



PRIO

EARNINGS RELEASE

2Q23



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DISCLAIMER

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This presentation contains forward-looking statements. All statements other than statements of historical fact contained in this presentation are forward-looking statements, including, without limitation, statements regarding our drilling and seismic plans, operating costs, acquisition of equipment, expectations of finding oil, the quality of oil we expect to produce and our other plans and objectives. Readers can identify many of these statements by looking for words such as “expects”, “believe”, “hope” and “will” and similar words or the negative thereof. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. By their nature, forward-looking statements require us to make assumptions and, accordingly, forward-looking statements are subject to inherent risks and uncertainties. We caution readers of this presentation not to place undue reliance on our forward-looking statements because a number of factors may cause actual future circumstances, results, conditions, actions or events to differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking statements and the assumptions underlying the forward-looking statements.







The following risk factors could affect our operations: the contingent resource and prospective resource evaluation reports involving a significant degree of uncertainty and being based on projections that may not prove to be accurate; inherent risks to the exploration and production of oil and natural gas; limited operating history as an oil and natural gas exploration and production company; drilling and other operational hazards; breakdown or failure of equipment or processes; contractor or operator errors; non-performance by third-party contractors; labour disputes, disruptions or declines in productivity; increases in materials or labour costs; inability to attract sufficient labour; requirements for significant capital investment and maintenance expenses which PetroRio may not be able to finance; cost overruns and delays; exposure to fluctuations in currency and commodity prices; political and economic conditions in Brazil; complex laws that can affect the cost, manner or feasibility of doing business; environmental, safety and health regulation which may become stricter in the future and lead to an increase in liabilities and capital expenditures, including indemnity and penalties for environmental damage; early termination, non-renewal and other similar provisions in concession contracts; and competition. We caution that this list of factors is not exhaustive and that, when relying on forward-looking statements to make decisions, investors and others should also carefully consider other uncertainties and potential events. The forward-looking statements herein are made based on the assumption that our plans and operations will not be affected by such risks, but that, if our plans and operations 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 presentation are made as of the date of this presentation. Except as required by applicable securities laws, we do not undertake to update such forward-looking statements.

HIGHLIGHTS FOR THE QUARTER

PRIO

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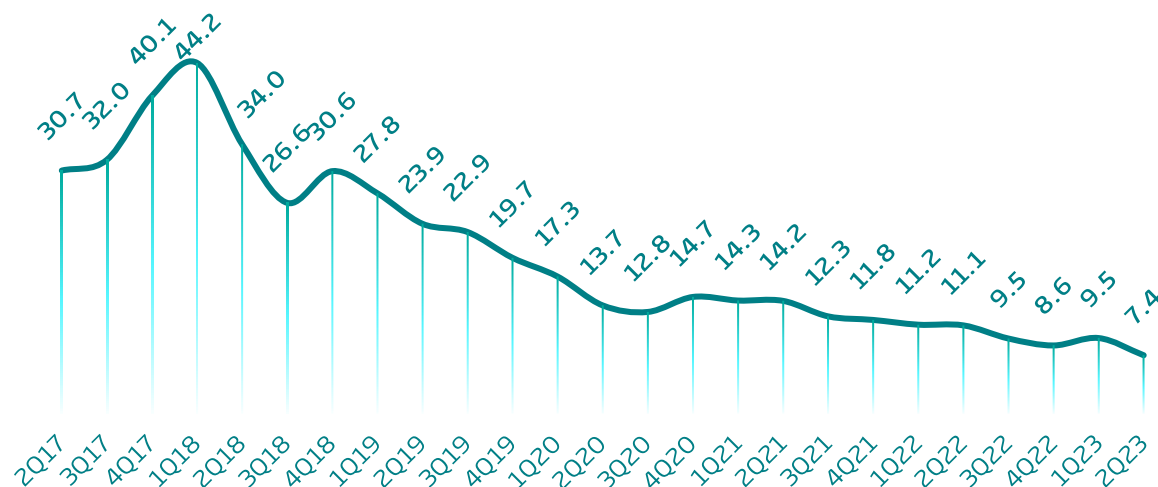
-  Record average production of 91,000 barrels of oil per day
-  Record Lifting cost of US\$ 7.4/barrel
-  Start of ODP5 well, in Frade, allowing PRIO to reach daily production of 100 kbpd
-  Net revenue of US\$ 532 million (41% increase over 2Q22)
-  Net income (ex-IFRS 16) of US\$ 185 million (32% increase over 2Q22)
-  Adjusted EBITDA (ex-IFRS 16) of US\$ 333 million (24% increase over 2Q22)

HIGHLIGHTS FOR THE QUARTER

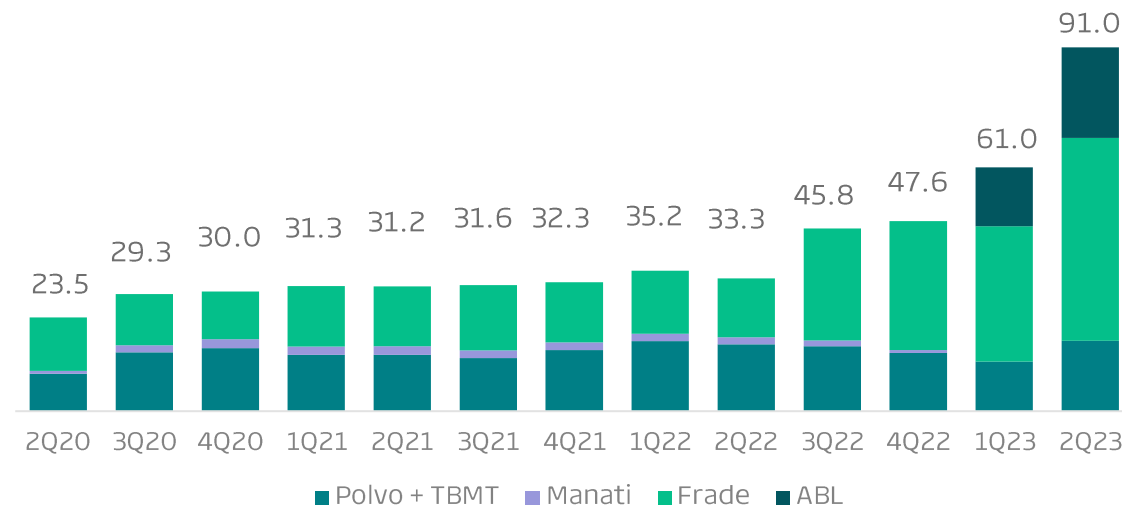
PRIO

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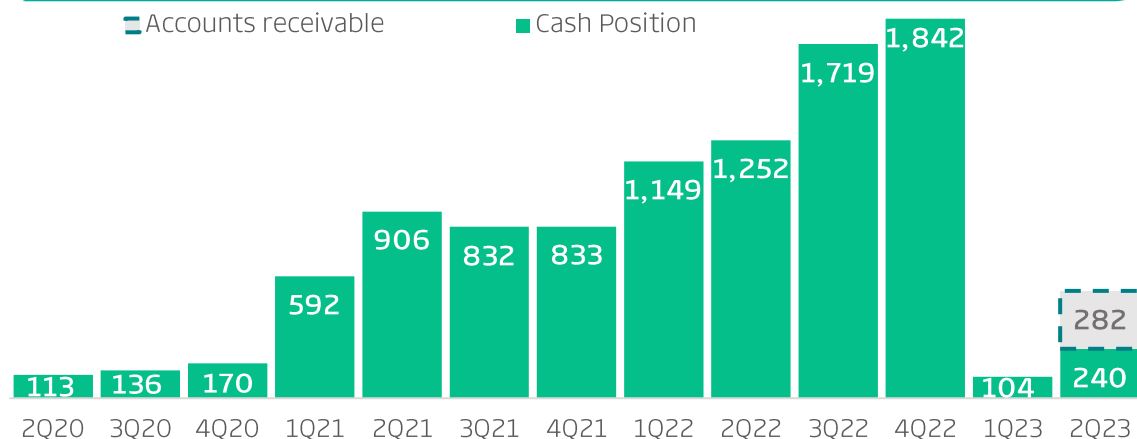
Lifting Cost (US\$/bbl)



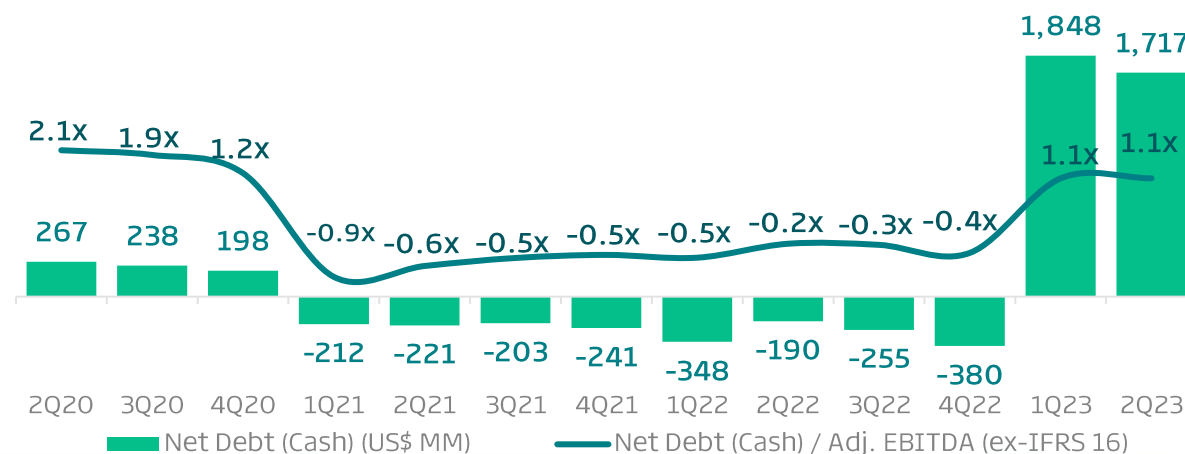
Production (boe/d)

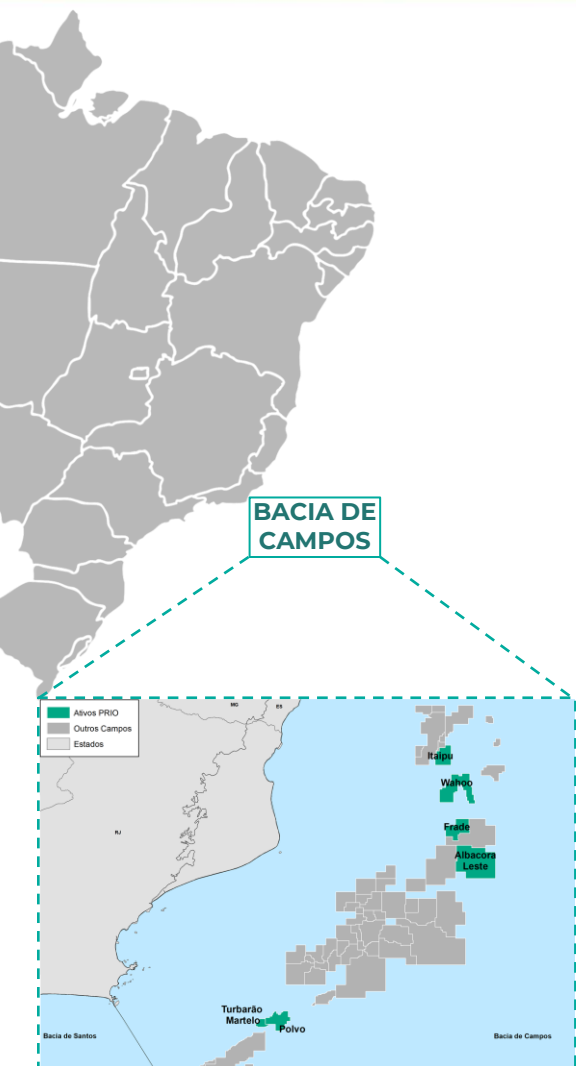


Cash Position (US\$ MM)



Net Debt (Cash) / adjusted EBITDA

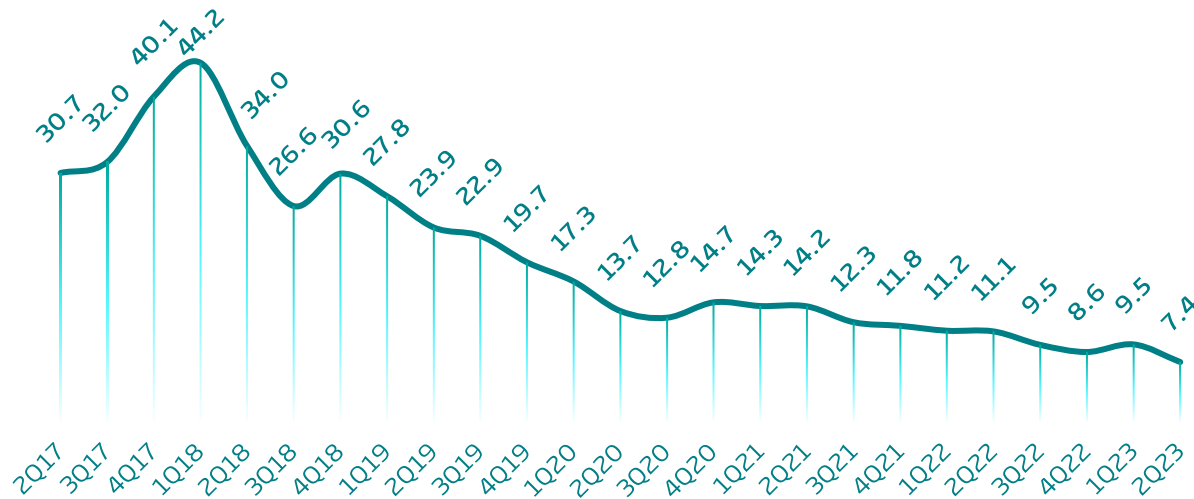




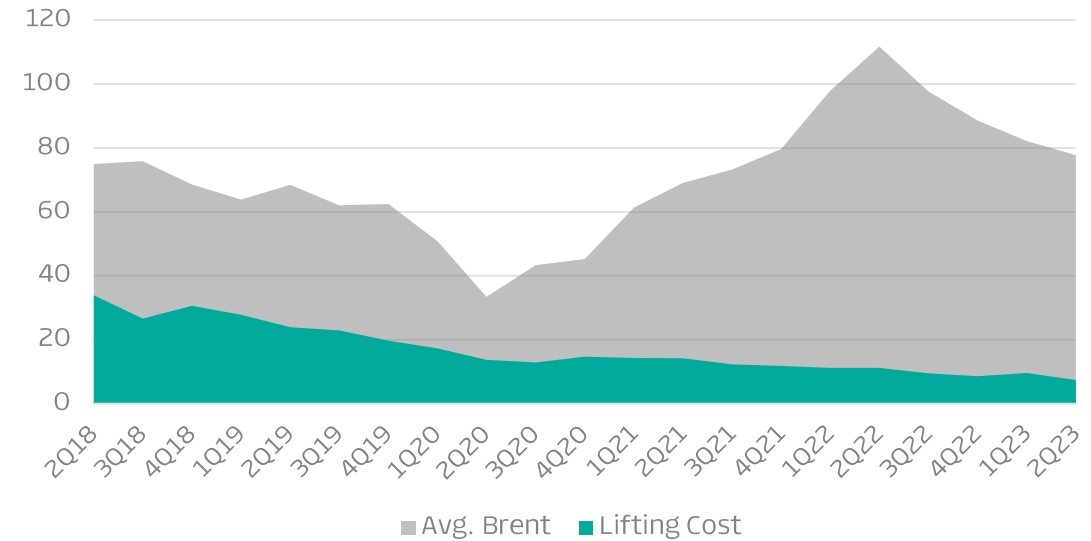
	2Q22	3Q22	4Q22	1Q23	2Q23	2Q23 X 2Q22	2Q23 X 1Q23
Avg. Brent	\$ 111.70	\$ 97.70	\$ 88.63	\$ 82.16	\$ 77.73	-30.4%	-5.4%
Avg. Sales Price	\$ 108.37	\$ 94.36	\$ 85.32	\$ 82.93	\$ 77.67	-28.3%	-6.3%
Avg. Exchange Rate	5.11	5.25	5.26	5.19	4.94	-3.3%	-4.8%
Final Exchange Rate	5.35	5.41	5.29	5.06	4.79	-10.5%	-5.5%
Offtakes (kbbl)							
Frade Field (100%)	1,503	2,252	1,495	4,334	4,126	174.5%	-4.8%
Albacora Leste Field (90%)	n/a	n/a	n/a	1,409	1,428	n/a	1.3%
Polvo + TBMT Cluster (100%)	1,844	1,595	798	1,547	1,602	-13.1%	3.5%
Total PRIO	3,347	3,847	2,293	7,290	7,156	113.8%	-1.8%
Production (boepd)							
Frade Field (100%)	14,759	28,006	32,254	33,833	50,825	244.4%	50.2%
Albacora Leste Field (90%)	n/a	n/a	n/a	14,731	22,651	n/a	53.8%
Polvo + TBMT Cluster (100%)	16,762	16,302	14,634	12,475	17,617	5.1%	41.2%
Manati Field (10%)	1,783	1,458	733	n/a	n/a	n/a	n/a
Total PRIO	33,304	45,766	47,621	61,039	91,094	173.5%	49.2%
Lifting Cost (US\$/bbl)							
PRIo	11.1	9.5	8.6	9.5	7.4	-33.8%	-22.7%

Highlight to average production, which exceeded 91 kbpd, and lifting cost in the quarter

Lifting cost PRIO (US\$/bbl)



Brent vs. Lifting Cost (US\$/bbl)



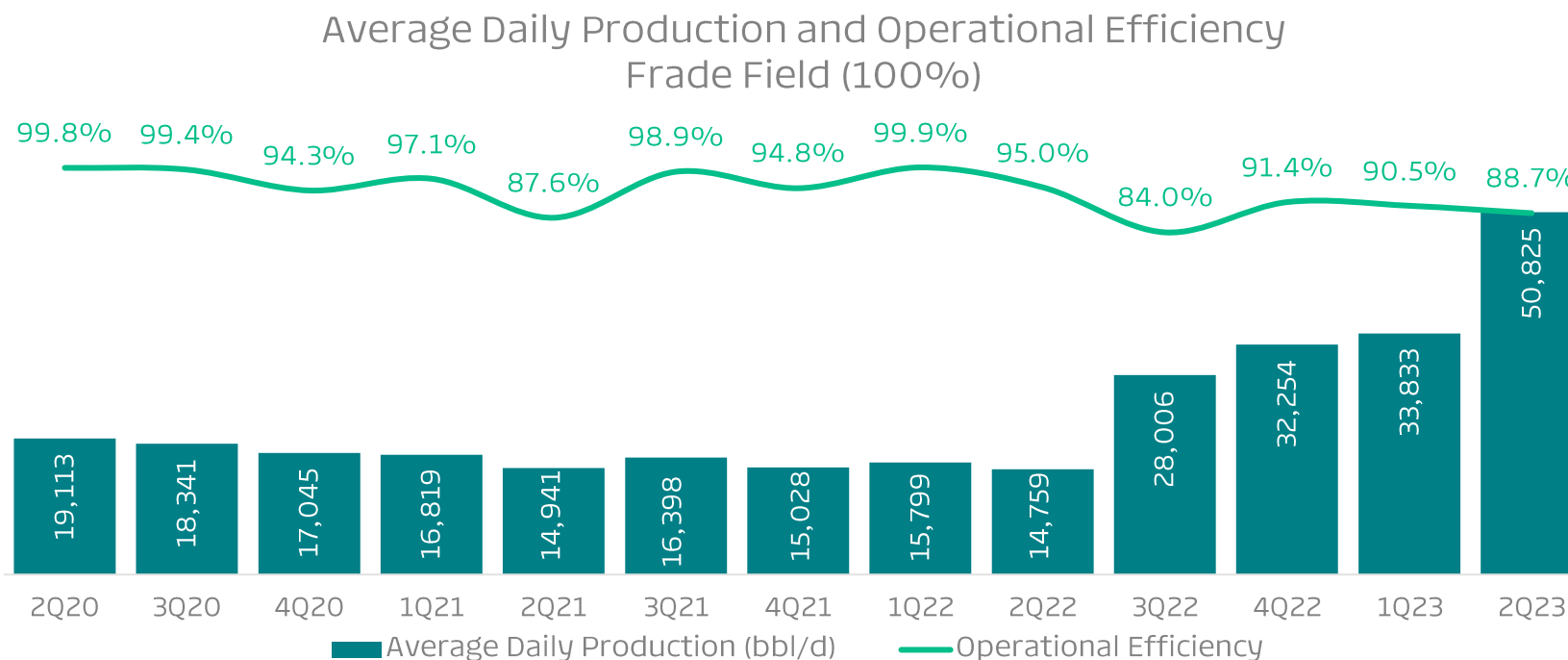
We reduced lifting cost of 2Q23 by 23% when compared to 1Q23. The lowest value since the beginning of the Company's operations



Increase in production in the Frade Field, normalization in production of Polvo and TBMT cluster and stabilization of OPEX costs and production in Albacora Leste Field

Lifting cost reduction is the best protection against oil price volatility

- Start of production of the N5P2 well in April, which added 11 kbpd to the field's production
- Operational efficiency affected by scheduled 3-day maintenance shutdown in early May and MUP3A well, which has been closed since September 2022 and will resume production soon



FRADE REVITALIZATION PLAN

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2Q23

1st PHASE (completed)

- ☒ 2 production wells (ODP4 and MUP3A)
- ☒ 2 injection wells (ODI1A and OUI3)

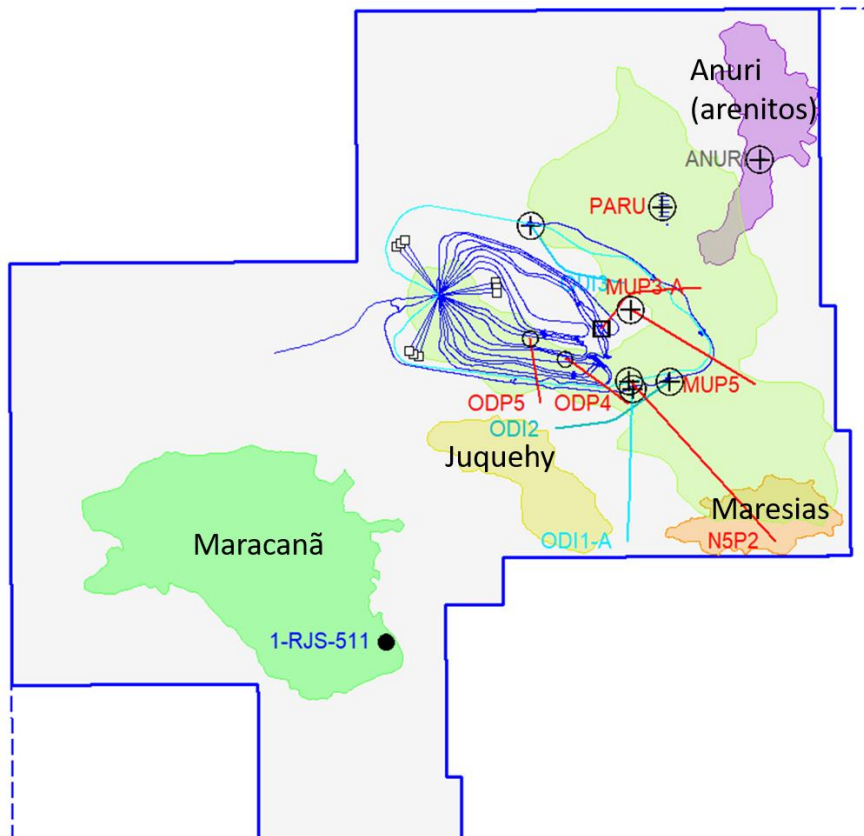
2nd PHASE (completed)

- ☒ 2 production wells (MUP5 and N5P2)
- ☒ 1 injection well (ODI2)

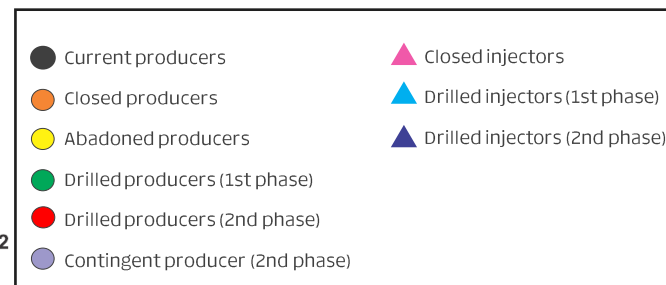
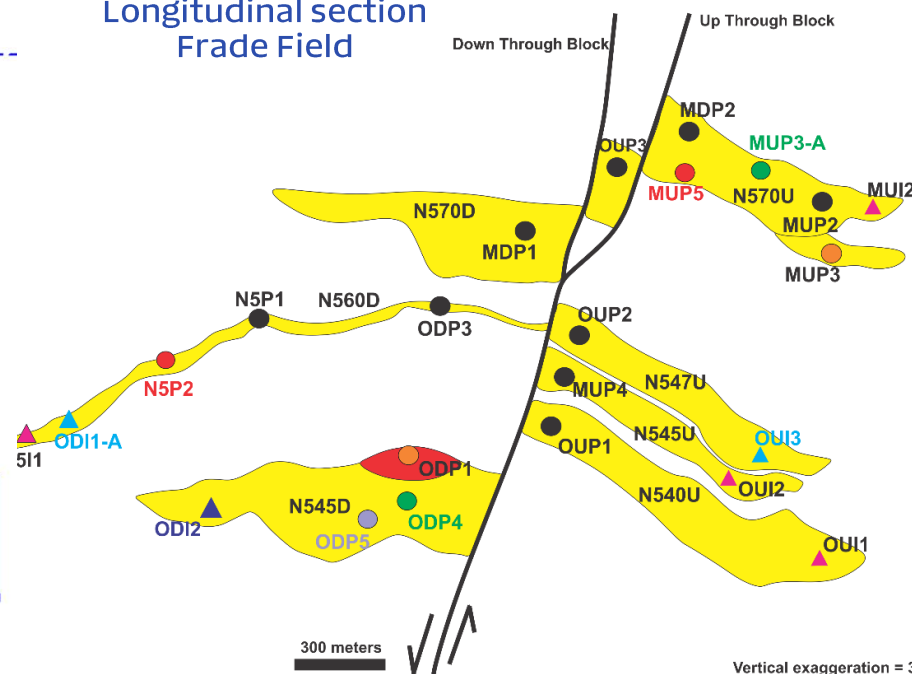
3rd PHASE (in progress)

- ☒ 1 production well (ODP5)
 - Maracaña
- Possibility of 1-2 more exploratory wells

Field map with potential prospects



Longitudinal section Frade Field



N5P2 well

Start: April

Production: 11 kbpd

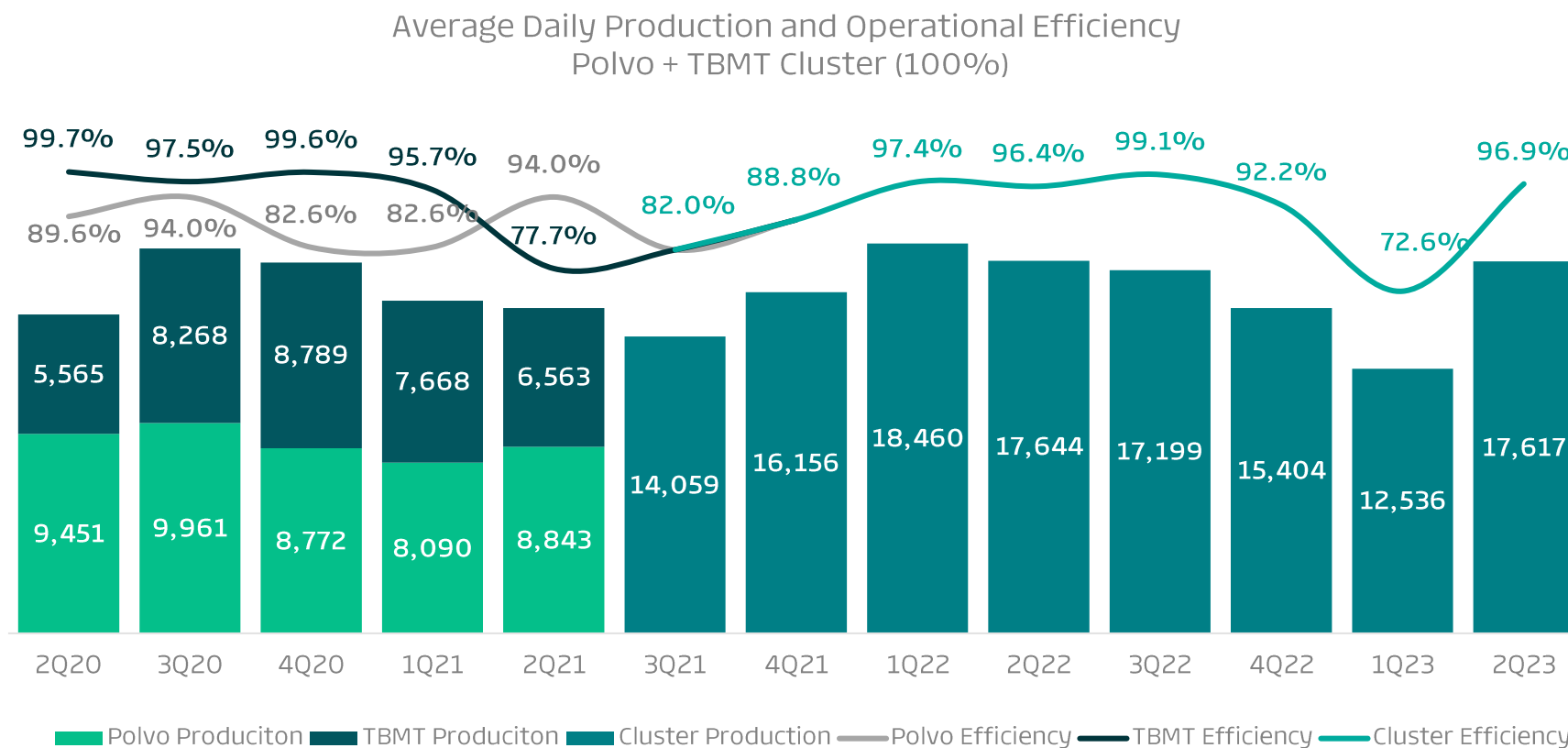
ODP5 well

Start: July

Production: 8 kbpd

Frade currently produces around 59,000 barrels per day, which is approximately 3.5 times more than the production of 2019, when PRIO took over the operation

- ⚙️ Increase in average day production of 41% vs 2Q23 and operation efficiency of approximately 97%
- ⚙️ Completion of TBMT-4H and TBMT-8H workovers which resumed production in March and April, respectively





Average daily production of around 23 kbpd in the quarter (PRIO Share)



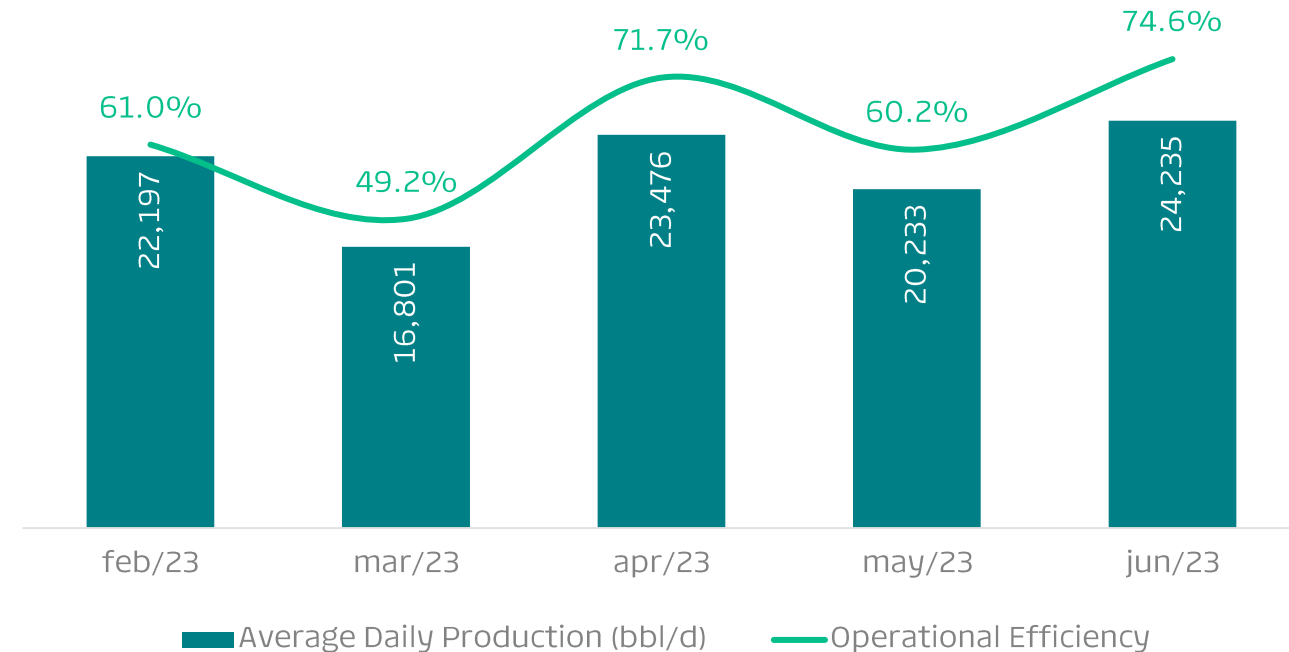
Operational efficiency of 68.8% in 2Q23 vs 54.8% in 1Q23



Failures in the generation, gas compression and water injection systems, and by a scheduled shutdown in May for corrective maintenance in the FPSO's cooling and power generation systems

Focus on improving the reliability, integrity, and operational efficiency of the asset

Average Daily Production (net PRIO) and Operational Efficiency Albacora Leste Field



FINANCIAL RESULTS

(US\$ thousands)

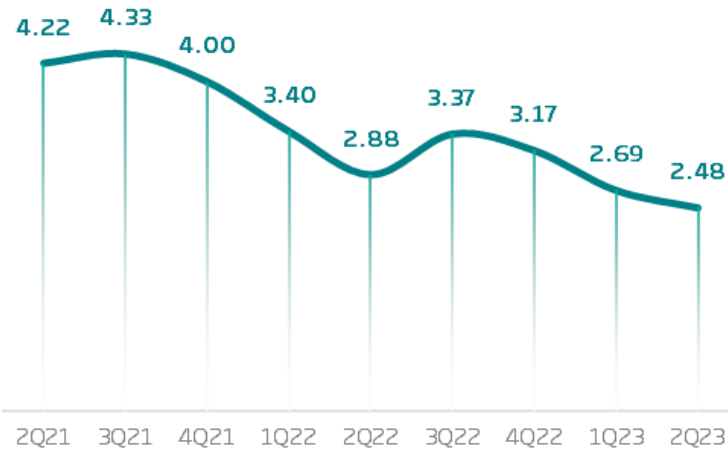
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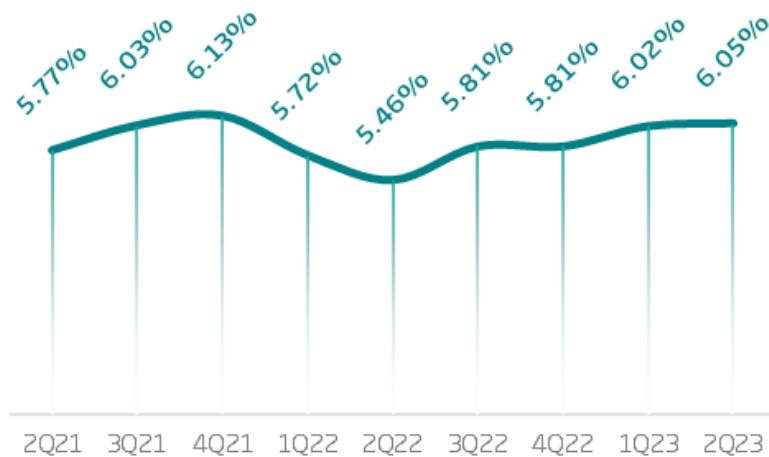
	Ex-IFRS 16			Accumulated - Ex-IFRS16			Includes IFRS 16		
	2Q22	2Q23	Δ	6M22	6M23	Δ	2Q22	2Q23	Δ
Net Revenue	377,337	532,490	41%	687,012	1,097,206	60%	377,337	532,490	41%
Export and domestic sales taxes	-	(47,635)	n/a	-	(69,186)	n/a	-	(47,635)	n/a
Commercialization Expenses	-	(34,042)	n/a	-	(52,609)	n/a	-	(34,042)	n/a
Net Revenue - FOB	377,337	450,813	19%	687,012	975,412	42%	377,337	450,813	19%
Cost of goods sold	(62,884)	(53,854)	-14%	(107,990)	(142,383)	32%	(55,444)	(45,156)	-19%
Royalties	(31,598)	(46,643)	48%	(53,929)	(90,971)	69%	(31,598)	(46,643)	48%
Operating Income	282,855	350,315	24%	525,093	742,057	41%	290,295	359,013	24%
General and administrative expenses	(13,567)	(16,968)	25%	(27,016)	(29,348)	9%	(13,231)	(16,610)	26%
Other operating income (expenses)	(20,039)	(1,483)	-93%	(23,445)	(28,729)	23%	(20,039)	(1,483)	-93%
EBITDA	249,248	331,865	33%	474,632	683,980	44%	257,024	340,921	33%
EBITDA margin	66%	74%	+ 8 p.p.	69%	62%	- 7 p.p.	68%	76%	+ 8 p.p.
Depreciation and amortization	(31,295)	(85,252)	172%	(61,504)	(144,398)	135%	(37,350)	(95,526)	156%
Financial Results	(35,737)	(63,107)	77%	(37,185)	(105,746)	184%	(36,124)	(69,672)	93%
Income and social contribution taxes	(42,279)	1,065	n/a	(7,710)	(17,937)	133%	(42,279)	1,065	-103%
Income (loss) for the period	139,936	184,571	32%	368,232	415,900	13%	141,270	176,788	25%
Adjusted* EBITDA	269,287	333,348	24%	498,077	712,709	43%	277,063	342,404	24%
Adjusted EBITDA margin	71%	74%	+ 3 p.p.	72%	73%	+ 1 p.p.	73%	76%	+ 3 p.p.

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

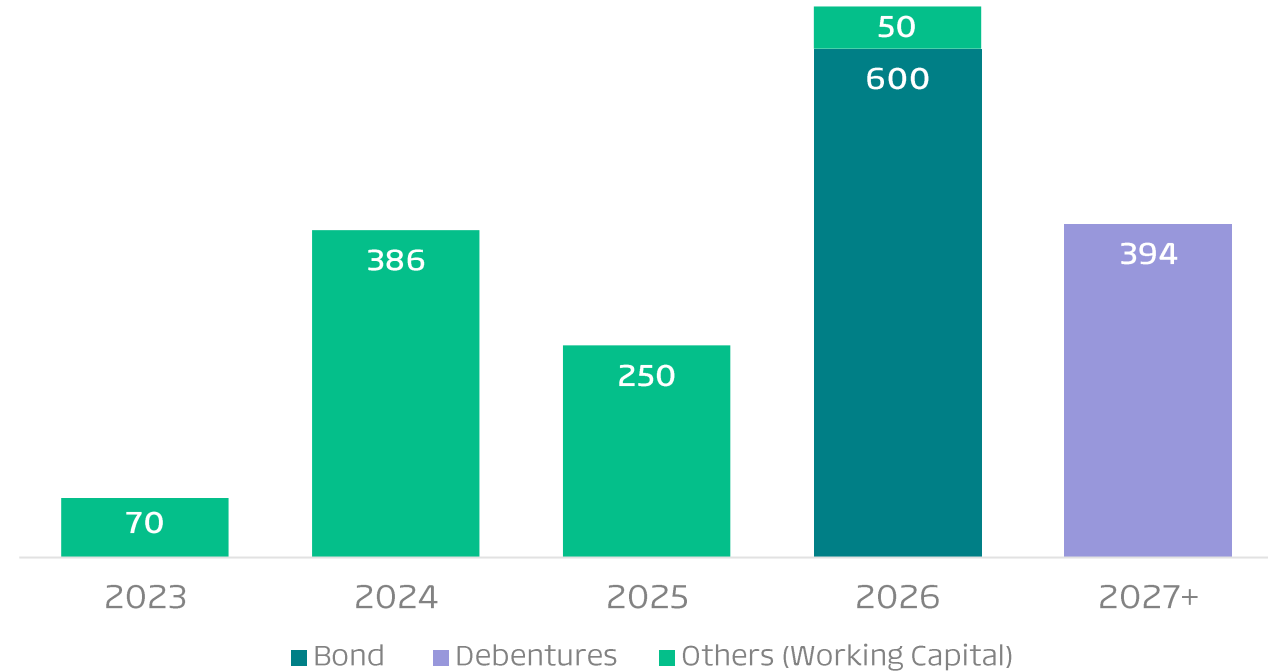
Debt duration (years)



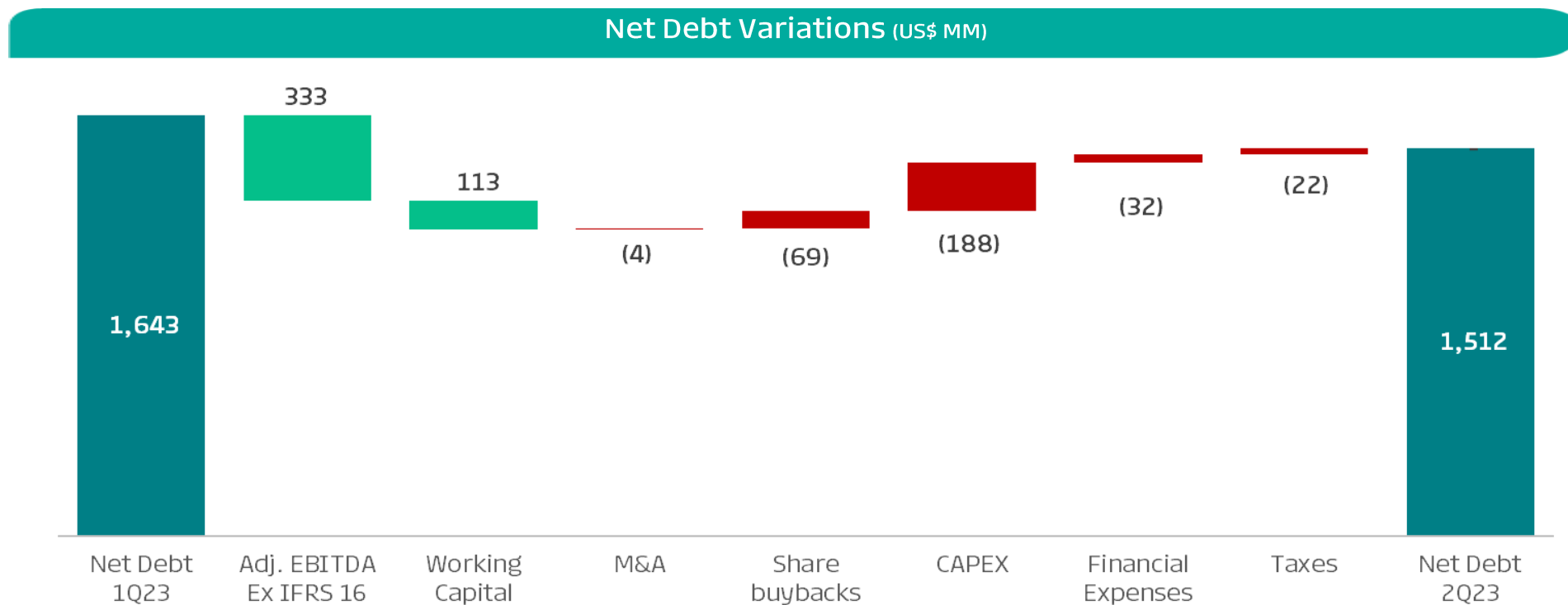
Average Debt cost



Amortization Schedule (US\$ MM)

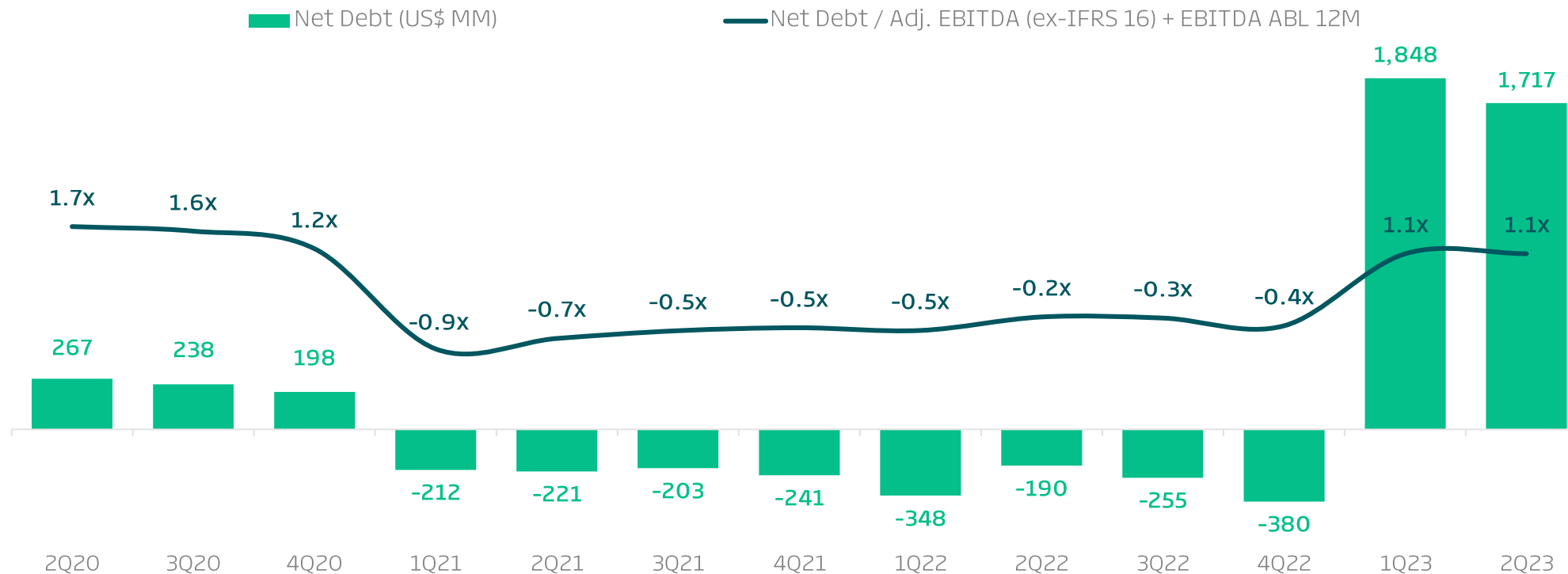


The Company maintains the cost and duration of debt at levels considered appropriate by the Company and continues to monitor the domestic and international markets for opportunities to improve on duration and cost



- * **Working capital:** working capital was affected by cash inflows due to receiveables at the end of 1Q23, and higher inventories at the end of 2Q23
- * **CAPEX:** majority disbursements for Wahoo development, followed by Frade's wells and integrity of Albacora Leste

Net Debt (Cash) / adjusted EBITDA (US\$ MM) ¹









In 2Q23, the Company intensified its share buyback program, intensified capex mainly for the Wahoo and Albacora Leste Fields

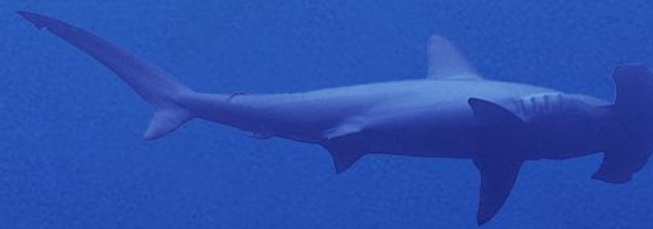
¹In the calculation of the indicator, a possible earn-out of US\$ 205 million of ABL was considered and an estimate of the adjusted EBITDA generated by the asset in the last 12 months was included

- ✱ **Emissions Decrease:** The average relative emissions¹ of the Company in 2Q23² was 21 kgCO₂e/boe compared to the average of 22 kgCO₂e/boe in 4Q22 (17 kgCO₂e/boe excluding Albacora Leste)
- ✱ **Sustainability and Safety:** PRIO promoted the Sustainability Week and Safety Week with lectures and activities addressing relevant topics on both subjects to raise awareness and engage employees
- ✱ **Wellness:** every quarter, the Company expands the options for activities aimed at encouraging the well-being of its employees, such as street running, volleyball championships, hiking, and canoeing
- ✱ **Cultural Sponsorship:** PRIO is increasingly involved in sponsoring various cultural events, such as the Humor Award, Mamma Mia, Fronteiras do Pensamento, and the Paralympic Team



-  Continuous focus on our employees and contractors' health and safety
-  Completion of workover in MUP3A in Frade field
-  Frade's Revitalization Campaign
-  Environmental Licensing for the Wahoo drilling site
-  Operational efficiency in the Albacora Leste field
-  Polvo new drilling in the eocene reservoir
-  Continuous focus on M&A opportunities

Q&A PRIO



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