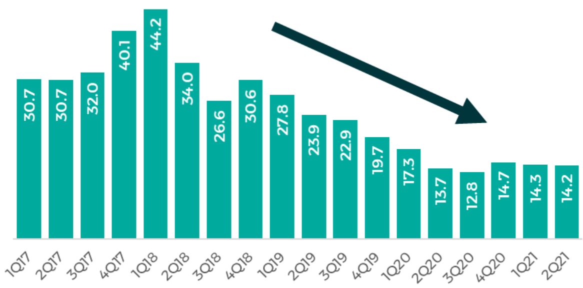
12M Stock Price: PRIO3 x Ibovespa



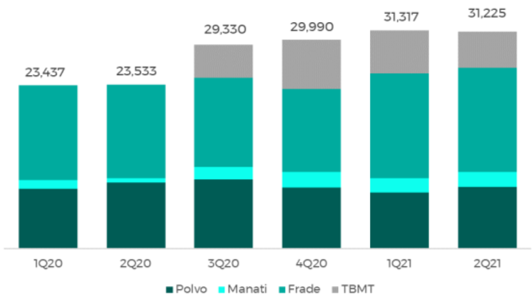
HIGHLIGHTS FOR THE QUARTER

- Net revenue of R$ 1 billion, the highest ever recorded
- Net income (ex-IFRS 16) of R$ 305 million
- Adjusted EBITDA (ex-IFRS 16) of R$ 643 million in the quarter (vs. R$ 175 million in 2Q20)
- Approximately 2.8 million barrels sold and average production of 31 Mboepd
- Approval of **Frade** Development Plan by ANP
- Approval of the acquisition of interests in **Wahoo** and **Itaipu** by ANP
- US$ 600 million bond issue, with 5x oversubscribed book
- Completion of the tieback between **Polvo** and **Tubarão Martelo**

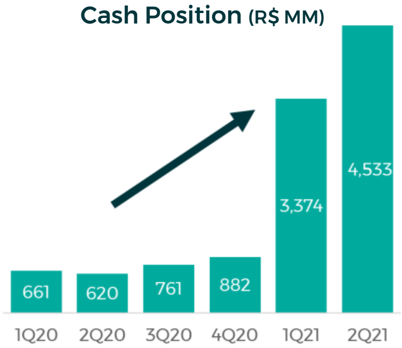
Lifting Cost **(US$/bbl)**



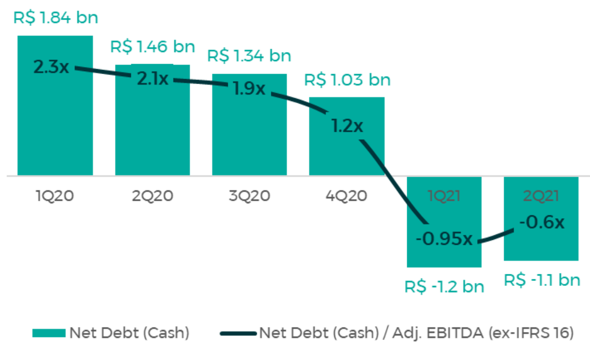
Production (bbl/d)



Cash Position (R$ MM)



Net Debt (Cash) / Adjusted EBITDA



PetroRio

MESSAGE FROM MANAGEMENT

"As in the last quarter, we completed the second quarter with new milestones, both for the Company and society as a whole. We see the worldwide immunization program gaining traction, saving lives, and being reflected in the global economic environment, taking Brent to levels over $70/barrel.

At PetroRio, we remain careful regarding COVID-19. The health and safety of our employees is a priority, and we are pleased to be able to say that in over a year of the pandemic, we have not had major impacts in our daily operations due to the virus. Likewise, we've maintained the physical and mental wellness initiatives for our teams.

*The focus of the operations team was, certainly, the completion of the **Tubarão Martelo** and **Polvo** tieback, which took place in the first half of July. The team effort to complete this project, which took over a year and a half between its conception and conclusion, on time and below the originally budgeted cost, brought us pride and gratitude. This project will generate annual savings of $50 million for the Company, a crucial step in the cost reduction strategy we pursue to generate value for our shareholders.*

Our teams' careful execution of the projects reinforces our confidence to face the next challenges, such as the drillings in Frade and Wahoo, which will start in 2022, with the recently announced contracting of NORBE VI rig.

On the acquisitions side, we recently obtained ANP approvals for the completion of the Wahoo and Itaipu transactions, consolidating PetroRio as the assets' operator, enabling the beginning of the necessary steps for declaration of commerciality, submission of the Development Plan and start of development.

Finally, we also extended the term of our financial debt with the issuance of $600 million in 5-year bonds, an international debt that, together with the follow-on carried out in 1Q21, strengthen PetroRio's access to capital markets. The issuance was of a higher volume than originally intended and at a lower rate, demonstrating the Company's execution capacity and risk mitigation.

We remain very excited about the Company's path and the global economic recovery in course, and we look forward to further developing the projects we have announced. We would like to thank our employees once again for their dedication and commitment, which enabled the milestones that the Company has achieved so far."

PetroRio

OPERATING PERFORMANCE

	2Q20	3Q20	4Q20	1Q21	2Q21	2Q21 X 2Q20	2Q21 X 1Q21
Avg. Brent	$ 33.39	$ 43.34	$ 45.26	$ 61.32	$69.08	106.9%	12.7%
Avg. Sales Price	$ 35.09	$ 42.71	$ 46.26	$ 62.19	$ 66.85	90.5%	7.5%
Avg. Exchange Rate	5.39	5.38	5.40	5.48	5.29	-1.7%	-3.5%
Final Exchange Rate	5.47	5.61	5.19	5.70	5.00	-8.5%	-12.2%
Offtakes (kbbl)							
Frade Field (70%)	950	993	1,943	1,021	1,530	61.1%	49.9%
Polvo Field (100%)	447	1,002	988	515	995	122.7%	93.3%
Tubarão Martelo Field (80%)	-	403	794	392	312	n/a	-20.4%
Total PetroRio	1,396	2,397	3,724	1,928	2,837	103.2%	47.2%
Produção (boepd)							
Frade Field (70%)[1]	13,380	12,838	11,928	15,086	14,941	11.7%	-1.0%
Polvo Field (100%)[2]	9,446	9,965	8,747	8,019	8,843	-6.4%	10.3%
Tubarão Martelo Field (80%)[2]	-	4,787	7,030	6,128	5,250	n/a	-14.3%
Manati Field (10%)	707	1,740	2,285	2,084	2,191	209.9%	5.1%
Total PetroRio	23,533	29,330	29,990	31,317	31,225	32.7%	-0.3%
Lifting Cost (US$/bbl)							
PetroRio	13.7	12.8	14.7	14.3	14.2	3.9%	-0.3%

[1] As of February 5, 2021, PetroRio held 70% of the Operation in the Field. After the completion of the acquisition of a 30% stake in Petrobras in 1Q21, this percentage increased to 100%.

[2] With the completion of the tieback, on July 2021, PetroRio will be entitled to 95% of the oil produced by Polvo and Tubarão Martelo together.

As the main highlights of the quarter, the Company's total production increased 33% when compared to the same period in 2020. The increase is result of the acquisition of 80% of **Tubarão Martelo** Field, completed on August 03, 2020. The volume of barrels sold in the quarter increased 103% when compared to the same period of the previous year and 47% when compared to the last quarter.

In the second quarter of the year, the Company carried out five offtakes, three in April and two in June, totaling sales of approximately 2.8 million of barrels, with 995 thousand in **Polvo** Field, 1.5 million barrels in **Frade** and 312 thousand barrels in **TBMT**, with an average gross sales price of US$ 66.85.

The volume produced in **Frade** in the second quarter of 2021 was in line with the volume produced in the last quarter, with the increased interest in the Field, from 70% to 100%, partially offset by the 10-day scheduled shutdown carried out at the **Frade** FPSO between April and May.

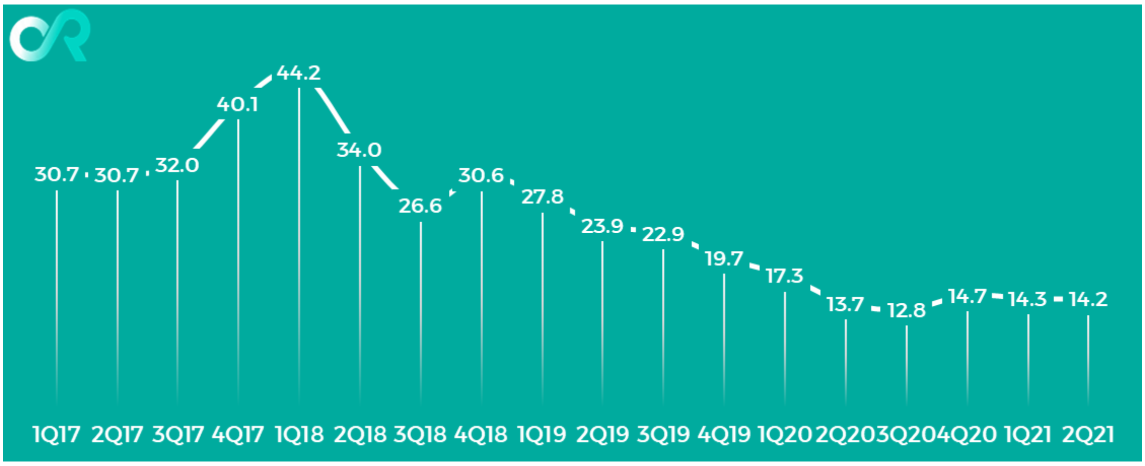
In the **Polvo** Field, the quarter's production was 10% higher than the last quarter and had a 6% reduction compared to the same period in 2020. The POL-K drilling and start of production in May increased field productivity, which was negatively affected by production restriction in some wells, as a consequence of water processing problems at the Polvo FPSO, which was chartered to the field and operated by BW Offshore.

In **Tubarão Martelo**, production in 2Q21 was 14% lower than in 1Q21, impacted by the production downtime of TBMT-8H well since March due to the failure of the electric submersible pump (ESP). The pump's workover is being carried out, after going through difficulties in the process of removing and laying the production column to carry out the pump replacement, and is expected to be completed in August. In addition, at the end of the month of June, there was a 7-day production downtime in **Tubarão Martelo** to carry out the necessary adjustments in the FPSO to complete one of the final stages of the tieback, also affecting the production average of the Field.

Since the beginning of the Company's turnaround, which consolidated its growth strategy through the acquisition and development of producing assets, PetroRio has worked to increase its production levels and rationalize its costs, always maintaining the highest levels of excellence in environmental responsibility, safety and operational efficiency. PetroRio believes that the best protection against Brent's volatility is the reduction of its lifting cost and this will continue to be a pillar of current and future projects. Below, the Company presents the evolution of its lifting cost since the beginning of 2017.

Lifting Cost PetroRio

(Em US$/boe)



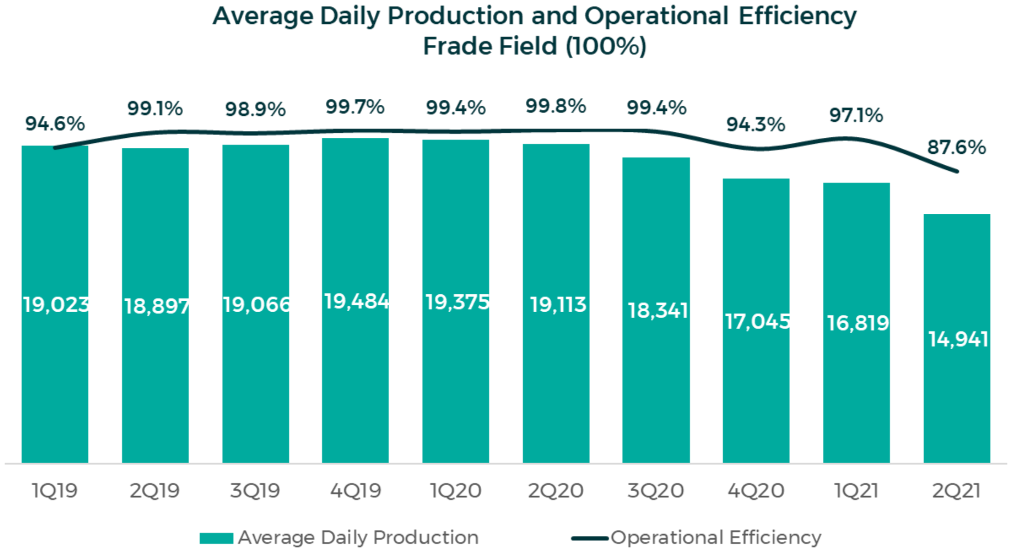
Lifting cost in 2Q21 was negatively impacted by the shutdown of TBMT-8H well and by the scheduled shutdowns in **Frade** and **Tubarão Martelo**, in May and June, respectively. On the other hand, the beginning of the production of the POL-K in **Polvo** and the reduction of some operating costs in **Polvo** and **TBMT** positively impacted the lifting cost, offsetting the reduction in production and reducing this indicator, when compared to 1Q21.

PetroRio will continue with its lifting cost reduction strategy over the next few months, through the **Tubarão Martelo** Field tieback to the **Polvo Field**, completed on July 2021. The project will enable an operating cost reduction ("OPEX") of US$ 50 million per year, consequently reducing the Company's lifting cost.

PSLV (*Pipe Laying Support Vessel*), vessel responsible for connecting Polvo wells with Bravo FPSO

FRADE FIELD

Operational efficiency in the quarter was 87.6%, due to the scheduled maintenance shutdown at the **Frade** FPSO, carried out between April and May. In June, without the impact of the shutdown, the Field's operational efficiency remained above 96%. The chart below shows the history of the average daily production and the operational efficiency of the last quarters, with PetroRio operating the asset since March 26, 2019:



PetroRio maintains in its portfolio of projects the **Frade** Field's Revitalization Campaign, which seeks to increase the asset's recovery factor and meets ANP conditions for the extension of the concession until 2041, as disclosed in the approval of the Field Development Plan by ANP. The global project considers the drilling of four producing wells and three injection wells, which were selected based on the maximization of the field's recovery factor.

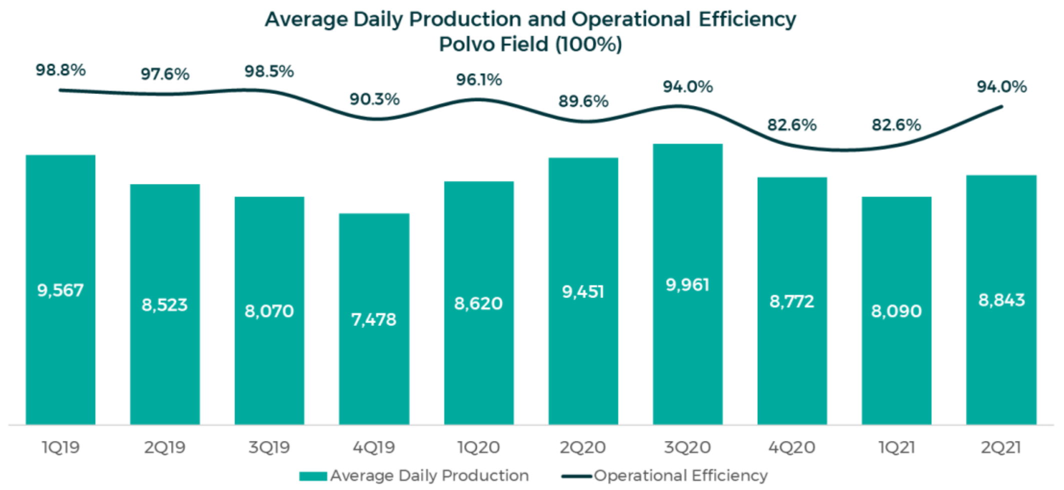
The first phase of **Frade** Field's Revitalization Plan will include the drilling of one producing well and two horizontal injection wells, scheduled to start on March 2022. **Frade**'s Development Plan was approved by ANP, which authorized the immediate resumption of water injection in two existing injection wells, already in operation at the time this report was released.

Additionally, the Company signed with Ocyan Drilling S.A. the contracting of the NORBE VI rig, which will carry out the drilling of the wells in the **Frade** Revitalization Campaign. The rig, built in 2010, is a semi-submersible drilling platform, with dynamic positioning capable of operating in water depths of up to 2.4 thousand meters and drilling wells up to 7.5 thousand meters.

POLVO FIELD

Polvo Field presented an average daily production 10% higher than the last quarter, with the beginning of POL-K production. This result is not yet fully reflected in the field's total production, since in the last few months the production of some wells in **Polvo** was restricted in order to reduce the effects of produced water processing problems faced by the Polvo FPSO, which was disconnected from the Field, as the tieback between Platform Polvo-A and FPSO Bravo has been completed. This problem also explains the 6% reduction in production, when compared to the same period of the previous year.

Polvo's operational efficiency in the quarter was 94%, mainly affected by the produced water processing problems faced by Polvo FPSO, chartered to the field and operated by BW Offshore. The chart below illustrates field production and efficiency since 2019:



With the tieback conclusion, on July 2021, the Company, which currently owns the rights to 100% of the oil produced by **Polvo**, is now entitled to 95% of the oil produced by **Polvo** and **Tubarão Martelo**.

Bravo FPSO operating in the Polvo + Tubarão Martelo cluster

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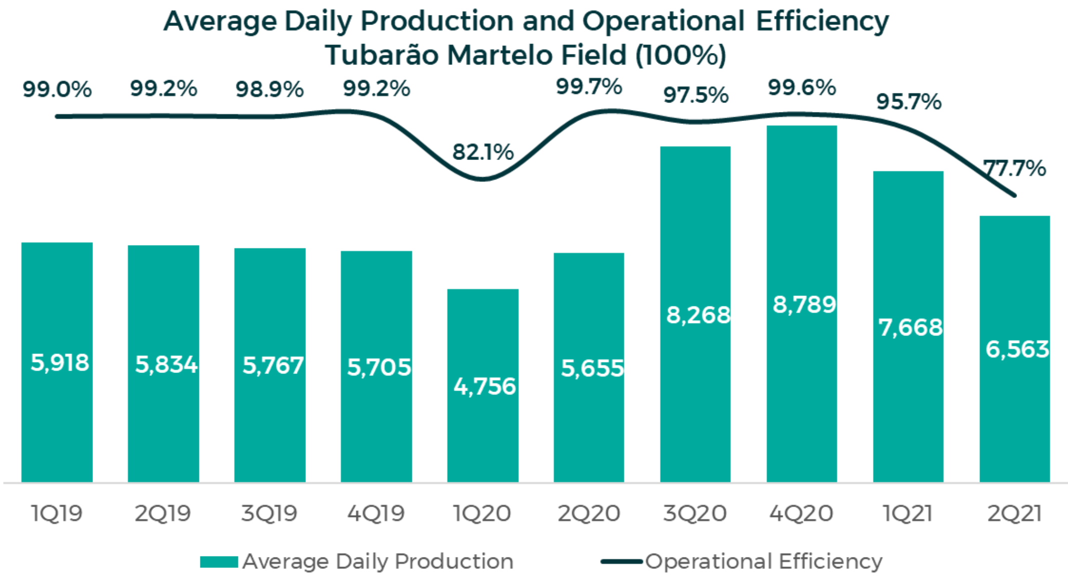
TUBARÃO MARTELO FIELD

Production in **Tubarão Martelo** in 2Q21 was 14% lower than in the last quarter, and efficiency decreased by 18 percentage points, impacted by the shutdown of TBMT-8H well, which had been stopped since March due to the failure of the electric submersible pump (ESP), which has been in operation since the beginning of Field's production. The pump's workover is being carried out, after going through some difficulties in the process of removing and laying the production column to carry out the pump replacement and is expected to be completed in August.

The production average and efficiency of the quarter were also impacted by the scheduled shutdown carried out at the asset in late June to deploy the necessary adjustments to the FPSO to complete one of the final stages of the tieback. Thus, field efficiency was 84% in April and May, due to the ESP failure, and 65% in June, as a result of the shutdown.



With the tieback conclusion on July 2021, the Company, which currently owns the right to 80% of the oil from **Tubarão Martelo**, is now entitled to 95% of the oil produced by **Polvo** and **Tubarão Martelo**.

Additionally, the Company informs that after the workover, the completion of the sixth well at **Tubarão Martelo**, TBMT-10HP, will begin, with completion expected for September 2021.

Spools with the tieback flowlines, before the deployment

TIEBACK BETWEEN POLVO AND TUBARÃO MARTELO

On July 14, PetroRio completed the tieback project between **Polvo** and **TBMT** fields, becoming the first independent company to create a private cluster of mature fields in the Campos Basin region.

The tieback project between the Polvo-A Platform and the Bravo FPSO was completed in 11 months, had a $ 45 million CAPEX and will enable an operational cost ("OPEX") reduction of $ 50 million per year for PetroRio. This OPEX accounts for the Polvo FPSO's lease, currently chartered to the field and operated by BW Offshore, and maintenance and diesel expenses. The total operating cost for the cluster was at $ 120 million per year and is now reduced to approximately $ 70 million per year.

The cost reduction of the new cluster will allow more oil to be recovered for a longer period, increasing considerably the recovery factor of the fields. According to the reserve certification report published this year by DeGolyer & MacNaughton ("D&M"), the cluster has economic life until 2037 (considering 1P reserves), representing an extension of 10 years for **Polvo** and 12 years for **Tubarão Martelo**.

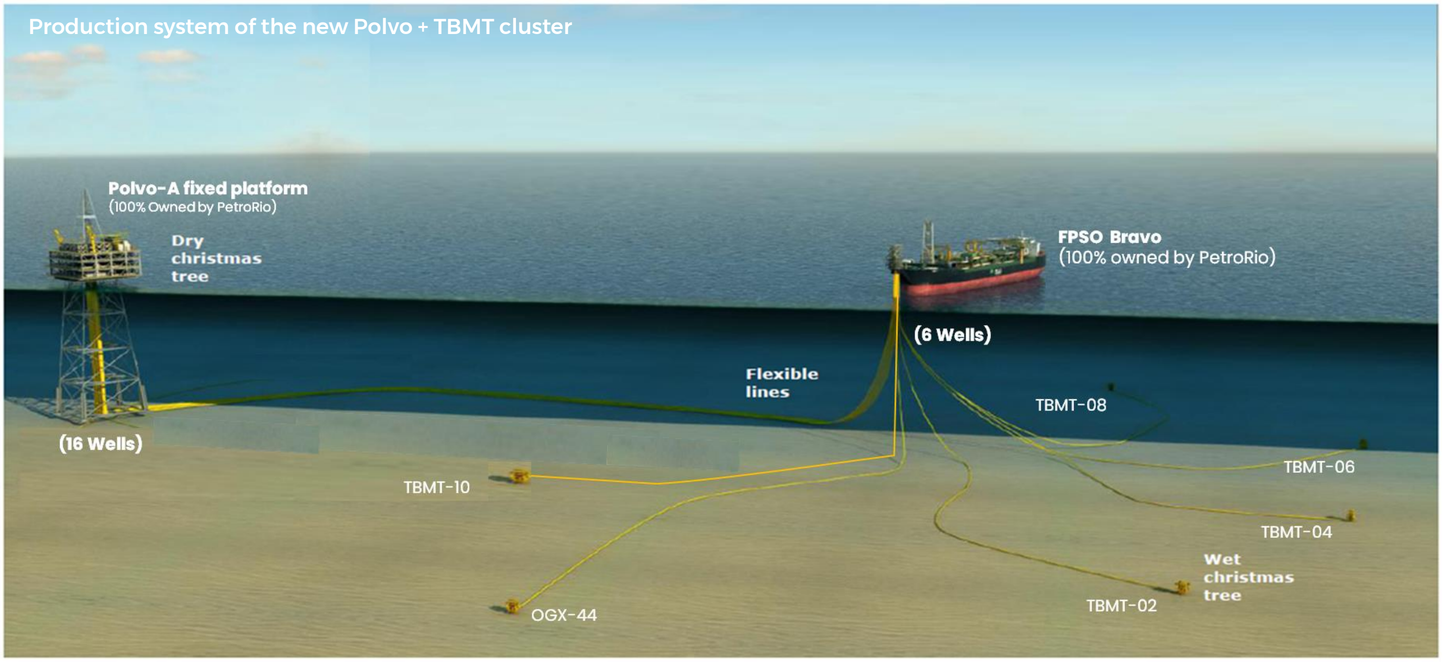
The Bravo FPSO, built and delivered to the TBMT Field in 2012, has high operational reliability and oil processing and storage capacity, allowing higher operational efficiency for the **Polvo** Field.

From an environmental perspective, these synergies will reduce the cluster's emissions from 18.6 to 15.1 kilograms of CO_2 per barrel of oil (23% approximate reduction) after the tieback's conclusion, making a more sustainable operation, with less impact to the environment.

Since its completion in July, PetroRio holds the right to 95% of the **Polvo + TBMT** oil, until the first 30 million cumulative barrels of oil produced and 96% of the cluster's oil thereafter. PetroRio will also be responsible for 100% of the OPEX, CAPEX and field abandonment costs.

The tieback between the Polvo-A platform and the FPSO Bravo is 11 kilometers long, comprising 22 kilometers of installed lines, between the flowline and the electric umbilical. During the project's final phase, two scheduled shutdowns were carried out, lasting 10 days in **Polvo** and 7 days in **TBMT** for adjustments to the electric system, the production lines and oil and water processing facilities.

The project's successful implementation, of great relevance to PetroRio's strategy, shows the execution capacity of the operational teams, which are proven to be capable of executing the Company's future projects, such as the **Frade** Drilling Campaign, the development of **Wahoo** and the tieback project between **Frade** and **Wahoo**.



WAHOO FIELD

On June 17, and July 8, 2021, PetroRio announced the completion of the acquisition of 35.7% and 28.6% interests, respectively, in the **Wahoo** Field.

After this transaction, PetroRio now holds 64.3% of the Field, and aims to create a second production cluster with the interconnection (tieback) from **Wahoo** to **Frade**, continuing the strategy of operational optimization of our assets. **Wahoo's** first oil is projected for early 2024.

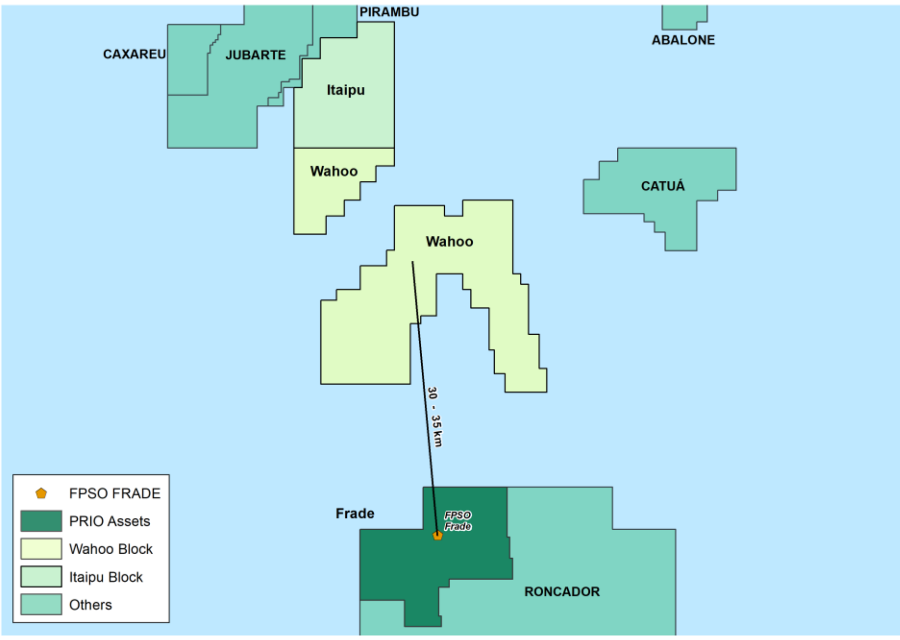
Wahoo, after oil discovery in 2008 and formation test conducted in 2010, has the potential to produce approximately 125 million 1P barrels (100% of the field), according to the DeGolyer & MacNaughton reserve certification report ("D&M"). The Company estimated an initial average productivity of more than 10,000 barrels per day per well and a total production that will reach 40,000 barrels per day, based on the results of the formation test carried out in an exploratory well.

Wahoo's base project includes the drilling of four production wells and two injection wells, as well as the connection between the wells and Frade FPSO. The estimated CAPEX initially for the project as a whole is divided into US$ 300 million for tieback, US$ 360 million for drilling wells, US$ 100 million for subsea equipment and US$ 40 million for adjustments to Frade FPSO and other items.

Additionally, the Company signed with Ocyan Drilling S.A. the contracting of the NORBE VI rig, for the start of the **Frade** Field Revitalization Campaign and the development of **Wahoo**. The agreement will come into effect in March 2022 and will allow the drilling of 3 wells in **Frade** (1 producing and 2 injection) followed by 4 producing wells in **Wahoo**. The initial term of the agreement will be 500 days, and PetroRio will have the option to extend the term for an additional 350 days in 70-day increments.

Lastly, the following steps in the development of **Wahoo** are:

1) Signing of the Amendment to the Concession Agreement (completed);
2) Beginning of the applicable cash calls referring to the planning of the field's development (completed);
3) Declaration of Commerciality;
4) Presentation of Development Plan;
5) Beginning of the drilling and the tieback project;
6) Wahoo first oil.



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MANATI NATURAL GAS FIELD

The volume of liquid gas sold in the quarter was 2,191 boepd, 5% above the last quarter and 210% above the recorded in the same period last year. The increase observed in the year-on-year comparison is due to the suspension of gas purchases and production shutdown during 2Q20, as a result of the pandemic.

The operation costs, consisting of direct costs excluding depreciation, was R$ 6 million, 6% below the R$ 6.4 million recorded in 1Q21 and 18% above that recorded in 2Q20. Another R$ 2.6 million was paid as royalties and special stakes for the rights to explore the asset.

The **Manati** acquisition carried out in 2017 for approximately R$ 116 million (US$ 37 million at the time), had a 2-year payback and a nominal IRR of 66% for the project. On November 5, 2020, the Company announced the sale of the 10% interest in **Manati** Field for R$ 144.4 million. The transaction is subject to conditions precedent, including the successful performance of Gas Bridge in the acquisition of the operation of **Manati** from Petrobras. The effective sales date was December 31, 2020 and the transaction has a retroactive economic effectiveness since January 1, 2021.

This move is part of the Company's value generation strategy through dynamic management of its asset portfolio and reinforces PetroRio's focus on operated assets that composes the core of its business.

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FINANCIAL PERFORMANCE

PetroRio presents below the financial performance with and without the impact of changes in IFRS 16, and statements of non-cash and non-recurring accounting entries and their impacts on the statements when shown in Reais.

In the quarter, the main factors that impacted PetroRio's financial performance were (i) the significant volume of offtakes carried out in the quarter, totaling 2.8 million barrels sold; and (ii) the recovery of the price of Brent oil, which reached an average of US$69.08 per barrel in the quarter, offsetting the drop observed throughout 2020.

The appreciation of the real against the dollar in the second quarter had a positive non-cash impact of R$265 million ex-IFRS (R$305 million including IFRS 16), which contributed to the Company's positive net result this second quarter.

Pro Forma Income Statement
(R$ thousands)

	Ex IFRS-16			Accrued - Ex IFRS-16			Includes IFRS-16		
	2Q20	2Q21	Δ	6M20	6M21	Δ	2Q20	2Q21	Δ
Net Revenue	**312,292**	**1,022,837**	**228%**	**535,454**	**1,678,171**	**213%**	**312,292**	**1,022,837**	**228%**
Cost of goods sold	(87,288)	(250,791)	187%	(205,205)	(391,696)	91%	(55,858)	(169,355)	203%
Royalties	(21,129)	(82,200)	289%	(53,357)	(115,444)	116%	(21,129)	(82,200)	289%
Operating Income	**203,875**	**689,846**	**238%**	**276,892**	**1,171,031**	**323%**	**235,305**	**771,282**	**228%**
General and administratie expenses	(28,703)	(46,978)	64%	(69,015)	(100,188)	45%	(27,312)	(45,555)	67%
Other operating income (expenses)	113,822	(62,186)	n/a	228,925	(82,436)	n/a	113,822	(62,186)	n/a
EBITDA	**288,994**	**580,683**	**42%**	**436,802**	**988,406**	**126%**	**321,815**	**663,542**	**106%**
EBITDA margin	***93%***	***57%***	***-36 p.p.***	***159%***	***119%***	***-40 p.p.***	***103%***	***65%***	***-38 p.p.***
Depreciation and amortization	(197,895)	(235,960)	19%	(303,222)	(342,051)	13%	(219,925)	(242,121)	10%
Financial Results	*(190,243)*	*100,780*	*n/a*	*(177,628)*	*(220,098)*	24%	*(224,643)*	*140,420*	n/a
Financial Income	*105,078*	*519,304*	*394%*	759,345	573,458	-24%	*105,078*	*519,304*	394%
Financial Expenses	*(295,322)*	*(418,524)*	*42%*	(936,973)	*(793,556)*	-15%	*(329,722)*	*(378,884)*	*n/a*
Income and social contribution taxes	22,953	(140,939)	n/a	14,063	(161,456)	n/a	22,953	(140,939)	n/a
Income (loss) for the period	**(76,192)**	**304,564**	**n/a**	**(29,985)**	**264,801**	**n/a**	**(99,801)**	**420,902**	**n/a**

	2Q20	2Q21	Δ	6M20	6M21	Δ	2Q20	2Q21	Δ
Adjusted* EBITDA	**175,172**	**642,869**	**267%**	**207,877**	**1,070,843**	**415%**	**207,993**	**725,728**	**249%**
Adjusted EBITDA margin	***56%***	***63%***	***7 p.p.***	***39%***	***64%***	***25 p.p.***	***67%***	***71%***	***4 p.p.***

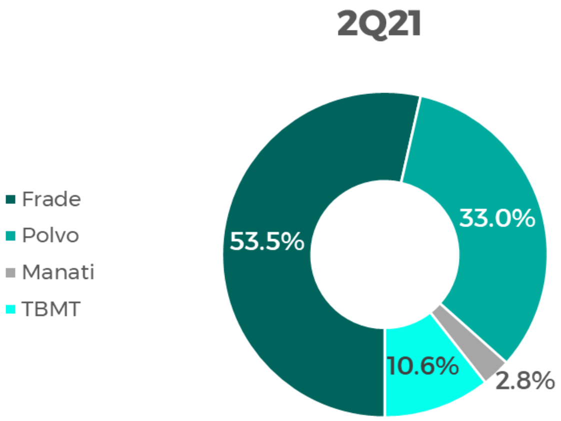
*Adjusted EBITDA is calculated similarly to EBITDA, excluding the non-recurring effects line for "Other Revenues and Expenses."

PetroRio recorded R$ 1,022 million in Net Revenue in 2Q21, an annual increase of 228%, positively impacted by (i) the 103% increase in volumes of oil sold compared to 2Q20, due to the incorporation of **TBMT** in August 2020 (excluding **TBMT**, growth was 81%) and the incorporation of the remaining 30% interest of **Frade** in February 2021, which added production increase, and consequently, increased volume in offtakes; and (ii) the increase in Brent oil prices, to an average of US$69.08 per barrel, a 107% increase year-on-year or 13% compared to the immediately previous quarter.

The natural gas asset **Manati**, in turn, contributed with Net Income of R$ 29 million in the quarter, referring to PetroRio's 10% interest in the natural gas consortium. The asset generated revenue 7% higher than in the immediately previous quarter and 304% higher compared to the same period last year, offsetting the low volume of gas sold throughout 2020, as a consequence of the reduction in demand caused by the pandemic of COVID- 19 in the period.

Thus, in the second quarter of 2021, 53.5% of the revenue came from **Frade**, 33% from **Polvo** and 10.6% from **TBMT** offtakes.

Revenue Per Asset



Costs of Goods Sold (“COGS”) increased by 187% in 2Q21 compared to 2Q20 (ex-IFRS 16), due to the higher volume of oil sold in the quarter, partially offset by cost reductions carried out throughout the year of 2020 and the lower cost of production with the **Tubarão Martelo** incorporation.

The Company recorded Operating Result (ex-IFRS 16) of R$ 690 million in the period, 238% higher than that recorded in the same period of the last year, due to (i) the higher revenues of **Frade**, **Polvo** and **Tubarão Martelo**, as a result of the increase of the oil price; (ii) the impact on revenue from the higher sales volume.

General and administrative expenses, which includes expenses with M&A, personnel, projects, geology and geophysics, totaled R$47 million in the quarter. The 64% increase in this item is mainly due to the increase in personnel expenses, with the provisioning of the 2021 annual bonus.

Adjusted EBITDA (ex-IFRS 16) of R$ 643 million, 267% higher than the same period last year, was driven by the increase in the Operating result.

The Company's financial result (ex-IFRS 16) was positive by R$101 million, against negative R$ 190 million in 2Q20, impacted by a positive R$ 265 million resulting from exchange rate fluctuations (non-cash effect) on balance sheet items denominated in dollars, such as abandonment provisions and Company debt.

Net income (ex-IFRS 16) for the quarter was positive by R$305 million against a negative R$76 million recorded in 2Q20. The result was positively impacted by the accounting effect (non-cash) of the exchange rate fluctuation, in addition to a better performance of Brent oil prices and assets, demonstrated in the operating result.

CASH, DEBT AND FINANCING

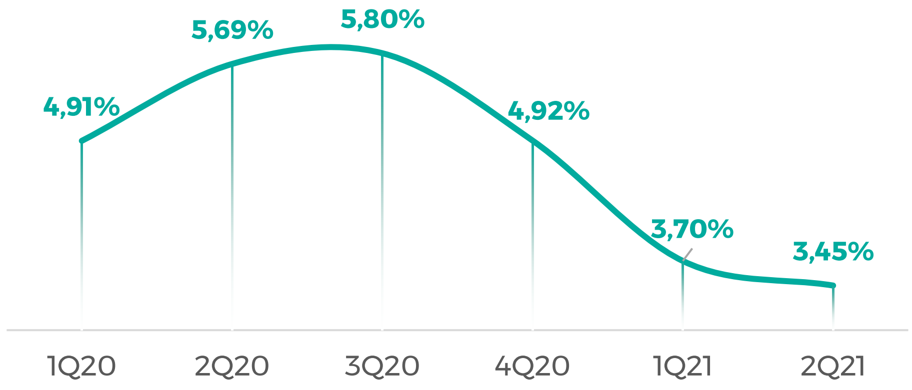
In June 2021, the Company issued Bonds in the international market. This issuance, in the amount of US$600 million, was made in the form of Senior Secured Notes with a five-year maturity, at a rate of 6.125% p.a.. Besides strengthening our cash position, this operation reinforces PetroRio's access to the international capital markets, having had a demand five times greater than the amount the Company intended to issue before the bond was priced. The amount issued was and will be used to pay down debt and strengthen capital structure.

The prepayment of short-term debt and the bonds issuance made it possible to extend debt maturities, highlighting the Company's rigorous work in financial planning over a long-term horizon. Financial planning is also reflected in the reduced debt cost related to working capital, resulting from improvements to PetroRio's capital structure and the diligent work that has been carried out.

In June 2021, the Company purchased Brent put options to hedge against oil price fluctuations. The total hedged volume is approximately 4.3 million barrels at an average strike price of $67.5 per barrel. The volume corresponds to the offtakes priced in June and July, 100% of the offtakes scheduled to be priced between August and September, and 50% of those planned for October.

Debt Cost - Working Capital*

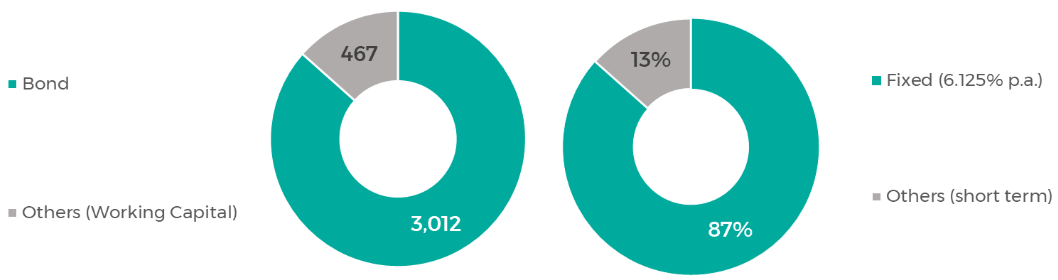
(R$ MM)



*Average weighted period < 12 months

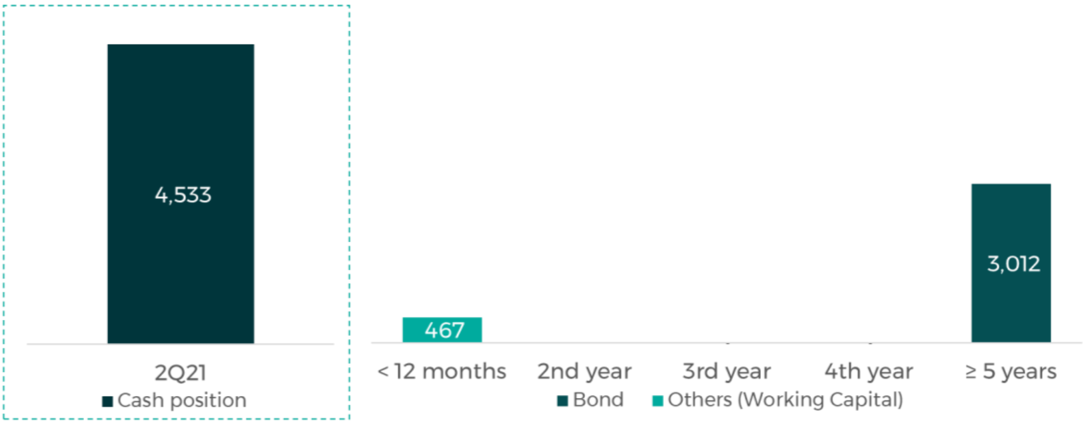
Loans and Financing

(R$ MM)



Amortization schedule

(R$ MM)



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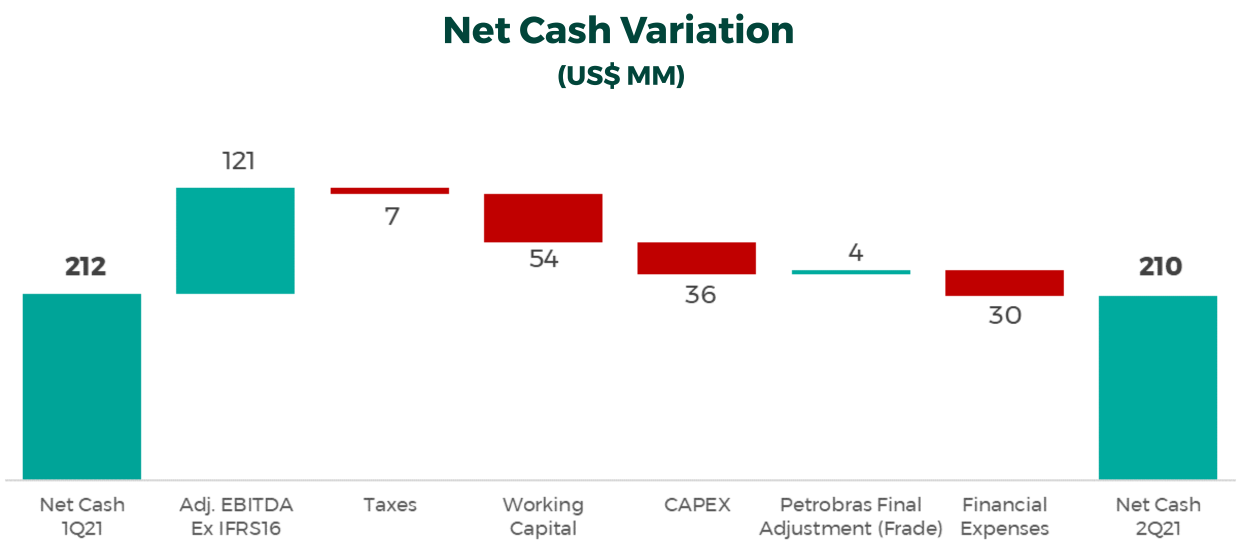
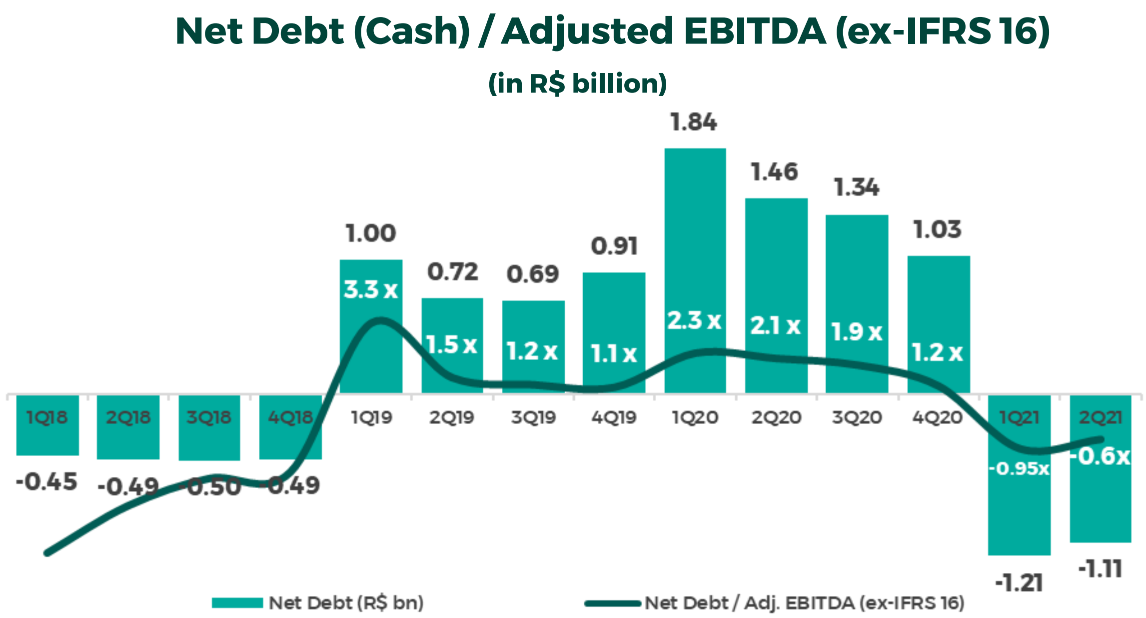
NET CASH AND LEVERAGE

In the second quarter of 2021, PetroRio maintained a practically stable net cash position, mainly as a result of the following factors:

- Working capital: mainly affected by the increase in accounts receivable with a concentration of sales in the last month of the quarter.
- CAPEX: Expenses with the tieback between the **Polvo** and **Tubarão Martelo** fields, drilling of the POL-K well, improvements to the Kingmaker rig, and general maintenance expenses;
- Financial Expenses: Expenses with bond issuance fees, interest and others.



The Company continues its diligent work to manage leverage, and maintains its net cash position. With the fluctuation in net cash detailed above, and mostly due to growth of Adjusted EBITDA in the last 12 months, Net Debt (Cash)/Adjusted EBITDA increased from -1.0x to -0.6x.

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ANNEX 1

IFRS 16

On January 01, 2019, the Company incorporated IFRS 16 rule change. The change unifies the treatment of operating and financial leases, significantly impacting the Company's balance sheet, mainly through the lease of Polvo FPSO, which represents the largest lease agreement:

Right-of-Use Assets	Balance
FPSO	318,543
Support Vessels	181,853
Helicopters	37,764
Buildings/Support Bases	86,096
Equipment	89,366
Total	**713,622**

As disclosed on February 2, 2020, the Company acquired the Bravo FPSO, which will be used in the production system of **Polvo** Field, in place of the FPSO currently used, which is chartered. As a result, the projection made until the end of the Field's useful life was revised, reducing the amount of 433.631 of liabilities and lease assets, with only prospective effects. The other adjustments made during the year are due to the reduction in the number of support boats and to the change of logistics base, which occurred with the acquisition of **Frade** Field. The increase in 2020 is due to the increase in reserves and the extension of the useful life of the fields, which was reflected in the projected lease amounts.

	Assets	Liabilities
Balances as of January 01, 2020	**452,067**	**(612,482)**
Additions/reversals	74,633	(86,025)
Currency restatement	-	(126,294)
Monetary restatement	-	(45,473)
Payments made	-	244,174
Depreciation	(156,864)	-
Balances as of December 31, 2020	**369,836**	**(626,100)**
Additions/reversals	22,997	66,702
Currency restatement	-	8,321
Monetary restatement	-	(17,175)
Payments made	-	137,725
Depreciation	(81,680)	-
Balances as of June 30, 2021	**311,153**	**(430,527)**
Current	**-**	**(116,230)**
Non-Current	**311,153**	**(314,297)**

Further details can be found in explanatory notes 16 of the 2Q21 ITR.

BALANCE SHEET
(in thousands of R$)

ASSETS	2Q20	2Q21
Cash and cash equivalents	319,688	3,381,619
Securities	24,081	1,135,096
Restricted cash	276,071	16,611
Accounts receivable	210,437	329,548
Oil inventories	244,397	368,739
Consumable inventories	5,601	13,699
Derivative Financial Instruments	12,538	19,831
Recoverable taxes	140,727	84,757
Advances to suppliers	54,333	66,160
Advances to partners	101,187	14,011
Prepaid expenses	11,013	15,940
Other receivables	-	1,094
Total Current assets	**1,400,073**	**5,447,105**
Non-current assets available for sale	**-**	**70,110**
	1,400,073	**5,517,215**
Advances to suppliers	12,596	12,596
Deposits and pledges	27,993	15,224
Recoverable taxes	34,733	9,749
Deferred taxes	189,150	178,023
Right-of-use (Lease CPC 06.R2 IFRS)	438,896	311,153
Property, plant and equipment	3,746,097	3,444,525
Intangible assets	811,048	1,016,015
Total non-current assets	**5,260,513**	**4,987,285**
Total Assets	**6,660,586**	**10,504,500**

LIABILITIES	2Q20	2Q21
Suppliers	139,859	152,400
Labor obligations	50,663	74,923
Taxes and social contributions	48,114	96,411
Loans and financing	1,373,731	467,184
Debentures	-	-
Advances from partners	-	-
Contractual Charges (Lease IFRS 16)	295,247	116,230
Other liabilities	19	-
Total current liabilities	**1,907,633**	**907,148**
Liabilities kept for sale		**(2,054)**
		905,094
Suppliers	14,410	13,444
Loans and financing	708,873	2,959,261
Debentures	-	-
Provision for abandonment (ARO)	922,015	760,946
Provision for contingencies	74,091	128,391
Deferred taxes and social contributions	-	-
Contractual Charges (Lease IFRS 16)	450,697	314,297
Other liabilities	1,701	1,310
Total non-current liabilities	**2,171,787**	**4,177,649**
Minority Interest	**993**	**-**
Realized capital	3,326,998	5,303,644
Capital reserves	231,245	322,294
Other comprehensive income	713,624	518,373
Accumulated losses	(1,530,431)	(1,077,664)
Income (loss) for the period	(161,263)	355,110
Total shareholders' equity	**2,580,173**	**5,421,757**
Total liabilities and shareholders' equity	**6,660,586**	**10,504,500**

INCOME STATEMENT
(in thousands of R$)

	2Q20	2Q21
Net Revenue	**312,292**	**1,022,837**
Cost of goods sold	(55,858)	(169,355)
Depreciation and amortization	(172,968)	(217,009)
Royalties	(21,129)	(82,200)
Gross Profit	**62,337**	**554,274**
Operating income (expenses)	**39,553**	**(132,853)**
Geology and geophysics expenses	(67)	(937)
Personnel expenses	(4,626)	(28,057)
General and administrative expenses	(9,320)	(7,360)
Expenses with thir party services	(11,797)	(11,778)
Taxes and fees	(1,503)	2,578
Depreciation and amortization - G&A	(46,957)	(25,112)
Other operating income (expenses)	113,822	(62,186)
Financial Results	(224,643)	140,420
Income before income and social contribution taxes	**(122,754)**	**561,841**
Income and social contribution taxes - Current	*(2,633)*	*(59,964)*
Income and social contribution taxes - Deferred	*25,586*	*(80,975)*
Income (loss) for the period	**(99,801)**	**420,902**

CASH FLOW STATEMENT
(in thousands of R$)

	2Q20	2Q21
Cash flows from operating activities		
Income (loss) for the period (before taxes)	**(122,754)**	**561,841**
Depreciation and amortization	219,924	236,174
Financial income	226,417	(273,025)
Financial expenses	185,353	(166,965)
Share-based compensation	1,933	811
Equity equivalence result	-	-
Provision for contingencies/losses/P&D	(1,130)	43,202
Reduction of provision for abandonment	1	-
Provision for impairment	-	-
	509,744	**402,038**
(Increase) decrease in assets	**-**	
Accounts receivable	3,490	(328,317)
Recoverable taxes	13,095	42,474
Prepaid expenses	(2,949)	6,532
Advances to suppliers	2,123	(23,395)
Oil inventories	(59,681)	(20,942)
Consumables inventory	1,980	6,192
Related parties	-	-
Advance to partners in oil and gas operations	92,195	880
Deposits and pledges	19	19
Other receivables	-	(480)
Increase (decrease) in liabilities	-	-
Suppliers	28,169	52,789
Labor obligations	10,111	33,820
Taxes and social contributions	(33,264)	(90,309)
Related parties	-	-
Contingencies	(2,361)	-
Other obligations	(7,989)	350
Net cash from operating activities	**554,682**	**81,650**
Cash flow from investing activities		
(Investment) Redemption of securities	134,968	(1,059,220)
(Investment) Restricted cash redemption	(18,182)	72,846
(Investment) Redemption in abandonment fund	374	1,560
Non-current assets available for sale	-	3,354
(Aquisition) of Property, plant and equipment	(313,566)	(193,408)
(Acquisition) of intangible assets	260,914	1,822
(Increase) decrease in investments	-	-
(Acquisition) of oil and gas asset	-	3,510
Net cash from investing activities	**64,508**	**(1,169,536)**
Cash flows from financing activities		
Loans and financing	589,439	3,622,590
Payment of principal on loans	(1,133,918)	(1,986,159)
Interest paid on loans	(32,685)	(118,481)
Contractual charges (Lease IFRS 16 - Principal)	(44,109)	(62,340)
Contractual charges (Lease IFRS 16 - Interest)	(11,838)	(7,544)
Derivative transactions	16,550	(46,544)
(Purchase) Sale of shares of the Company (held in treasury)	-	-
(Decrease) Paid-up capital	-	(2,128)
Minority interest	(220)	-
Net cash (invested in) from financing activities	**(616,781)**	**1,399,394**
Translation adjustment	2,100	(114,921)
Net increase (decrease) in cash and cash equivalents	**4,509**	**196,587**
Cash and cash equivalents at the beginning of the period	459,397	3,185,031
Cash and cash equivalents at the end of the period	319,688	3,381,619
Net increase (decrease) in cash and cash equivalents	**(139,709)**	**196,588**

About PetroRio

PetroRio is one of the largest independent oil and natural gas production companies in Brazil. The Company's corporate culture seeks to increase production through the acquisition of new assets in production, new development, greater operational efficiency and reduction of production costs and corporate expenses. Its main goal is to create value for its shareholders with increasing financial discipline and preservation of its liquidity, with total respect for safety and the environment. For further information, please visit the website: www.petroriosa.com.br

Disclaimer

All statements except those relating to historical facts contained in this document are forward looking statements, including, but not limited to statements on drilling plans and seismic acquisitions, operating costs, acquisition of equipment, expectation of oil discoveries, the quality of oil that we hope to produce and our other plans and objectives. Readers can identify several of these statements by reading words like "estimates", "believes", "hopes" and "will perform" and similar words or their negative forms. Although management believes that the expectations represented in such statements are reasonable, it cannot guarantee that those expectations will be confirmed. By their nature, forward looking statements require us to make assumptions and, therefore, such statements are subject to inherent risks and uncertainties. We warn readers of this document not to place undue reliance on our statements of future events considering that certain factors may cause results, conditions, actions or events that may differ significantly from the plans, expectations, estimates or intentions expressed in the forward-looking statements and the assumptions that support them. The forward-looking statements included here are based on the premise that our plans and operation will not be affected by such risks, but that, if our plans and operation are affected by such risks, the forward-looking statements may become inaccurate. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this news release are made as of the date of this news release. We do not undertake to update such forward looking statements, except when required by applicable securities legislation.