EARNINGS RELEASE

Second Quarter 2024

2Q24 Results Conference Call

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Index

1. Highlights

Salvador, August 8, 2024 – PetroReconcavo S.A. (“PetroReconcavo” or “Company”) (B3: RECV3) presents its results for the second quarter (“2Q24” or “quarter”) and year-to-date (“1H24” or “year-to-date”) of 2024. The following information is presented on a consolidated basis, in thousands of Reais (R$ thousand), in accordance with accounting principles generally accepted in Brazil and with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), unless otherwise indicated.

Main Indicators (R$ Thousand *)	2Q24	1Q24	Δ%	2Q23	Δ%	1H24	1H23	Δ%
Net Revenue	826,254	744,735	11%	658,314	26%	1,570,989	1,377,526	14%
Net Income	136,181	110,033	24%	177,641	-23%	246,214	377,154	-35%
Net Profit	16.5%	14.8%	1.7 p.p.	27.0%	-10.5 p.p.	15.7%	27.4%	-11.7 p.p.
EBITDA	447,315	353,352	27%	319,238	40%	800,667	654,074	22%
EBITDA Margin	54.1%	47.4%	6.7 p.p.	48.5%	5.6 p.p.	51.0%	47.5%	3.5 p.p.
Hedge Adjusted EBITDA	479,388	412,522	16%	379,524	26%	891,910	785,828	13%
Adjusted EBITDA Margin	55.9%	51.3%	4.5 p.p.	52.8%	3.0 p.p.	53.7%	52.1%	1.6 p.p.
Net Debt/EBITDA last 12 months	0.63 x	0.54 x	0.09 x	0.53 x	0.10 x	0.63 x	0.53 x	0.10 x
Average Gross Production (boe/day)	26,272	26,382	0%	26,045	1%	26,327	25,235	4%
Lifting Cost (US$/boe)	$ 12.62	$ 13.33	-5%	$ 13.54	-7%	$ 12.97	$ 13.22	-2%
Average Exchange Rate (R$/US$)	R$ 5.22	R$ 4.95	5%	R$ 4.95	5%	R$ 5.08	R$ 5.07	0%
Average Brent Oil Spot Price (US$/bbl)	$ 84.97	$ 83.16	2%	$ 78.39	8%	$ 84.06	$ 79.83	5%

*Unless otherwise stated. Notes regarding Indicators included in the Attachment

- Average production of 26.3 kboe/day, stable compared to 1Q24;
- EBITDA of R$ 447 million (US$ 85,7 million[1]), 27% higher than 1Q24;
- Profit of R$ 136 million (US$ 26,1 million[1]), an increase of 24% over 1Q24;
- Dividends distribution of R$ 410 million (US$ 78,6 million[1]) in the form of interest on equity (R$ 1.40 per share), and dividends of R$ 17 million (US$ 3,3 million[1]) (R$ 0.06 per share);
- 1st issue of Debentures in the amount of R$ 1.13 billion (US$ 216 million[1]), with swap contracts with an average dollarized cost of approximately 7.05% per year and an approximate duration of 5.1 years;
- Free cash generation of R$ 392 million (US$ 75,4 million[1]), resulting from operating activities, discounted from additions to Fixed Assets and Intangible Assets;
- Start-up of the São Roque Gas Treatment Unit, with a processing capacity of 400k m^3/day, beginning the treatment and delivery process of the Mata de São João, Remanso, Jacuípe, and Riacho São Pedro concessions production to Bahiagás;
- Commissioning and start of drilling activities with the new PR-14 rig, capable of drilling wells up to 5 thousand meters deep, expanding the scope of our projects. The first wells to be drilled are located in the Tiê field.

[1] Considering the average exchange rate (R$/USD) of the period of R$ 5.22

2 Message from the President

The second quarter of 2024 was marked by a macroeconomic scenario with an average Brent oil price of USD 85 per barrel, a 2% increase compared to the previous period, and an average exchange rate of R$ 5.22 per USD, representing a 5% appreciation on a quarterly comparison. We ended the quarter with Net Revenue of R$ 826 million, 11% above the first quarter, and EBITDA of R$ 447 million, representing a 27% increase on the same comparison basis, resulting in a Net Profit of R$ 136 million.

With a healthy balance sheet, aligned with capital structure efficiency, we carried out our first debenture issuance, amounting to R$ 1.13 billion, to enable project development, improving the efficiency, cost, and duration of our debt. Our strong cash generation allowed us to make a robust distribution of dividends, with a yield of approximately 7%, indicating our solid financial position and ability to consistently generate value for our shareholders.

We concluded the quarter with an average production of 26.3 kboe/day, stable compared to the first quarter. From May onwards, we re-established our capability to execute the workover campaign on both assets and completed the side-track project on well 7-TIE-5HA-BA (renamed 7-TIE-11-DP-BA), which began production in June, with initial production indicating potential to be one of the best oil wells in Brazilian onshore.

We made significant progress in operational resilience projects:

- In Rio Grande do Norte, we completed the construction and commissioning of the truck-loading project in Upanema ahead of schedule. We have finally reached the technical capacity to transport 100% of Rio Grande do Norte's production by road.
- In Bahia, we received the Operation Authorization for the São Roque Gas Treatment Unit (UTG) at the end of June, with deliveries to Bahiagás starting in July.
- Additionally, in June, we signed an MoU with 3R Petroleum to enable the sharing of the gas transportation, compression, measurement, and processing infrastructure at the Guamaré Industrial Asset facilities.

In the Rigs and Services segment (RSO), the most significant milestone is the completion of the commissioning and the start of drilling with the PR-14 rig, which marks a new phase in PetroReconcavo's reserves development program. The PR-14 not only represents a unique tool in Brazilian onshore with the technical capacity to drill wells up to 5 k meters deep but also opens a window for the development of new reservoir frontiers with the ambition of achieving the global benchmark of technical-operational efficiency in onshore drilling. The rig began drilling in July, at the Tiê concession, where it will drill its first two wells.

Following our drilling schedule for the year, we managed to optimize the use of our fleet through drilling service contracts for two partners, and as a result, we have three rigs drilling in July.

It is noteworthy that we recently released our 2023 Sustainability Report, reaffirming our commitment to environmental, social, and governance practices. Our goal is to become an increasingly inclusive, diverse, and sustainable company, with governance and transparency being essential parts to ensure our role in society.

I thank our shareholders for their trust and our employees for their dedication. Together, we will continue to build the future of Brazilian onshore.

José Firmo

3. Main Events in the Period

- On April 2, the Company was notified by 3R Petroleum Óleo e Gás S.A. about the suspension of negotiations for a potential merger of assets;
- On April 5, the Company signed a contract with GNLink Distribuidora de Gás Natural S.A. for the commercialization of natural gas via the LNG modal, representing an alternative route for the transportation and commercialization of its natural gas production;
- On April 8, the Company signed a contract for drilling services with Seacrest Petróleo SPE Norte Capixaba Ltda., representing an opportunity to optimize the utilization of the rig and services fleet, and a strategic move to create an ecosystem of cooperation and partnerships with other onshore operators in Brazil;
- On April 9, the Company released the Reserve Certification for the 2023 base year, with a 2P reserve volume of 172 million barrels of oil equivalent and a net present value (PV10) of US $2.7 billion;
- On April 24, the Company approved at the Annual and Extraordinary General Meeting (AGOE) the distribution of dividends on the amount of R$ 17 million for the fiscal year 2023, corresponding to approximately R$ 0.06 per share;
- On April 26, the Company signed a memorandum of understanding with Enerflex, in order to conduct technical and economic feasibility studies for the construction of a natural gas processing unit in the state of Rio Grande do Norte;
- On May 29, the Board of Directors approved the distribution of interest on equity (JCP) on the amount of R$ 410 million, corresponding to approximately R$ 1.40 per share;
- On June 4, the Company signed a Farm-out agreement with Mandacaru Energia Ltda, for the sale of 50% of its interest in seven concessions, currently fully owned by the Company. The concessions are located in the Potiguar Basin, in the state of Rio Grande do Norte;
- On June 4, the 1st issue of simple debentures, not convertible into shares, of the unsecured type, was settled in two series for public distribution, with a total issue value of R$ 1.13 billion;
- On June 27, the ANP granted the Operating Authorization of the São Roque Natural Gas Treatment Unit. The commissioning took place throughout the month of July, starting the deliveries of treated gas directly to Bahiagás;
- On June 27, the Company signed the Concession Agreements for Exploration Blocks POT-T-492 and POT-T-793, located in the Potiguar Basin, acquired by the Company in the National Agency of Petroleum, Natural Gas and Biofuels 4th Cycle of the Permanent Concession Offering;
- On July 8, the Company signed a Memorandum of Understanding with 3R Petroleum Óleo e Gás to evaluate the sharing of the natural gas outflow, compression, metering and processing infrastructure held by 3R in the Potiguar Basin;
- On July 19, the Company made an early repayment of the US$ 60 million debt that had been contracted in July 2023 for the payment of the second installment related to the acquisition of Maha Energy Brasil Ltda. (currently named SPE Tiêta Ltda.);
- On July 25, the Company released its 3rd Sustainability Report, related to the year of 2023, prepared in accordance with the GRI (Global Reporting Initiative) methodology, including indicators from the SASB

(Sustainability Accounting Standards Board) and IPIECA (International Petroleum Industry Environmental Conservation Association);

- On July 29, after completing commissioning and tests, the PR-14 drilling rig began drilling activities in the Tiê field.

4. Operational

4.1. Production

The Company's average production for the quarter was 26.3 kboe/day, stable compared to the previous quarter's average production, which was impacted by the effects of extreme weather in April. However, the Company accelerated its capital spending program in May and June and intensified its workover campaign.
For the six months period, average production was 26.3 kboe/day, up 4% compared to the same period last year.

Production (boe/day)	2Q24	1Q24	Δ%	2Q23	Δ%	1H24	1H23	Δ%
Oil	9,014	9,349	-4%	9,343	-4%	9,181	9,068	1%
Gas	4,979	4,705	6%	4,352	14%	4,842	4,279	13%
Potiguar Asset	**13,992**	**14,054**	**0%**	**13,695**	**2%**	**14,023**	**13,347**	**5%**
Oil	6,181	6,032	2%	6,226	-1%	6,106	5,667	8%
Gas	6,099	6,296	-3%	6,124	0%	6,198	6,221	0%
Bahia Asset	**12,280**	**12,328**	**-0.4%**	**12,350**	**-1%**	**12,304**	**11,887**	**4%**
Oil	15,194	15,381	-1%	15,569	-2%	15,287	14,735	4%
Gas	11,078	11,001	1%	10,476	6%	11,039	10,500	5%
Total Production	**26,272**	**26,382**	**0%**	**26,045**	**1%**	**26,327**	**25,235**	**4%**

Average Daily Gross Working Interest Production

Bahia Asset

On the 2Q24, production from the Bahia asset was 12.3 kboe/day, flat compared to the prior quarter, with oil production up 2% and natural gas production down 3%.

The month of April registered heavy rains, which affected the power supply and increased the rate of well failures, resulting in the need for well repairs. In the following months, the workover program continued with 20 projects being performed on the Bahia Asset during the quarter, particularly the return to production and lifting method change projects. In addition, facilities projects were implemented to improve the Miranga natural gas compression system, which already showed an improvement in production in June.

During the quarter, the drilling and completion of the side track project on the 7-TIE-5HA-BA (renamed 7-TIE-11DP-BA) well in the Tiê field was completed. The production of this well began in June, reaching levels higher than the best wells of Bahia Asset.

Potiguar Asset

On the 2Q24, production from the Potiguar Asset was 14.0 kboe/day, stable compared to 1Q24 production, with oil production down 4% and natural gas production up 6%.

During the quarter, production was impacted by the following factors: (i) interruptions in the power supply due to heavy rains recorded in April; (ii) breakdown of high-flow wells in Riacho da Forquilha and Lorena; and (iii) decline in newly drilled wells in the Boa Esperança fields, which are still in the stabilization phase after the initial production flush. To mitigate these effects, the Company has intensified its operations and has completed 36 workover projects on the Potiguar Asset during the quarter, in addition to two wells drilled on the Sabiá da Mata and Sabá Bico de Osso fields.

4.2. Rigs and Services (RSO)

The Company has a large and comprehensive fleet of rigs to support the development of its reserves and to protect against price fluctuations and market shortages in services. The fleet consists of 13 workover rigs, with 12 owned and one outsourced, and three owned drilling rigs.

Currently, five workover rigs are allocated to the Bahia Asset and eight to the Potiguar Asset. As for the drilling rigs, one is commissioned in the Bahia Asset, and the other two are allocated under service contracts with partners. These contracts present an opportunity to optimize the utilization of the rig fleet, as part of a strategic move to create an ecosystem of cooperation and partnerships with other operators in the Brazilian onshore sector. The contracts have a duration of 4 to 6 months from the date of signing.

PR-21 began the quarter in mobilization to the State of Espírito Santo to drill onshore wells located in the North Capixaba and Cricaré Poles of Seacrest Petróleo.

PR-04, on the other hand, began mobilization on the Bahia Asset in the quarter and completed the side track at the Tiê well. In June, the process of transportation to the state of Alagoas began, where it will drill up to two onshore wells at Origem Energia's Polo Alagoas.

The PR-14 drilling rig completed its commissioning and began drilling in the Tiê field. As a unique tool in Brazilian onshore, this rig marks a new phase in PetroReconcavo's reserves development program, expanding our technical capacity to drill wells up to 5,000 meters deep, opening a window for the development of new reservoir frontiers with the ambition of achieving the global benchmark in technical-operational efficiency in onshore drilling.

4.3. Commercialization

Oil

Sales of oil produced in the states of Bahia and Sergipe were made to Petrobras and Dax Oil, according to current contracts. In the state of Rio Grande do Norte, with the Potiguar Asset, the oil produced was marketed with 3R Petroleum.

Throughout June, the Company signed new marketing contracts with Petrobras, allowing the receipt of incremental oil produced in the Tiê field following the production start-up of well 7-TIE-11DP-BA, as well as increasing the delivery capacity of oil production from this field.

In Rio Grande do Norte, the Company completed the truck-loading project at the Upanema Station facilities, which is a point of oil delivery via pipeline to 3R Petroleum, creating the option to deliver production via road transport in case of unavailability of any infrastructures after the delivery point.

Natural Gas

During 2Q24, the Company delivered its natural gas production using the contracted transportation and processing infrastructures in Bahia and Rio Grande do Norte. This period observed operational stability, which did not lead to the need for unscheduled shutdowns and allowed for maintaining system usage penalties at lower levels compared to the previous quarter.

Specifically, for the Tartaruga fields (Sergipe) and Tiê (Bahia), the Company maintained contracts for the commercialization of rich natural gas production with the companies CDGN and Brasil GTW. These fields are not yet connected to the transportation and processing infrastructure, and therefore, cannot be commercialized to customers connected to the distribution or transportation network. In June, with the increase in production in the Tiê field, part of the produced natural gas was reinjected into the reservoir.

As subsequent actions, the Company signed an addendum to the processing contract of the UTG Catu with Petrobras, extending the contractual period for an additional 3.5 years, allowing for the continuation of the natural gas development program. This contract maintains the currently contracted processing capacity and introduces optimizations from a processing tariff perspective. The Company also signed an addendum to the natural gas transportation contract, removing the volumes now allocated to the UTG São Roque from the contracted volumes as of July.

On June 27, the Gas Treatment Unit (UTG) São Roque, located in Bahia, received the Operation Authorization (AO) as provided for in ANP Resolution 852/2021. Throughout July, the Company initiated a commissioning and startup campaign, which was satisfactorily completed in mid-July, subsequently starting the delivery of natural gas at the Bahiagás delivery point near the São Roque Station.

Dry Gas

In the 2Q24, the Company maintained firm demand contracts for volumes with deliveries of approximately 1,337 k m^3/day with state Natural Gas distributors in the Northeast region, in addition to serving other private customers.

Also in July, the Company signed a contractual amendment with Bahiagás to address deliveries made directly from the UTG São Roque. Specifically for this delivery point, the contractual model no longer includes the Processing Portion in its formulation but now incorporates an additional margin for the gas delivered, enabling commercial gains in addition to the already mentioned operational gains of the UTG São Roque.

On July 11, the Company launched RECVTrade, its Natural Gas trading platform. This is the first system of its kind in the Brazilian Gas market, bringing optimized management of contracts, daily schedules, allocation management, among others, allowing an expansion of the customer base and demonstrating expertise and commitment to seeking technological solutions for greater efficiency and portfolio management. In the first month of operation, Bahiagás began using the system, enabling the identification and implementation of improvements and optimizations.

Natural Gas Liquids

In 2Q24, the Liquefied Petroleum Gas (LPG) production from the Potiguar Asset was sold to the distributors Nacional Gás Butano and Supergasbras, while the C5+ was sold to 3R Petroleum, both at the Guamaré Natural Gas Processing Plant (UPGN) exit. Meanwhile, the volume of raw condensate produced in Bahia (C3+) was sold to Petrobras at the exit of the Catu Gas Treatment Unit (UTG).

Price Realization

Average Price Realization Oil		2Q24	1Q24	Δ%	2Q23	Δ%
Net Income Excluding Hedging Effects	(R$ Thousand)	564,952	517,942	9%	491,874	15%
Volume Delivered	Mbbl	1,388	1,366	2%	1,413	-2%
Average Price Realization	(US$/bbl)	**78.03**	**76.67**	**2%**	**70.31**	**11%**

Average Price Realization Gas		2Q24	1Q24	Δ%	2Q23	Δ%
Net Revenue	(R$ Thousand)	285,918	284,882	0%	226,726	26%
Volume Delivered	Mm3	150,334	147,970	2%	118,292	27%
Average Price Realization	(US$/MMBTU)	**9.77**	**10.44**	**-6%**	**10.38**	**-6%**

5. Financial

5.1. Financial Statements

Income Statement (R$ Thousand)	2Q24	1Q24	Δ%	2Q23	Δ%	1H24	1H23	Δ%
Net Revenue	826,254	744,735	11%	658,314	26%	1,570,989	1,377,526	14%
Costs and Expenses	(327,236)	(338,599)	-3%	(276,125)	19%	(665,835)	(611,155)	9%
Royalties	(51,703)	(52,784)	-2%	(62,951)	-18%	(104,487)	(112,297)	-7%
EBITDA	**447,315**	**353,352**	**27%**	**319,238**	**40%**	**800,667**	**654,074**	**22%**
Depreciation, Amortization, and Depletion	(178,214)	(153,862)	16%	(145,186)	23%	(332,076)	(249,109)	33%
Operating Profit	**269,101**	**199,490**	**35%**	**174,052**	**55%**	**468,591**	**404,965**	**16%**
Net Financial Income / Expenses	(216,252)	(70,978)	205%	55,392	n.m.	(287,230)	61,693	n.m.
Current Income Taxes	4,621	(8,061)	n.m.	(8,518)	n.m.	(3,440)	(98,957)	-97%
Deferred Income Taxes	78,711	(10,418)	n.m.	(43,285)	n.m.	68,293	9,453	622%
Net Profit	**136,181**	**110,033**	**24%**	**177,641**	**-23%**	**246,214**	**377,154**	**-35%**

EBITDA: Calculated in accordance with the Instruction of the Brazilian Securities and Exchange Commission ("CVM") No. 527

Net Revenue

Net Revenue was R$ 826 million in 2Q24, 11% higher than in 1Q24, and accumulated of R$ 1,571 million, 14% higher than in 1H23.

Net Revenue (R$ Thousand)	2Q24	1Q24	Δ%	2Q23	Δ%	1H24	1H23	Δ%
Net Revenue from Oil - Bahia Asset	234,257	219,002	7%	294,763	-21%	453,259	491,030	-8%
Net Revenue from Oil - Potiguar Asset	330,696	298,940	11%	197,111	68%	629,635	480,853	31%
Derivative financial instruments	(32,073)	(59,170)	-46%	(60,286)	-47%	(91,243)	(131,754)	-31%
Net Revenue from Oil	**532,879**	**458,772**	**16%**	**431,588**	**23%**	**991,651**	**840,129**	**18%**
Net Revenue from Natural Gas and byproducts	**285,918**	**284,882**	**0%**	**226,726**	**26%**	**570,800**	**537,397**	**6%**
Net Revenue from Services	**7,456**	**1,081**	**590%**	**-**	**n.m.**	**8,537**	**-**	**n.m.**
Total Net Revenue	**826,254**	**744,735**	**11%**	**658,314**	**26%**	**1,570,989**	**1,377,526**	**14%**

In the quarter, oil Net Revenue increased 16% compared to the previous quarter. This growth was driven by a 2% increase in the average Brent price and a 5% increase in the average dollar rate. In addition, despite a 1% decrease in oil production compared to the previous quarter, the volume sold was 2% higher due to inventory build-up at the end of 1Q24, when part of the volume produced in the last days of March was accumulated at the Company's gathering stations and sold in the first days of April.

Furthermore, oil hedge contracts for 236k barrels were settled at an average price of US$ 60.13/bbl. There was a reduction in the volumes of derivative financial instruments compared to the 445k barrels of oil settled in the previous quarter, resulting in a 46% lower negative impact on Net Revenue.

Net revenue from natural gas and by-products in the quarterly comparison remained in line with the previous quarter, in addition, there was an increase in Net Revenue generated by the optimization of our fleet of drilling rigs with the external services mentioned above.

Operational costs and expenses

Costs and Expenses (R$ Thousand)	2Q24	1Q24	Δ%	2Q23	Δ%	1H24	1H23	Δ%
Personnel	72,003	58,408	23%	66,633	8%	130,411	132,621	-2%
Services & Materials	117,957	108,629	9%	99,298	19%	226,586	193,734	17%
Electricity	17,160	18,296	-6%	20,081	-15%	35,456	39,214	-10%
Sales	-	892	n.m.	-	n.m.	892	-	n.m.
Other Costs and Expenses	12,455	41,709	-70%	(16,856)	n.m.	54,164	(3,744)	n.m.
Midstream Costs	107,661	110,665	-3%	106,969	1%	218,326	249,330	-12%
Gas Acquisition / Swap	13,169	12,625	4%	15,881	-17%	25,794	74,357	-65%
Gas Outflow	4,853	6,360	-24%	6,828	-29%	11,213	11,023	2%
Gas Procesing	58,346	61,036	-4%	48,835	19%	119,382	86,023	39%
Gas Transportation	31,293	30,644	2%	35,425	-12%	61,937	77,927	-21%
Total Costs and Expenses	**327,236**	**338,599**	**-3%**	**276,125**	**19%**	**665,835**	**611,155**	**9%**

Costs and expenses in the quarter were R$ 327 million, a decrease of 3% compared to the previous quarter, and R$ 666 million in the semester, an increase of 9% compared to the same period in 2023.

The cost and expenses variation can be explained by:

Personnel: 23% increase compared to the previous quarter, due to a reversal of provision for PLR (Profit Sharing) payments in that period, resulting from the lower achievement of targets for the year 2023;

Services and materials: 9% increase compared to the previous quarter, due to higher spending on consulting and costs associated with the provision of external services, which were partially offset by the reduction in well repair and well service costs;

Electricity: 6% reduction compared to the previous quarter, despite maintaining production, reflecting lower tariffs during the period, particularly at the Bahia Asset.

Midstream costs (natural gas purchases, sales, processing and transportation): natural gas purchase costs reflect purchases of natural gas from third parties to meet contractual obligations to customers. Natural gas processing costs were 4% below the previous quarter due to a reduction in penalties. Finally, transportation and outflow costs were R$ 36.0 million for the period, 2% lower than the previous quarter; and

Other costs and expenses: 70% reduction compared to 1Q24, primarily due to the recognition in that period of a non-recurring accounting effect of R$ 22 million (US$ 4.4 million) related to a probable payment of one of the possible earnout installments from the acquisition of SPE Tiêta, resulting from future projections of Brent crude oil prices. Additionally, there were reductions in environmental license costs during the quarter.

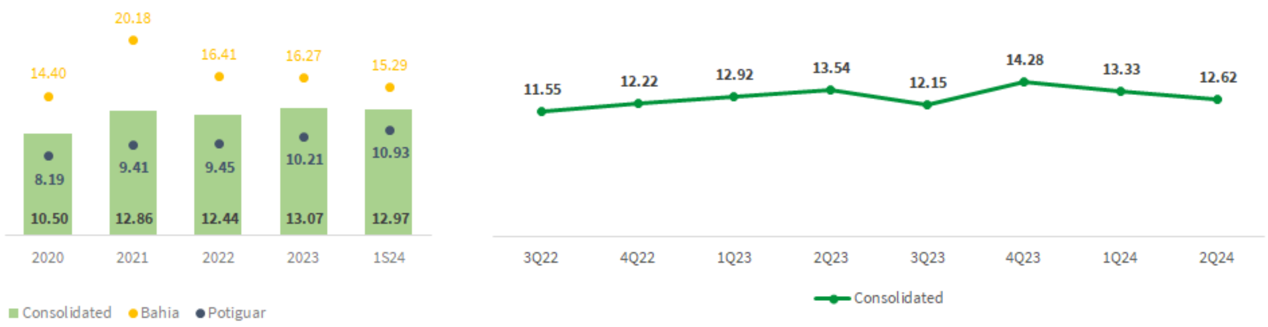
Lifting Cost

The calculation of the average production cost (lifting cost) is the sum of the total cost of goods sold, adjusted for inventory movements, excluding sales costs, acquisition, processing, transportation, and gas outflow costs, royalties, depreciation, amortization, and depletion, divided by the total gross production in barrels of oil equivalent (boe).

The average production cost was US$ 12.62/boe, a 5% reduction compared to 1Q24, reflecting an increase in the exchange rate and a reduction in costs.

With the resumption of transportation and normalization of production, the costs per barrel are expected to return to a downward trajectory due to the scale gain from the dilution effect of fixed costs through production increase and lower costs associated with well repairs.

Evolution of the Lifting Cost (in US$/boe)



Royalties

Royalties of R$ 52 million in 2Q24 were 2% lower than in1Q24, primarily due to a reduction in the average rate resulting from royalty reduction benefits on incremental production obtained from ANP during the approval of Development Plans and concession extensions. For the semester, accumulated royalties were R$ 105 million, 7% lower than in the first half of 2023.

EBITDA

EBITDA reached R$ 447 million, an increase of 27% compared to 1Q24, impacted by the effects mentioned above. For the year to date, EBITDA totaled R$ 801 million, an increase of 22% compared to the same period in 2023.

Net Financial Income / Expenses

The Net Financial Income / Expenses was negative at R$ 216 million for the quarter, due to the increase in the exchange rate variation of liabilities denominated in foreign currency and the mark-to-market valuation of derivative financial instruments contracted under the collars modality.

Additionally, the Company dollarized the debt related to the issuance of debentures through a currency swap operation, where the fair value measurement is done by discounting to market present value. This variation is recorded in the income statement.

The Company's strategy is to dollarize its debts given that almost all of its revenues are denominated in US Dollars, thus seeking to reduce the risk of mismatches in future cash flows.

Net Profit

The Net Income for the quarter was R$ 136 million, a 24% increase compared to 1Q24, influenced by the aforementioned factors as well as a positive variation in the tax line. During the quarter, the tax line was positively impacted due to the payment of interest on equity, which affected the base for income tax calculation, and by the financial expense from exchange rate variation, which generated an effect on deferred taxes.

Cash Flow

Cash Flow Statements (R$ Thousand)	2Q24	1Q24	Δ%	2Q23	Δ%	1H24	1H23	Δ%
Earnings Before Taxes on Income	52,849	128,512	-59%	229,444	-77%	181,361	466,658	-61%
Interest, Amortization of Funding and Net Exchange Variations	147,080	56,234	162%	(70,905)	n.m.	203,314	(75,208)	n.m.
Depreciation, Amortization, and Depletion	178,214	153,862	16%	145,186	23%	332,076	249,109	33%
Consideration of contingent portion of amounts payable from acquisitions	-	22,033	n.m.	-	n.m.	22,033	-	n.m.
Fair Value of Derivative Financial Instruments in Profit or Loss	165,261	70,573	134%	60,286	174%	235,834	131,754	79%
Consumption of PP&E, Leases and Others	54,417	68,563	-21%	28,691	90%	122,980	88,205	39%
Other Adjustments and Variations to Profit	43,238	12,112	257%	2,901	1390%	55,350	9,672	472%
Change in Assets and Liabilities	35,090	54,142	-35%	16,676	110%	89,232	69,367	29%
Payment of “Hedge” Contracts	(32,400)	(59,170)	-45%	(60,286)	-46%	(91,570)	(131,754)	-30%
Interest Paid	(8,534)	(37,358)	-77%	(258)	n.m.	(45,892)	(24,209)	90%
Income Tax and Social Contribution paid	(10,801)	(3,517)	207%	(29,411)	-63%	(14,318)	(63,237)	-77%
Variance on Cash Resulting from Operating Activities	**624,414**	**465,986**	**34%**	**322,324**	**94%**	**1,090,400**	**720,357**	**-13%**
Acquisition of SPE Tiêta, net of Cash received	-	-	n.m.	-	n.m.	-	(472,255)	-100%
Financial Investments	(796,242)	(63,941)	n.m.	25,767	n.m.	(860,183)	527,974	n.m.
Additions to PP&E and Intangible Assets	(232,611)	(234,663)	-1%	(325,084)	-28%	(467,274)	(722,239)	-35%
Variance on Cash Resulting from Investiment Activities	**(1,028,853)**	**(298,604)**	**245%**	**(299,317)**	**244%**	**(1,327,457)**	**(666,520)**	**99%**
Debentures Emission	**1,097,570**	**-**	**n.m.**	**-**	**n.m.**	**1,097,570**	**-**	**n.m.**
Additions, net of Funding Costs	-	-	n.m.	-	n.m.	-	-	n.m.
Payment of Financing, Leases and Payables for Acquisitions	(146,653)	(62,912)	133%	(7,134)	n.m.	(209,565)	(189,863)	10%
Stock Option Exercise	1,006	-	n.m.	872	15%	1,006	1,544	-35%
Payment of Subscribed Capital, net of Issuance Cost	-	495	n.m.	259	n.m.	495	259	91%
Net Cash from the Purchase and Sale of Treasury Shares	(11,261)	-	n.m.	-	n.m.	(11,261)	(4,055)	178%
Dividends and Interest on Equity paid	(427,357)	-	n.m.	(132,790)	222%	(427,357)	(132,790)	222%
Variance on Cash Resulting from Financing Activities	**513,305**	**(62,417)**	**n.m.**	**(138,793)**	**-470%**	**450,888**	**(324,905)**	**n.m.**
Exchange Rate Variations on Cash and Cash Equivalents	-	-	n.m.	(426)	n.m.	-	(200)	n.m.
Variance on Cash and Cash Equivalents	**108,866**	**104,965**	**4%**	**(116,212)**	**n.m.**	**213,831**	**(271,268)**	**n.m.**
Free Cash Flow [2]	**391,803**	**231,323**	**69%**	**(2,760)**	**n.m.**	**623,126**	**(1,882)**	**n.m.**

Cash generated from operating activities for the quarter totaled R$ 624 million, an increase of 34% over the previous quarter, in line with the aforementioned operating performance. In addition, there was a positive change in working capital, mainly due to a reduction of taxes to compensate in the Balance Sheet.

Cash used in investing activities was R$ 1,029 million in the quarter, compared to R$ 299 million in the previous quarter, due to a combination of the following factors

(i) The Company invested R$ 233 million in additions to property, plant and equipment and intangible assets, mainly in the development of new reserves; and

(ii) Financial investments, net of redemptions, in the amount of R$ 796 million.

Cash generated from financing activities was R$ 513 million in 2Q24, mainly due to the issuance of debentures, less dividends and interest on equity distributed during the quarter, in addition to payments for acquisitions.

The Company presented strong free cash generation, represented by Cash Generated in Operating Activities subtracted from Additions to Fixed and Intangible Assets. In 2Q24, Free Cash Flow was R$ 392 million, 69% higher compared to R$ 231 million generated in the previous quarter.

[2] Free Cash Flow represented by Cash Generated in Operating Activities subtracted from Additions to Fixed and Intangible Assets.

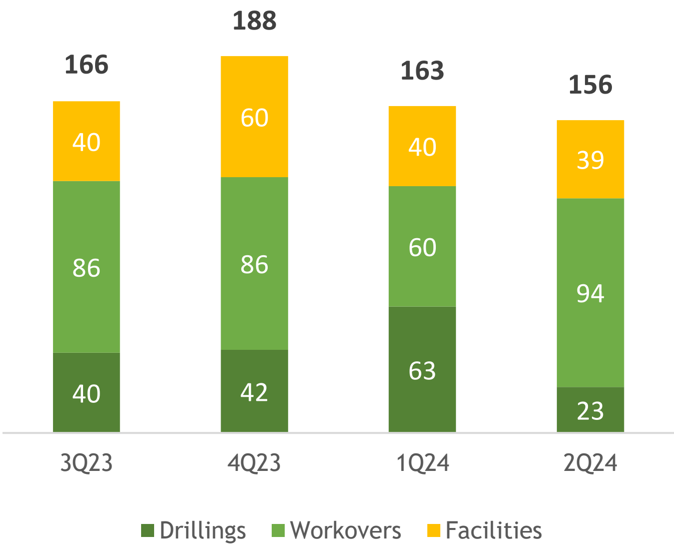
5.2. Investment

Investments in capital expenditures during the period amounted to R$ 165 million, in line with the previous quarter.

Capex (R$ Million)	**2Q23**	**3Q23**	**4Q23**	**1Q24**	**2Q24**
Reserves Development	205	166	188	163	156
Capital Asset Inventories	52	55	2	(24)	(29)
Exploratory Spending	-	2	2	0	-
Other Fixed and Intangible Assets	38	37	9	21	37
Total Capex	**295**	**260**	**201**	**160**	**165**

The amounts invested in the development of new reserves, in drilling projects, workovers and facilities totaled R$ 156 million in 2Q24, as shown below. Workover spending increased in line with the increase in the execution of these projects. On the other hand, drilling investments decreased due to the decision to reduce the number of projects executed during the period.

Capital invested in Reserve Development Projects (R$ Million)



In addition, the Company presented net consumption of its inventories in the amount of R$ 29 million. The reductions reflect a work of revision of the organizational design of the Supply Chain area and its respective processes, which began to produce more meaningful results in 1Q24 and continued in the current quarter.

Investments in other fixed and intangible assets totaled R$ 37 million in the quarter related to the acquisition of the drilling rig PR-14 and new softwares.

5.3. Debt

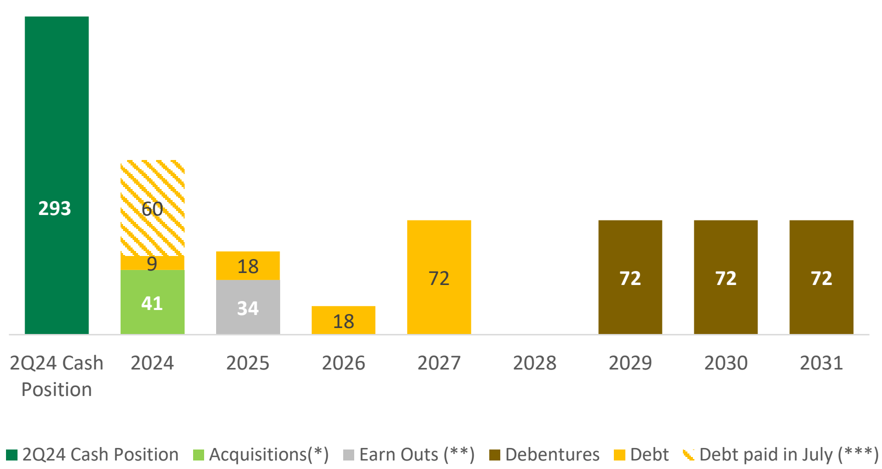
The Company ended the quarter with Gross Debt of R $2.5 billion, R$ 1.1 billion higher than the previous quarter, due to the issuance of debentures. Net Debt amounted to R$ 892 million, with a Net Debt/EBITDA ratio for the last 12 months of 0.63 x, representing a reduction of 0.06 x when compared to the previous period.

The 1st emission of simple debentures, not convertible into shares, unsecured, in 2 series for public distribution, with a total issue value of R$ 1.13 billion, under the automatic registration of distribution with the CVM, was intended exclusively for professional investors. The Company entered into swaps (derivative instruments) to dollarize the emission. Thus, the issue, together with the derivative instruments, will result in an average dollarized cost of approximately 7.05% per annum and an approximate duration of 5.1 years.

Currently, most of the Company's funds are invested in foreign exchange funds. The purpose of these investments is to monitor the fluctuation of the dollar against the real in order to protect the Company from exchange rate fluctuations, since most of its debt and that of its subsidiaries is denominated in dollars. Additionally, the Company has future commitments related to the acquisition of assets which are also denominated in U.S. dollars.

Net Indebtedness (R$ Thousand)	**06/30/2024**	**12/31/2023**	**Δ%**
Bank Loans	989,070	902,980	10%
Costs to Amortize	1,107,320	-	n.m.
Acquisition Payables	422,647	485,495	-13%
Gross Debt	**2,519,037**	**1,388,475**	**81%**
Cash and Cash Equivalents	411,015	197,184	108%
Financial Investments	1,215,647	310,172	292%
Cash Position	**1,626,662**	**507,356**	**221%**
Net Debt	**892,375**	**881,119**	**1%**
EBITDA last 12 months	1,424,737	1,278,144	11%
Net Debt/EBITDA last 12 months	**0.63 x**	**0.69 x**	**-0.06 x**

Debt & Acquisition Payment Schedule (US$ millions)



(*) Acquisitions consider the Ptax dollar rate of 06/28/2024 disclosed by the Central Bank of Brazil (R$ 5.56)

(**) Contingent payments, linked to different possible ranges of the oil reference price (Brent)

(***) The debt of US$ 60 million was settled in July 2024, and for this reason, it was represented as paid in advance this year. Originally, this debt was scheduled in installments for 2024, 2025, and 2026.

5.4. Oil Hedge

The Company constantly assesses the possibility of carrying out hedging operations of future oil production with the purpose of increasing predictability and protect future cash flows. Currently, the hedge contracts are:

Non-Deliverable Forward (NDF)

As part of the acquisition of the Potiguar Asset, the Company entered into commodity forward contracts to manage price risk. These NDF contracts expire in 2024, as shown in the table below.

NDF	Average Price	Quantity	Fair Value
As of 6/30/2024	US$/bbl	bbl	R$ Thousand
Under 3 months	59.72	260,000	(36,017)
From 3 to 6 months	59.43	71,500	(9,429)
Total	59.66 *	331,500	(45,445)

* Average strike of forward contracts not yet settled as of June 30, 2024.

Zero Cost Collar (ZCC)

Collar contracts are also a strategy to protect against price fluctuations with Brent call and put options that define a price range and limit potential losses and gains. The Zero Cost Collar is characterized by not having an initial payout.

In the accounting view, the valuation is done through financial instruments with a positive or negative mark-to-market. However, in practice, if the Brent curve follows the futures curve and is within the limits of the collar, the Company will have no payment or effective cash receipt at the expiration of these contracts.

ZCC	Average Price (US$/bbl)		Quantity	Fair Value
As of 6/30/2024	Put	Call	bbl	R$ Thousand
Under 3 months	65.00	86.72	135,000	(1,046)
From 3 to 6 months	65.00	85.27	315,000	(5,604)
From 6 to 12 months	65.00	91.89	495,000	(2,131)
Total	65.00	88.94 *	945,000	(8,780)

* Average strike of forward contracts not yet settled as of June 30, 2024.

The total average volume of hedged barrels for the second half of 2024 according to the above tables is approximately 4,2 kboe/day or approximately 16.1% of the Company's total average 1H24 production of 26,3 kboe/day. In terms of oil production only, hedged production represents 27.8% of the Company's average 1H24 oil production of 15,3 kbbl/day.

Note: These instruments are initially recognized at fair value on the date the contract is entered into and are subsequently measured at fair value through profit or loss or other comprehensive income in accordance with the Company's accounting policy. Further information on the Company's accounting policies is provided in note 15 to the financial statements.

6. Sustainability

PetroReconcavo reaffirms its commitment to sustainability, positive impact on the communities in which it operates, environmental protection and responsible governance as fundamental elements of business success.

The 2023 Sustainability Report, published in July, was prepared in accordance with the Global Reporting Initiative (GRI) methodology. This third edition includes indicators from the Sustainability Accounting Standards Board (SASB) and the International Petroleum Industry Environmental Conservation Association (IPIECA). The report highlights that 93% of employees are Northeasterners and that 68% of spending on purchases of goods and services went to suppliers in Bahia and Rio Grande do Norte, boosting the local economy. In 2023, R$ 2.76 million was invested in social projects, impacting 10,637 people, 2.5 times more than in 2022.

This quarter we celebrate the 10th anniversary of the Ciranda Viva program, an initiative of PetroReconcavo in partnership with AVSI Brasil, which focuses on social development in the Recôncavo Basin. This program covers four projects: Ciranda Educativa, Ciranda de Leitura, Ciranda Esportiva, which aim to promote the integral development of children and adolescents, and Ciranda do Protagonismo, which aims to promote education and income generation for youth and adults in the rural communities of Catu, Bahia.

Several awareness campaigns were promoted during the quarter. Abril Verde (Green April), which focused on health and safety at work; Maio Amarelo (Yellow May), with the theme " Paz no trânsito começa por você " (Traffic Safety Starts With You), which focused on traffic risks; and “Semana do Meio Ambiente” (Environment Week) in June, which focused on protecting the environment and preserving biodiversity.

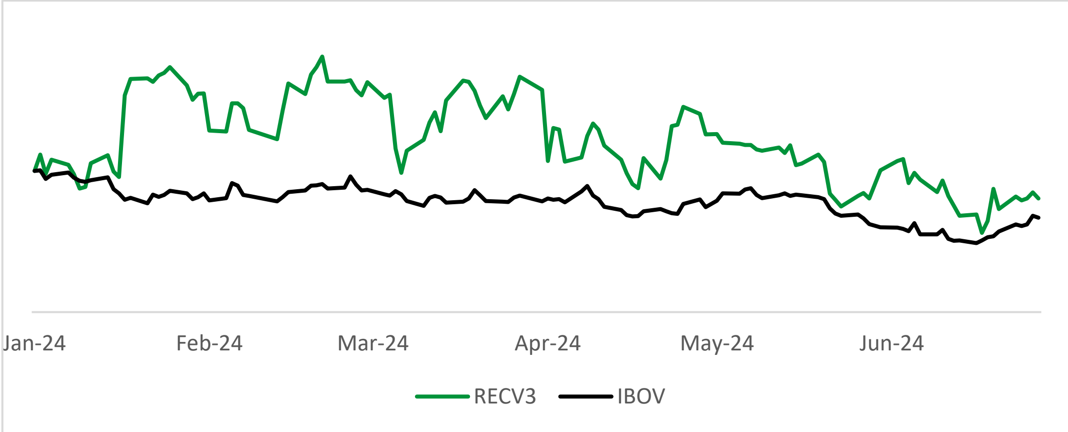
In June, we promoted the 1st Supplier Week 2024 with the aim of promoting improved quality, compliance and efficiency in our supply chain, in addition to strengthening PetroReconcavo's institutional relationship with its suppliers. The event reached more than 30 companies and 240 representatives over 12 hours of interactive content.

In order to ensure the continuous development of our professionals, we promoted the “Trilha Técnica” (Technical Trail), with courses focused on technical and operational training for all employees, and the “Academia de Líderes” Leaders Academy, which relied on the participation of all coordinators and managers.

7. Share Performance

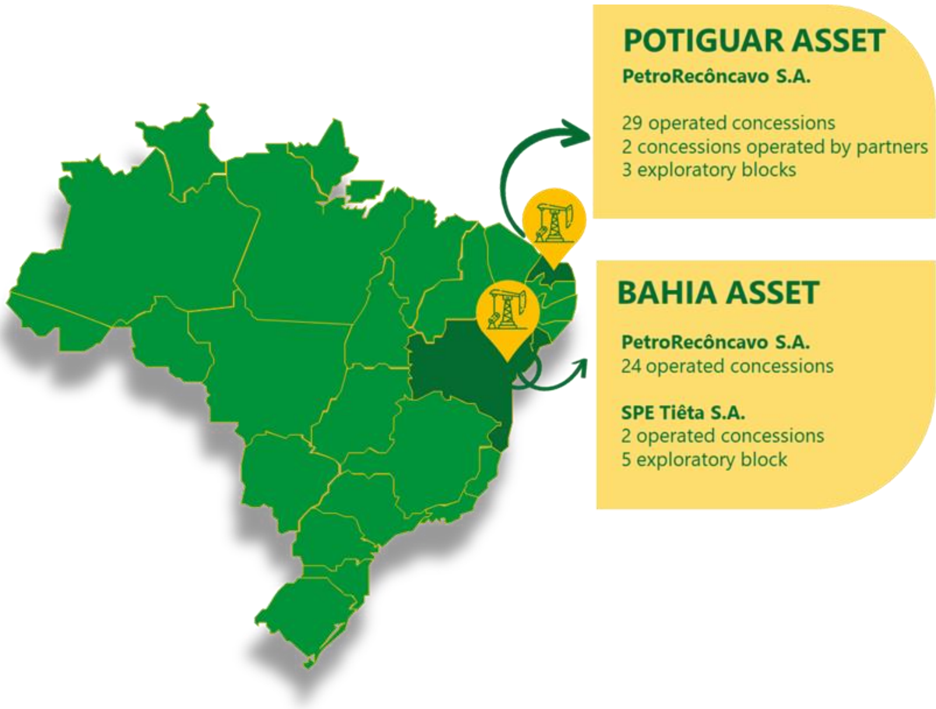
As of June 30, the Company's market value was R$ 5.4 billion, with shares trading at R$ 18.54, down 4% for the semester. This performance was better than that of the Ibovespa, which fell 6.6% during the period, but lower than the fluctuation in the price of Brent oil, which rose 12% during the semester.

During the quarter, the Company distributed R$ 17 million in dividends (R$ 0.06 per share) related to the fiscal year 2023 and R$ 410 million in interest on equity (R$ 1.40 per share). The average daily trading volume was 2.8 million shares, with a financial volume of R$ 7.7 billion for the semester, resulting in an average daily trading volume of R$ 62 million.



8. Asset and Reserve Portfolio

The Company's portfolio consists of the Bahia and Potiguar Assets, located in three distinct terrestrial sedimentary basins (Recôncavo, Potiguar and Sergipe basins).



On April 8, 2024, the Company released the Reserve Certification, with a base date of December 31, 2023, prepared by the independent certifier Netherland, Sewell & Associates, Inc. – NSAI.

The Company's Proven + Probable (2P) gross share reserves certified by NSAI in the 2023 Base Year Reserves Report total 171.94 million barrels of oil equivalent. This certification includes the reserves of the fields that make up the Potiguar and Bahia Assets, with the exception of the Tartaruga Field. Gross Proved Participating Reserves (1P) correspond to 80% of 2P Reserves and 61.64 million barrels are classified as Proven Reserves Developed in Production (PDP).

9. Annex

Notes on the Key Indicators:

- Net margin: corresponds to the net income for the year divided by the Net Revenue for the period;

EBITDA: Calculated in accordance with the Brazilian Securities and Exchange Commission Instruction ("CVM") 527 of October 4, 2012, as amended ("CVM Instruction 527") and consists of adjusted net income (loss) (plus) the net financial income, income tax and social contribution on income and depreciation, amortization and depletion ("EBITDA"). EBITDA is not an accounting measure recognized by the Accounting Practices Adopted in Brazil ("BRGAAP") or by the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board ("IASB"), it is not audited or reviewed by the Company's independent auditors, and does not represent cash flow for the periods presented and should not be considered as substitutes for net profit (loss) as indicators of the Company's operating performance and, therefore, is not a substitute for cash flow, indicator of our liquidity or as a basis for the distribution of dividends. EBITDA has no standardized meaning and our definition of EBITDA may not be comparable to those used by other companies;

- EBITDA margin corresponds to EBITDA for the period divided by Net Revenue for the period. The EBITDA Margin is not a measure of financial performance according to the Accounting Practices Adopted in Brazil or the International Financial Reporting Standards (IFRS) nor should it be considered in isolation, as a measure of operating performance, or an alternative to operating cash flows as a measure of liquidity or as an indicator of financial returns.

- Hedge adjusted EBITDA: calculated based on the EBITDA, excluding the effects of the derivative financial instruments settled in the period. The hedge adjusted EBITDA is not a measure of financial performance according to the Accounting Practices Adopted in Brazil or the International Financial Reporting Standards (IFRS) nor should it be considered separately, or as an alternative to net profit, or as a measure of operating performance, or an alternative to operating cash flows as a measure of liquidity. Other companies may calculate the hedge adjusted EBITDA in a different manner to that used by the Company. The adjusted EBITDA is used by the Company as an additional measure of its operating performance;

- The adjusted EBITDA margin corresponds to the EBITDA adjusted by the hedge of the period divided by net income, excluding the effects of the results of the derivative financial instruments settled in the period. Adjusted EBITDA margin is not a measure of financial performance according to the Accounting Practices Adopted in Brazil or the International Financial Reporting Standards (IFRS) nor should it be considered separately, or as an alternative to net profit, or as a measure of operating performance, or an alternative to operating cash flows as a measure of liquidity or as an indicator of financial returns.

- Net Debt/EBITDA last 12 months: Represents the net debt balance at the end of the period divided by the accrued EBITDA of the last twelve months in each period. Net Debt Represents total bank debt, represented by loan and financing balances in current and non-current liabilities, summed to the amounts payable from acquisition of assets, minus cash balances and cash equivalents and financial investments present in current and noncurrent assets. The net debt/EBITDA is not a measure of financial performance according to the Accounting Practices Adopted in Brazil or the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), is not audited or reviewed by independent auditors of the Company. Net debt/EBITDA has no standardized meaning and other companies may calculate in a different manner to that used by the Company.

- Production (boe/day): corresponds to the gross daily average of the Company's participation (working interest). The volumes of natural gas were converted considering that 1,000 m^3 of gas is equivalent to 6.2897 barrels of oil equivalent (boe).

- Lifting Cost (US$/boe): Represents the total cost of services provided and sales adjusted for changes in oil and natural gas inventories, excluding gas acquisition, processing and transportation costs, depreciation, amortization and depletion royalties, divided by total gross production in boe for the period, divided by the average exchange rate for the period;

- Average exchange rate (R$ / US$): corresponds to the average of the exchange rates for the year on each business day of the periods presented, as published by the Central Bank of Brazil;

- Average Brent Oil spot price (US$/bbl) The Brent price is quoted in dollars per barrel. Source: U.S. Energy Information Administration (EIA).