PETROBRAS

Investment opportunity in biofuel: Petrobras Biocombustível S.A.

July 2020

Rothschild & Co

Executive summary

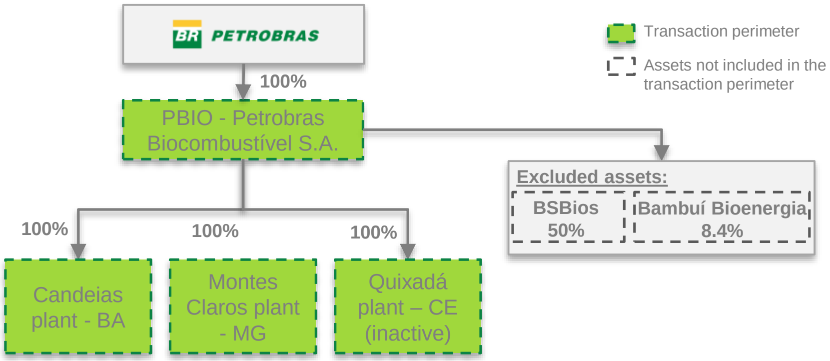
Petrobras has retained Rothschild & Co to act as its exclusive financial advisor in the divestment of 100% of PBIO

Transaction highlights

- Petróleo Brasileiro S.A. – Petrobras ("Petrobras" or "PETROBRAS"), has retained Rothschild & Co Brasil Ltda. ("R&Co" or "Rothschild & Co") to act as its financial advisor in the sale of 100% of the shares of Petrobras Biocombustível S.A. ("PBIO" or "Petrobras Biocombustível" and "Potential Transaction", respectively)
- PBIO is one of the largest biodiesel producers in the country, owning three biodiesel plants, located in Montes Claros – MG, Candeias - BA and Quixadá - CE, further detailed in this teaser
- Transaction does not include current PBIO's stake in BSBios (50.0%) and Bambuí Bioenergia (8.4%). PBIO is undertaking independent divestment processes for the sale of 100% of its interests in BSBios and Bambuí Bioenergia, which are intended to be concluded before the Binding Offer for the acquisition of 100% of PBIO
- The Potential Transaction offers Prospective Purchasers a unique opportunity to enter or strengthen their presence in a promising biodiesel market by investing in a Company with significant domestic market share

Transaction structure

- The Potential Transaction consists of the sale of 100% of PBIO shares



Contacts

- Prospective Purchasers shall not contact Petrobras, PBIO or any of their affiliates, associates, directors, officers, shareholders or employees regarding any aspect of the Potential Transaction
- The competitive process ("Process") will be managed in accordance with procedures that will be established and periodically communicated to the Prospective Purchasers, under current legislation
- Criteria for process participation and deadlines are specified in the next pages of this document
- Any questions or communications, including requests for additional information, should be directed by email to: **pbio@rothschildandco.com**

Rothschild & Co

Investment highlights

PBIO presents a unique acquisition opportunity in the global biofuels market

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1. Opportunity to enter / grow in the 3rd largest biodiesel market in the world
2. Contracted volume growth of 25% in biodiesel blend mandate over next 3 years (B12 to B15)
3. Sustainable and certified platform to monetize carbon credits (CBIOS)
4. Strategic location with privileged access to Brazil's SE and NE markets
5. Readily available expansion plan, allowing for sustained market share (in pace with the contracted demand growth) and increased competitiveness from economies of scale

PBIO overview

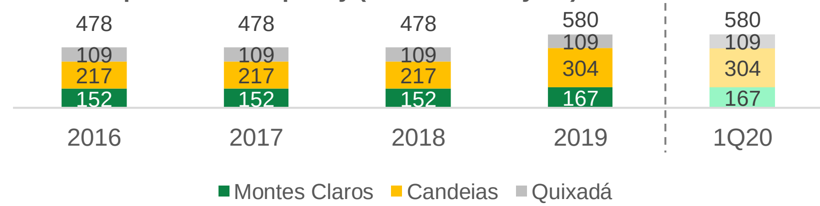
PBIO is one of the largest biodiesel producers in the country with 5.5%[1] market share in 2019 and 580 thousand m3 of production capacity

Company highlights

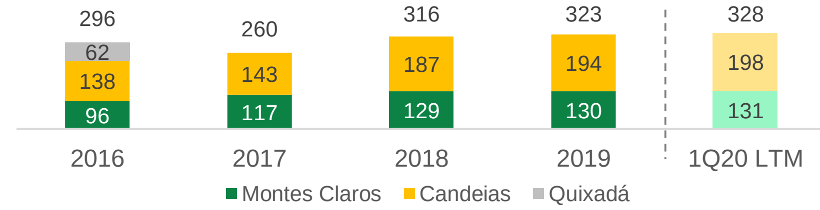
- Founded in 2008, PBIO is one of the largest biodiesel producers in the country with 5.5% market share in 2019[1] and 580 thousand m3 of production capacity
- PBIO owns three biodiesel plants strategically located in Montes Claros (MG), Candeias (BA) and Quixadá (CE)
  - Privileged location to important consumer markets in the country (Southeast and Northeast regions)
  - Located nearby ports and railways, providing transportation and export options
  - Quixadá plant is inactive since November 2016[3]
- Plants capable to utilize a mix of up to 5 different raw materials (soybean, cotton and palm oil, animal fat and residual oil) for production, to capture advantages of seasonal price dynamics
- Company with strong culture on HES, integrity and governance[4]
- Certified to sell CBIOS by Fundação Vanzolini

Annual production capacity (ANP) and volume delivered (ANP)

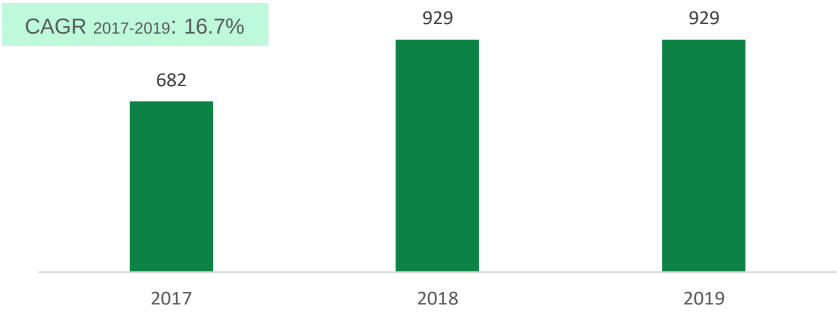
Biodiesel production capacity (thousand m3/year)[5]



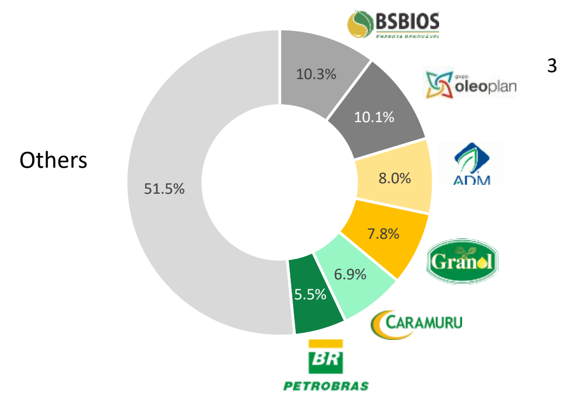
Volume delivered (ANP - thousand m3)



Net revenue (R$m)



Market share – volume sold (ANP 2019 - %)



Source: ANP and Company

Notes

1 Only considers the plants owned by PBIO (Montes Claros, Candeias and Quixadá)

2 Plant and equipment are conserved and undergo periodic maintenance

3 Considers Oleoplan and Oleoplan Nordeste

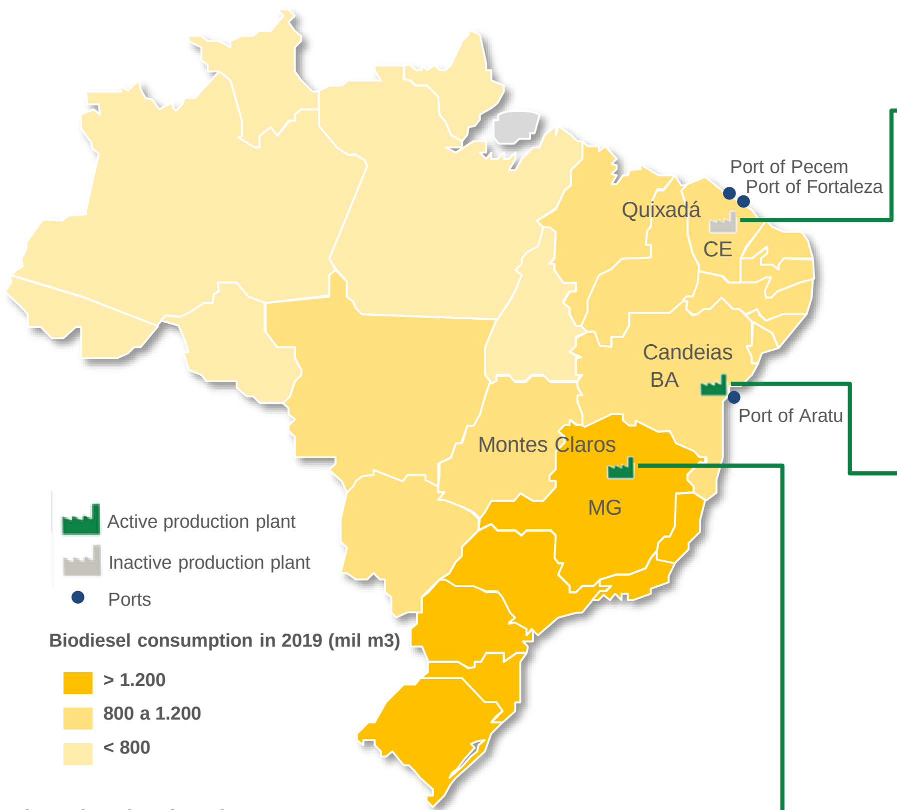
4 Further information (incl. financial statements, auditing and compliance reports) is available at https://petrobras.com.br/pt/quem-somos/outras-empresas-controladas-do-sistema-petrobras

5 As Quixadá is currently inactive, its capacity is not listed under authorized capacity list by ANP

Company highlights

PBIO has three production plants located in the states of Minas Gerais, Bahia and Ceará

Asset location



Plants in prime location:

- ✓ Active plants located next to raw materials suppliers
- ✓ Privileged location to important consumer markets in the country (Southeast and Northeast regions)
- ✓ Located nearby ports and railways, providing transportation and export options

Quixadá (CE)

- **Beginning of operations:** 2008, **inactive** since November/2016
- **Authorized production capacity:** 109 thousand m³/year of biodiesel
- **Products:** biodiesel, glycerin and subproducts
  - Processes animal fat and vegetable oils
- Products outflow: highway and port
- Supplies regions: Northeast, North and Midwest

Candeias (BA)

- **Beginning of operations: 2008**, active
- **Authorized production capacity:** 304 thousand m³/year of biodiesel
- **Products:** biodiesel, glycerin and subproducts
  - Processes animal fat and vegetable oils
- Holds the Social Fuel accreditation
- Products outflow: highway, port and possibility of railway integration
- Supplies regions: Northeast, North and Midwest
- 2019 net revenue: R$554m

Montes Claros (MG)

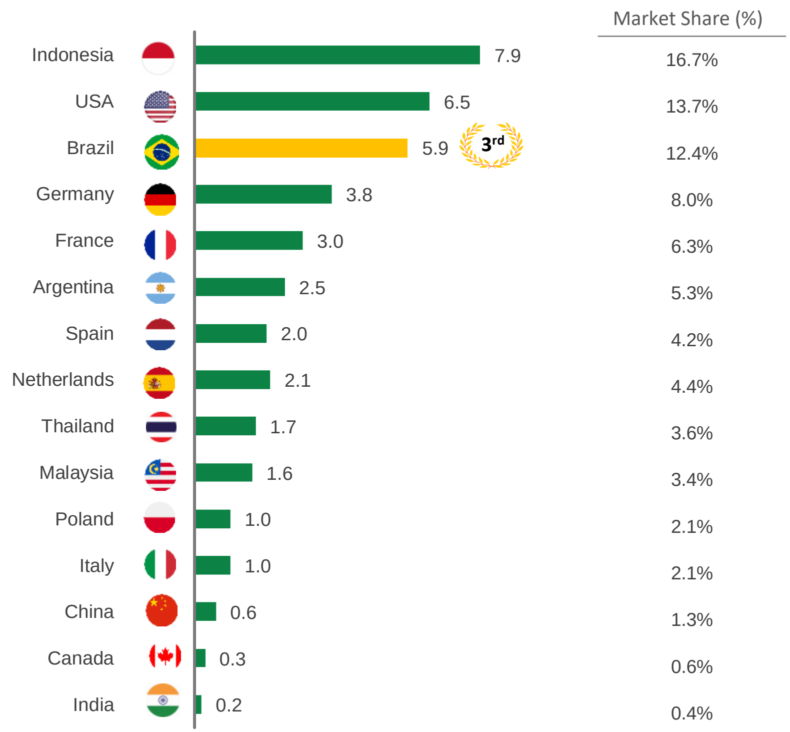
- **Beginning of operations:** 2009, active
- **Authorized production capacity:** 167 thousand m³/year of biodiesel
- **Products:** biodiesel, glycerin and subproducts
  - Processes animal fat and vegetable oils
- Holds the Social Fuel accreditation
- Products outflow: highway and possibility of railway integration
- Supplies regions: Southeast, Northeast, North and Midwest
- 2019 net revenue: R$362m

Source: ANP and Company
Notes
1 PBIO holds 8.4% stake in Bambuí Bioenergia

Biodiesel industry highlights

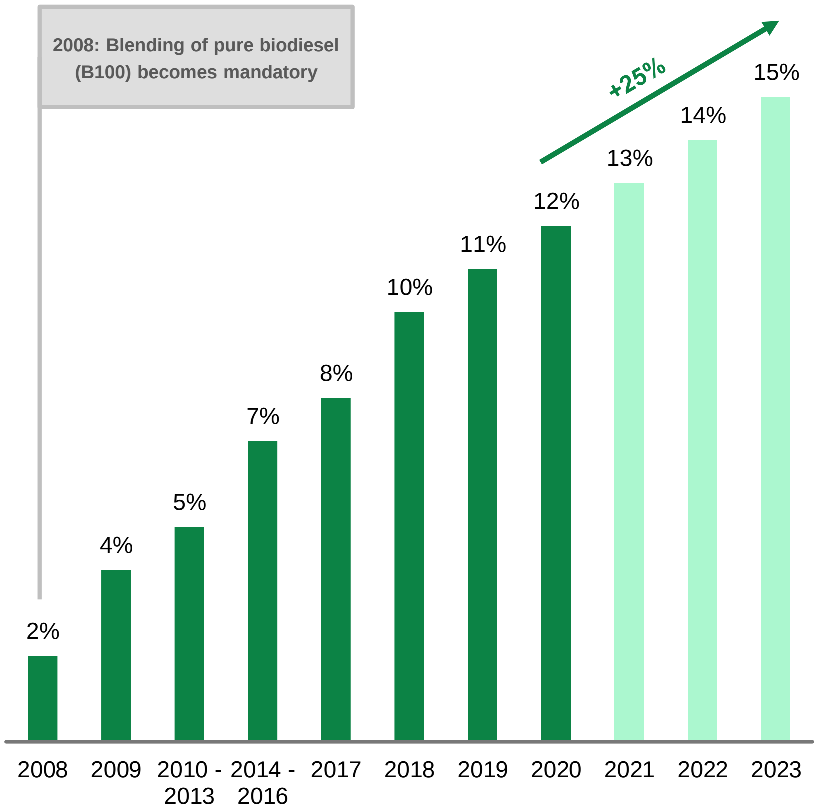
Brazil is the 3rd largest biodiesel market in the world, with significant growth potential given the contracted increase of the biodiesel blend for the next years

Largest biodiesel producers in 2019 (billion liters)[1]



Market expects continuous growth of biodiesel consumption in Brazil driven in part by the mandate approved by the Brazilian National Energy Policy Council (CNPE)

Evolution of biodiesel blend mandate (%)



Source: ANP and REN21
Notes
1 Includes biodiesel FAME (fatty acid methyl esters) and HVO (hydrotreated vegetable oil)

Process description

1. Process overview	a. Petrobras has retained Rothschild & Co to act as its exclusive financial advisor in connection with the Potential Transaction. i. Should any recipient/participant who meet all the Eligibility Requirements (“Prospective Purchaser”) be interested in participating in the Process, it will be required to formally notify Rothschild & Co of its interest through the Contact Information, described on Page 2, in order to receive the required documents to participate in the Process: (i) Confidentiality Agreement (“CA”) and Compliance Certificate (“CC”). ii. Distribution of the Confidential Information Memorandum (“CIM”) will commence on August 3rd, 2020 to Prospective Purchasers who have executed the CA and CC. iii. For the non-binding phase of the process, the deadline to execute the CA and the CC and obtain access to the CIM by the Prospective Purchasers will be August 17th, 2020. – It is recommended that Prospective Purchasers execute the CA and CC as soon as possible, since any delays may affect investors’ timeframe to analyze this opportunity.
2. Eligibility requirements	a. In order to participate in the Process, a Prospective Purchaser must meet at least one of the criteria described below (“Eligibility Requirements”): – Net Revenue of R$400 million or more (2019) or Book Net Equity value of R$100 million or more (2019); or Assets Under Management (2019) of R$ 500 million of more (“Eligibility Requirements”) b. The Prospective Purchaser shall not be listed in the following restrictive lists: i. “*Cadastro de Empresas Inidôneas e Suspensas*” (CEIS) (available at http://www.portaldatransparencia.gov.br/sancoes/ceis *ii.* “*Cadastro Nacional de Empresas Punidas*” (CNEP) (available at http://www.portaltransparencia.gov.br/sancoes/cnep *iii.* *“Empresas impedidas de transacionar com a PETROBRAS”,* available at: http://transparencia.petrobras.com.br/licitacoes-contratos c. In case the Prospective Purchaser is identified in the abovementioned hypothesis or fail to meet any of the above mentioned requirements, it will be excluded from the Process at any time, in compliance with the rules applicable to Petrobras. d. In case the Prospective Purchaser or any of its subsidiaries: i. Be subject, owned or controlled by a person or entity subject to (i) any economic, financial or trade sanctions, (ii) regulatory sanctions, (iii) embargoes or (iv) restrictive measures that have been administered, enacted, imposed or applied by the World Bank, the United Nations Security Council, the United States of America, the Canada, the United Kingdom, the European Union, the Netherlands, Brazil, and the respective governmental institutions and agencies of any mentioned previously (Sanctioned Person); ii. Be located, have been constituted, incorporated, organized or resident in a country subject to any (i) economic, financial or commercial sanctions, (ii) regulatory sanctions, (iii) embargoes or (iv) restrictive measures that were administered, enacted, imposed or executed by the World Bank, the United Nations Security Council, the United States of America, the Canada, the United Kingdom, the European Union, the Netherlands, Brazil and the respective governmental institutions and agencies of any mentioned previously (Sanctioned Country); or iii. Have the predominant part of its commercial affiliation or business with any Sanctioned Person or in a Sanctioned Country Petrobras will evaluate if the relations or situations described prevent the participation of the Prospective Purchaser in the Process due to non-compliance with Sanctions applicable to Petrobras, and will inform the exclusion of the Prospective Purchaser from the Process, if the case may be.

Process description (cont'd)

2. Eligibility requirements (cont'd)	e. Furthermore, by participating in this Process, the Prospective Purchaser shall undertake not to take any action or omission that violates any applicable law regarding business ethics, including, but not limited to, the US Foreign Corrupt Practices Act, the UK Bribery Act, Brazilian Anti-Corruption Laws (specially the Brazilian Federal Law n. 12.846/2013) (hereinafter "Anti-Corruption Laws"). f. In order to participate in the Process and comply with the requirements set forth above, Prospective Purchaser shall sign a Compliance Certificate (CC) and indicate, if applicable, whether it is subject to any kind of sanction, even if it considers that the sanction does not prevent its participation in the Process. If the Prospective Purchaser is subject to sanctions, it shall describe in the Compliance Certificate the relation, the nature and the details of the sanction, as well as indicate the restrictions arising from it. g. The accuracy of the declaration and the fulfillment of the requirements mentioned above will be verified by Petrobras after the acceptance, by the Prospective Purchaser, of the confidentiality obligations necessary to participate in the Process.
3. Joint offer formation	a. A Prospective Purchaser will be allowed to form an offering group, association or present a joint offer ("Joint Offer") with an independent party, or parties, to participate in this Process. i. The Joint Offer must have a leader, which is the Prospective Purchaser that will lead negotiations with Petrobras and will be the main communication channel between Petrobras and the Joint Offer ("Joint Offer Leader") ii. In such case, the Prospective Purchaser will be required to immediately inform Petrobras of its intention to present a Joint Offer, including information such as who is the Joint Offer Leader and who are the parties involved in the Joint Offer ("Joint Offer Member(s)") according to the deadline previously set in the Instruction Letter delivered together with the CIM iii. The Joint Offer must contain (i) powers of attorney granting powers to the Joint Offer Leader assigned by the other participants of the Consortium; and (ii) a statement by the Joint Offer Leader confirming that he is not acting as an intermediary in the Potential Transaction b. The Joint Offer must be approved at Petrobras convenience, in accordance with the legal criteria and the rules established herein and further detailed in the Instruction Letter. After approved by Petrobras and verified compliance with Eligibility Requirements and Joint Offer formation rules, the Prospective Purchaser will be allowed to participate in the Process. c. The formation of a Joint Offer is permitted only if, at least, the Joint Offer Leader meets the financial requirements described in items 2a, and all the members meets individually all the requirements described in items 2b,2c,2d,2e,2f and 2g of the Eligibility Requirements section. d. Each Joint Offer Member(s) or any Prospective Purchaser must execute its own CA and CC directly with Petrobras in order to access any non-public information related to the Potential Transaction or the Assets. e. The rules applicable for the modification in the composition of the Joint Offer will be further detailed in the Instruction Letter of the non-binding phase.

Process description (cont'd)

4. Further considerations	a. During the Process, Petrobras may perform preventive risk analysis, in compliance with Anti-Corruption Law and the Petrobras Program for Preventing Corruption - PPPC, and may ask any Prospective Purchaser to fill out a detailed questionnaire to verify the compliance of its practices and conducts with the Anti-Corruption Law and the legislation applicable to sanctions b. A Declaration of independent Proposal shall be submitted until the submission of each offer (non-binding and binding) c. In order to prevent a conflict of interest, it will not be allowed the participation in the Competitive Process of any Prospective Purchaser that is considered an affiliated company of the financial advisor of Petrobras in the Process d. The Prospective Purchaser may, under its sole responsibility and bearing all related expenses, retain financial, technical and, or legal consultants to advise on the Process, provided that such advisors are not subject to any conflict of interests related to Petrobras whatsoever, being the existence of conflict determined in accordance with criteria specified by Petrobras
5. Contact information	a. Queries from Prospective Purchasers which meet the abovementioned Eligibility Requirements should be addressed exclusively to R&Co at **pbio@rothschildandco.com** i. This e-mail should be used only for the purposes of the Potential Transaction ii. Under no circumstances should any contact be made with the management or employees of Petrobras or any of its affiliates b. Any general questions or inquiries not specific and directly related to the Potential Transaction should be addressed to the following website: http://transparencia.Petrobras.com.br/

Relevant Legal Information

This Opportunity Overview (the “Teaser”) is being distributed to Prospective Purchasers and published in Petrobras site (www.investidorPetrobras.com.br) with the purpose to present the business opportunity (“Transaction”).

This document is being provided only with the purpose of verifying the interest of the market in the Transaction and, therefore, do not oblige Petrobras, PBIO or any of its affiliates to start or to conclude a process for the sale of its assets. This document may contain forward-looking statements with the acceptance of the following United States laws: Section 27A of the Securities Act of 1933 and its amendments (Securities Act), and Section 21E of the Securities Exchange Act of 1934, and its amendments (Exchange Act) , which merely reflect the expectations of Petrobras. Terms such as "anticipate”, "believe”, "expect”, "predict”, "intend”, "plan”, "provide”, “project”, “seek”, “duty”, along with similar or analogous expressions are used to identify merely prospective declarations. These forward-looking statements involve risks, and uncertainties, whether or not anticipated by Petrobras.

Therefore, the future results of operations may differ from the current expectations, and the Prospective Purchasers shall not base your expectations solely on the information presented here.

This document is issued by Petrobras in the context of the Potential Transaction. This document has been prepared by Petrobras, PBIO and Rothschild & Co Brasil Ltda. and not by any other person and is distributed by Petrobras solely for information and shall not be considered as capable of conferring rights or expectation of rights to the recipient / participant or any of its employees, creditors, shareholders or other equity holders or any other person.

This Teaser has been assembled for the sole purpose of determining whether the Prospective Purchasers wish to receive more information for analysis in connection with the Potential Transaction after written acceptance of certain Confidentiality and Compliance obligations, whenever the Prospective Purchasers comply with the objective requirements for participation in the Process, described above.

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Relevant Legal Information (Cont'd)

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This document does not constitute a prospectus or an offer for the sale or purchase of shares or other securities or any underlying asset in relation to any member of Petrobras or, otherwise, inducing (or suggesting directly or indirectly) to enter into the business contemplated in the Potential Transaction, not constituting any form of commitment by any member of Petrobras or any other person to enter into any type of legal business. This document or any other written or oral information made available to any participant or its consultants does not constitute or will constitute the basis or general terms of any agreement or commitment. Any proposal regarding a possible transaction between any member of Petrobras and the recipient / participant and / or Prospective Purchaser will only give rise to contractual obligations by such member of Petrobras if and when a definitive agreement has been entered into.

Petrobras reserves the right, without any liability, to change or replace this Teaser and the information provided at any time and to modify, postpone, accelerate or terminate the Process, negotiations and discussions at any time and in any respect, to the Potential Transaction dealt with in this document or to terminate the negotiations with any Prospective Purchaser / consignee / participant of this document, in which case all participants will be informed, observing impartiality and equal treatment. Petrobras does not undertake to provide recipients with access to additional information.

Before deciding to participate in the Transaction, Prospective Purchasers must take all steps they deem necessary to ensure due understanding of all aspects of the Transaction and make an independent assessment of their suitability and objectives, particularly in relation to the risks and benefits of entering this transaction. Rothschild & Co Brasil Ltda. and the companies mentioned herein do not have or will have any liability with respect to performing due diligence, auditing, tax, legal, regulatory or any other review, with the Prospective Purchaser solely responsible for hiring, at their expense, appropriate advisors for review. of these subjects.

The recipient / participant / Prospective Purchaser recognizes that it will be solely responsible for its own assessment of the market and the market position of any member Petrobras or of any of its securities, assets or liabilities or any part thereof and that it will conduct its own analysis and will be exclusively responsible for forming their own conviction about the value and potential future performance of the asset dealt in the Potential Transaction.

Relevant Legal Information (Cont'd)

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This document will not exclude any liability or remedy in connection with fraudulent statements. By accepting this document, the recipient / participant / Prospective Purchaser agrees to be linked by the limitations described here.

By initiating the review of this material, recipient / participant / Prospective Purchaser declares that they agree to all the terms abovementioned.

Recipients / participants / Prospective Purchasers who have access to this material and are interested in making a proposal about the transaction described herein should be based on the further details of the procedure that will be forwarded in a separate document. Petrobras, with advice from Rothschild & Co, will determine which Prospective Purchasers will be invited to continue in the competitive process, based on objective criteria, with legal support. Petrobras reserves the right to reject any or all expressions of interest or proposals and to terminate the competitive proceeding completely or only with respect to any of the Prospective Purchasers, based on the same criteria. Petrobras reserves the right to enter into exclusive discussions with any party at any time without incurring any liability.

By accepting this material, the recipient / participant / Prospective Purchaser and its directors, officers, employees, consultants, shareholders or partners agree that they may not, under any circumstances, directly contact Petrobras, PBIO or any of its shareholders (including, without limitation, their respective officers, directors, consultants and employees), with the understanding that any contact should be made through Rothschild & Co Brasil Ltda. Accordingly, all (i) communications regarding the potential transaction, (ii) requests for additional information, (iii) requests for site visits and meetings with employees, and / or (iv) discussions or inquiries about procedures related to the potential transaction shall be submitted exclusively to Rothschild & Co Brasil Ltda.