

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

PetroReconcavo S.A.

Report on Review of Interim
Financial Information for the
Six-month Period Ended
June 30, 2024

Deloitte Touche Tohmatsu Auditores Independentes Ltda.



**FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
JUNE 30, 2024**

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Management of
PetroReconcavo S.A.

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of PetroReconcavo S.A. ("Company"), included in the Interim Financial Information Form (ITR) for the quarter ended June 30, 2024, which comprises the balance sheet as of June 30, 2024 and the related statements of profit or loss and of comprehensive income for the three and six-month periods then ended, and of changes in equity and of cash flows for the six-month period then ended, including the explanatory notes.

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

Scope of review

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

Conclusion on the individual and consolidated interim financial information

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

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Other matters

Statements of value added

The interim financial information referred to above includes the individual and consolidated statements of value added (DVA) for the six-month period ended June 30, 2024, prepared under the responsibility of the Company's Management and presented as supplemental information for international standard IAS 34 purposes. These statements were subject to the review procedures performed together with the review of the ITR to reach a conclusion on whether they are reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are consistent with the criteria set forth in technical pronouncement CPC 09 (R1) - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with technical pronouncement CPC 09 (R1) and consistently with the accompanying individual and consolidated interim financial information taken as a whole.

Convenience translation

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

Salvador, August 8, 2024



DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.



Marcelo de Figueiredo Seixas
Engagement Partner



BALANCE SHEET AS AT JUNE 30, 2024
(In thousands of Brazilian reais - R\$)

Company						Consolidated						Company						Consolidated					
ASSETS	Notes	06/30/2024	12/31/2023	06/30/2024	12/31/2023	LIABILITIES AND NET EQUITY	Notes	06/30/2024	12/31/2023	06/30/2024	12/31/2023	LIABILITIES AND NET EQUITY	Notes	06/30/2024	12/31/2023	06/30/2024	12/31/2023	LIABILITIES AND NET EQUITY	Notes	06/30/2024	12/31/2023	06/30/2024	12/31/2023
CURRENT						CURRENT						CURRENT						CURRENT					
Cash and cash equivalents	3	339,635	110,834	411,015	197,184	Suppliers	7	215,924	244,977	233,373	254,010	Suppliers	7	215,924	244,977	233,373	254,010	Suppliers	7	215,924	244,977	233,373	254,010
Short-term investments	3	1,122,581	310,172	1,215,647	310,172	Payroll and related charges		73,320	85,457	74,351	86,647	Payroll and related charges		73,320	85,457	74,351	86,647	Payroll and related charges		73,320	85,457	74,351	86,647
Trade receivables	4	328,648	332,047	377,218	360,611	Taxes payable		33,084	42,490	41,161	49,537	Taxes payable		33,084	42,490	41,161	49,537	Taxes payable		33,084	42,490	41,161	49,537
Inventories		6,337	6,237	7,793	7,358	Loans and financing	8	201,755	142,772	201,755	142,772	Loans and financing	8	201,755	142,772	201,755	142,772	Loans and financing	8	201,755	142,772	201,755	142,772
Dividends receivable	16	-	11,316	-	-	Debtenture	9	2,417	-	2,417	-	Debtenture	9	2,417	-	2,417	-	Debtenture	9	2,417	-	2,417	-
Recoverable taxes		71,826	211,194	79,445	233,927	Leases payable		5,083	25,940	11,225	32,887	Leases payable		5,083	25,940	11,225	32,887	Leases payable		5,083	25,940	11,225	32,887
Other assets		28,466	36,708	28,824	38,179	Derivative financial instruments	14	54,227	99,478	54,227	99,478	Derivative financial instruments	14	54,227	99,478	54,227	99,478	Derivative financial instruments	14	54,227	99,478	54,227	99,478
Total current assets		1,897,493	1,018,508	2,119,942	1,147,431	Dividends and interest payable on own capital	15	2	17,359	2	17,359	Dividends and interest payable on own capital	15	2	17,359	2	17,359	Dividends and interest payable on own capital	15	2	17,359	2	17,359
NONCURRENT						Payables for acquisitions	11	422,647	340,256	422,647	340,256	Payables for acquisitions	11	422,647	340,256	422,647	340,256	Payables for acquisitions	11	422,647	340,256	422,647	340,256
Trade receivables	4	55,917	55,917	55,917	55,917	Provision for well abandonment	13	6,268	8,202	6,268	8,202	Provision for well abandonment	13	6,268	8,202	6,268	8,202	Provision for well abandonment	13	6,268	8,202	6,268	8,202
Recoverable taxes		53,205	68,450	66,350	78,049	Other accounts payable		14,273	29,029	25,171	34,712	Other accounts payable		14,273	29,029	25,171	34,712	Other accounts payable		14,273	29,029	25,171	34,712
Other assets		16,870	8,623	48,555	5,816	Total current liabilities		1,029,000	1,035,960	1,072,597	1,065,860	Total current liabilities		1,029,000	1,035,960	1,072,597	1,065,860	Total current liabilities		1,029,000	1,035,960	1,072,597	1,065,860
Deferred taxes	10	64,732	8,399	96,308	46,370	NONCURRENT						NONCURRENT						NONCURRENT					
Investments	5	819,684	790,258	-	-	Suppliers	7	130,476	130,476	130,476	130,476	Suppliers	7	130,476	130,476	130,476	130,476	Suppliers	7	130,476	130,476	130,476	130,476
PP&E and intangible assets	6	4,859,497	4,807,735	5,466,627	5,455,889	Loans and financing	8	787,315	760,208	787,315	760,208	Loans and financing	8	787,315	760,208	787,315	760,208	Loans and financing	8	787,315	760,208	787,315	760,208
Lease right-of-use assets		9,103	26,438	19,037	39,712	Debtenture	9	1,104,903	-	1,104,903	-	Debtenture	9	1,104,903	-	1,104,903	-	Debtenture	9	1,104,903	-	1,104,903	-
Total noncurrent assets		5,879,008	5,765,820	5,752,794	5,681,753	Leases payable		3,412	2,591	7,303	10,570	Leases payable		3,412	2,591	7,303	10,570	Leases payable		3,412	2,591	7,303	10,570
						Other accounts payable		9,442	12,227	9,303	12,227	Other accounts payable		9,442	12,227	9,303	12,227	Other accounts payable		9,442	12,227	9,303	12,227
						Derivative financial instruments	14	135,529	-	135,529	-	Derivative financial instruments	14	135,529	-	135,529	-	Derivative financial instruments	14	135,529	-	135,529	-
						Payables for acquisitions	11	-	145,239	-	145,239	Payables for acquisitions	11	-	145,239	-	145,239	Payables for acquisitions	11	-	145,239	-	145,239
						Provision for contingency risks	12	3,672	3,239	47,422	5,299	Provision for contingency risks	12	3,672	3,239	47,422	5,299	Provision for contingency risks	12	3,672	3,239	47,422	5,299
						Provision for well abandonment	13	185,300	176,505	190,436	181,422	Provision for well abandonment	13	185,300	176,505	190,436	181,422	Provision for well abandonment	13	185,300	176,505	190,436	181,422
						Total noncurrent liabilities		2,360,049	1,230,485	2,412,687	1,245,441	Total noncurrent liabilities		2,360,049	1,230,485	2,412,687	1,245,441	Total noncurrent liabilities		2,360,049	1,230,485	2,412,687	1,245,441
						NET EQUITY						NET EQUITY						NET EQUITY					
						Share capital	15	2,832,275	2,830,774	2,832,275	2,830,774	Share capital	15	2,832,275	2,830,774	2,832,275	2,830,774	Share capital	15	2,832,275	2,830,774	2,832,275	2,830,774
						Treasury shares		(4,432)	(5,084)	(4,432)	(5,084)	Treasury shares		(4,432)	(5,084)	(4,432)	(5,084)	Treasury shares		(4,432)	(5,084)	(4,432)	(5,084)
						Capital reserve		48,431	51,978	48,431	51,978	Capital reserve		48,431	51,978	48,431	51,978	Capital reserve		48,431	51,978	48,431	51,978
						Profit reserve		1,671,360	1,671,360	1,671,360	1,671,360	Profit reserve		1,671,360	1,671,360	1,671,360	1,671,360	Profit reserve		1,671,360	1,671,360	1,671,360	1,671,360
						Retained earnings (loss)		(164,668)	-	(164,668)	-	Retained earnings (loss)		(164,668)	-	(164,668)	-	Retained earnings (loss)		(164,668)	-	(164,668)	-
						Other comprehensive income		(29,995)	(65,626)	(29,995)	(65,626)	Other comprehensive income		(29,995)	(65,626)	(29,995)	(65,626)	Other comprehensive income		(29,995)	(65,626)	(29,995)	(65,626)
						Capital transactions		34,481	34,481	34,481	34,481	Capital transactions		34,481	34,481	34,481	34,481	Capital transactions		34,481	34,481	34,481	34,481
						Total net equity		4,387,452	4,517,883	4,387,452	4,517,883	Total net equity		4,387,452	4,517,883	4,387,452	4,517,883	Total net equity		4,387,452	4,517,883	4,387,452	4,517,883
TOTAL ASSETS		7,776,501	6,784,328	7,872,736	6,829,184	TOTAL LIABILITIES AND NET EQUITY		7,776,501	6,784,328	7,872,736	6,829,184	TOTAL LIABILITIES AND NET EQUITY		7,776,501	6,784,328	7,872,736	6,829,184	TOTAL LIABILITIES AND NET EQUITY		7,776,501	6,784,328	7,872,736	6,829,184

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



STATEMENT OF PROFIT AND LOSS FOR THE THREE AND SIX-MONTH PERIODS ENDED JUNE 30, 2024
(In thousands of Brazilian reais - R\$, except for earnings per share)

	Notes	Company		Consolidated		Company		Consolidated	
		04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
NET REVENUE	18	744,915	100,768	826,254	658,314	1,430,061	218,469	1,570,989	1,377,526
COST OF PRODUCTS SOLD AND SERVICES PROVIDED	19	(440,605)	(94,420)	(501,955)	(472,834)	(871,069)	(208,482)	(977,803)	(915,097)
GROSS PROFIT		304,310	6,348	324,299	185,480	558,992	9,987	593,186	462,429
INCOME (EXPENSES)									
General, sales and administrative	19	(44,773)	(14,712)	(48,331)	(35,741)	(83,629)	(38,129)	(90,949)	(81,581)
Other income (expenses), net	19	(7,120)	11,522	(6,867)	24,313	(33,721)	25,279	(33,646)	24,117
Equity in investments	5	19,994	159,270	-	-	29,426	372,570	-	-
Total		(31,899)	156,080	(55,198)	(11,428)	(87,924)	359,720	(124,595)	(57,464)
OPERATING INCOME		272,411	162,428	269,101	174,052	471,068	369,707	468,591	404,965
Financial income (loss)	20	(226,017)	19,078	(216,252)	55,392	(299,542)	6,310	(287,230)	61,693
INCOME BEFORE TAXES		46,394	181,506	52,849	229,444	171,526	376,017	181,361	466,658
INCOME TAX AND SOCIAL CONTRIBUTION									
Current		6,492	1,213	4,621	6,819	-	-	(3,440)	(38,649)
Deferred		83,295	(5,078)	78,711	(58,622)	74,688	1,137	68,293	(50,855)
Total	10	89,787	(3,865)	83,332	(51,803)	74,688	1,137	64,853	(89,504)
NET INCOME		136,181	177,641	136,181	177,641	246,214	377,154	246,214	377,154
Earnings per share - R\$	15	0.4648	0.6070			0.8402	1.2880		
Diluted earnings per share - R\$	15	0.4647	0.6060			0.8398	1.2870		

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



STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE AND SIX-MONTH PERIODS ENDED JUNE 30, 2024
(In thousands of Brazilian reais - R\$)

	Notes	Company		Consolidated	
		04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
NET INCOME FOR THE PERIOD		136,181	177,641	136,181	177,641
Items that can be subsequently reclassified to statement of profit and loss					
Hedging instruments - NDF	14	24,680	-	24,680	97,932
Deferred taxes on financial instruments - NDF		(8,391)	-	(8,391)	(33,297)
Other comprehensive income of subsidiaries		-	64,635	-	-
Subtotal		16,289	64,635	16,289	64,635
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>152,470</u>	<u>242,276</u>	<u>152,470</u>	<u>242,276</u>

	Notes	Company		Consolidated	
		01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
NET INCOME FOR THE PERIOD		246,214	377,154	246,214	377,154
Items that can be subsequently reclassified to statement of profit and loss					
Hedging instruments - NDF	14	53,986	-	53,986	225,573
Deferred taxes on financial instruments - NDF		(18,355)	-	(18,355)	(76,695)
Other comprehensive income of subsidiaries		-	148,878	-	-
Subtotal		35,631	148,878	35,631	148,878
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>281,845</u>	<u>526,032</u>	<u>281,845</u>	<u>526,032</u>

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



STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024
(In thousands of Brazilian reais - R\$)

	Notes	Share capital	Treasury shares	Capital reserve		Legal reserve	Profit reserve			Other comprehensive income		Capital transactions	Retained earnings (loss)	Total net equity
				Income tax relief incentive	Share and stock options granted		Tax incentives	Reinvestment and expansion reserve	Proposed additional dividends	Other comprehensive income				
BALANCE AS AT DECEMBER 31, 2022		2,828,170	(6,793)	18,501	24,670	89,702	57,018	994,190	26,374	(255,811)		34,481	-	3,810,502
Subscribed share capital paid-in		259	-	-	-	-	-	-	-	-	-	-	-	259
Exercise of stock option		1,544	-	-	-	-	-	-	-	-	-	-	-	1,544
Share buyback		-	(4,055)	-	-	-	-	-	-	-	-	-	-	(4,055)
Delivery of shares		-	4,210	-	-	-	-	-	-	-	-	-	(899)	3,311
Additional recognition of tax incentive reserve		-	-	-	-	-	383	-	-	-	-	-	(383)	-
Share-based compensation		-	-	-	3,381	-	-	-	-	-	-	-	-	3,381
Proposed additional dividends		-	-	-	-	-	-	-	(26,374)	-	-	-	-	(26,374)
Other comprehensive income of the Subsidiary		-	-	-	-	-	-	-	-	148,878	-	-	-	148,878
Net income		-	-	-	-	-	-	-	-	-	-	-	377,154	377,154
BALANCE AS AT JUNE 30, 2023		2,829,973	(6,638)	18,501	28,051	89,702	57,401	994,190	-	(106,933)		34,481	375,872	4,314,600
BALANCE AS AT DECEMBER 31, 2023		2,830,774	(5,084)	18,501	33,477	125,149	64,460	1,481,751	-	(65,626)		34,481	-	4,517,883
Subscribed share capital paid-in	15	495	-	-	-	-	-	-	-	-	-	-	-	495
Exercise of stock option		1,092	-	-	-	-	-	-	-	-	-	-	-	1,092
Exercised option to be paid-in		(86)	-	-	-	-	-	-	-	-	-	-	-	(86)
Share buyback		-	(11,261)	-	-	-	-	-	-	-	-	-	-	(11,261)
Subscribed share capital paid-in		-	11,913	-	-	-	-	-	-	-	-	-	(882)	11,031
Share-based compensation	15	-	-	-	(3,547)	-	-	-	-	-	-	-	-	(3,547)
Other comprehensive income		-	-	-	-	-	-	-	-	35,631	-	-	-	35,631
Interest on own capital	15	-	-	-	-	-	-	-	-	-	-	-	(410,000)	(410,000)
Net income		-	-	-	-	-	-	-	-	-	-	-	246,214	246,214
BALANCE AS AT JUNE 30, 2024		2,832,275	(4,432)	18,501	29,930	125,149	64,460	1,481,751	-	(29,995)		34,481	(164,668)	4,387,452

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



STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024
(In thousands of Brazilian reais - R\$)

		Notes	Company		Consolidated	
			06/30/2024	06/30/2023	06/30/2024	06/30/2023
CASH FLOW FROM OPERATING ACTIVITIES						
Profit before taxes on income			171,526	376,017	181,361	466,658
Reconciliation of profit before taxes with cash generated by operating activities						
Interest, amortization of borrowings and foreign exchange variations, net			202,024	(15,727)	203,314	(75,208)
Depreciation, amortization and depletion		19	256,947	44,944	332,076	249,109
Provisions, estimated losses and other			4,646	10,632	46,336	3,028
Equity in investments		5	(29,426)	(372,570)	-	-
Consideration of contingent installments on payables for acquisitions		11	22,033	-	22,033	-
Fair value of derivative financial instruments in profit and loss			235,834	-	235,834	131,754
Adjustment of provision for well abandonment		13	8,795	2,082	9,014	6,644
Derecognition of PP&E , leases and other			119,319	29,455	122,980	88,205
Changes in assets:						
Trade receivables			3,399	14,979	(16,607)	87,900
Inventories			3,941	6,882	4,908	5,667
Recoverable taxes			154,613	1,894	166,181	(14,836)
Other assets			(5)	(39,752)	(33,384)	(3,173)
Changes in liabilities:						
Suppliers			(29,053)	7,142	(20,637)	11,888
Payroll and related charges			(1,107)	2,800	(1,266)	1,661
Taxes payable			1,667	(8,943)	(422)	(22,633)
Other accounts payable			(14,756)	(1,726)	(9,541)	2,893
Payment of hedge contracts		14	(91,570)	-	(91,570)	(131,754)
Interest paid			(45,186)	(22,861)	(45,892)	(24,209)
Income tax and social contribution paid			(13,858)	(989)	(14,318)	(63,237)
Changes in cash resulting from operating activities			959,783	34,259	1,090,400	720,357
CASH FLOWS FROM INVESTMENT ACTIVITIES						
Dividends received from subsidiaries			11,316	-	-	-
Acquisition of SPE Tiêta, net of cash received			-	(501,639)	-	(472,255)
Short-term investments			(767,117)	763,345	(860,183)	527,974
Additions to PP&E and intangible assets			(430,730)	(220,799)	(467,274)	(722,239)
Changes in cash resulting from investment activities			(1,186,531)	40,907	(1,327,457)	(666,520)
CASH FLOWS FROM FINANCING ACTIVITIES						
Issuance of debentures, net of funding costs		9	1,097,570	-	1,097,570	-
Payment of financing		8	(44,594)	(331)	(44,594)	(331)
Payment of payables for acquisitions		11	(144,439)	-	(144,439)	(175,703)
Exercise of stock option			1,006	1,544	1,006	1,544
Dividends and interest on own capital paid			(427,357)	(132,790)	(427,357)	(132,790)
Subscribed capital paid-in		15	495	259	495	259
Net cash from acquisition and sale of treasury shares			(11,261)	(4,055)	(11,261)	(4,055)
Amortization of lease operations - principal			(15,871)	(6,293)	(20,532)	(13,829)
Changes in cash resulting from financing activities			455,549	(141,666)	450,888	(324,905)
Changes in cash and cash equivalents			-	-	-	(200)
CHANGE IN THE BALANCE OF CASH AND CASH EQUIVALENTS			228,801	(66,500)	213,831	(271,268)
Cash and cash equivalents at the beginning of the period		3	110,834	83,601	197,184	361,028
Cash and cash equivalents at the end of the period		3	339,635	17,101	411,015	89,760
CHANGES IN CASH AND CASH EQUIVALENTS			228,801	(66,500)	213,831	(271,268)

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



STATEMENT OF VALUE-ADDED
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024
(In thousands of Brazilian reais - R\$)

	Notes	Controladora		Consolidado	
		06/30/2024	06/30/2023	06/30/2024	06/30/2023
WEALTH CREATION					
Revenue:					
Revenue from customer contracts	18	1,699,387	243,479	1,855,119	1,706,251
Other revenue		12,821	71,072	5,442	37,283
Total revenue		1,712,208	314,551	1,860,561	1,743,534
OUTSOURCED INPUTS AND SERVICES					
Raw materials and products for resale		(23,257)	(14,817)	(23,256)	(32,587)
Materials, energy, outsourced services and other		(452,436)	(135,993)	(465,955)	(486,069)
Total outsourced inputs		(475,693)	(150,810)	(489,211)	(518,656)
GROSS VALUE-ADDED					
		1,236,515	163,741	1,371,350	1,224,878
Depreciation, amortization and depletions	19	(256,947)	(44,944)	(332,076)	(249,109)
NET WEALTH PRODUCED					
		979,568	118,797	1,039,274	975,769
WEALTH RECEIVED IN TRANSFER					
Financial income		114,251	81,795	127,805	157,051
Equity in investments	5	29,426	372,570	-	-
Total wealth received in transfer		143,677	454,365	127,805	157,051
Wealth for distribution					
		1,123,245	573,162	1,167,079	1,132,820
WEALTH DISTRIBUTION					
Personnel:					
Direct remuneration		115,798	46,851	120,822	107,826
Benefits		47,500	15,820	48,922	38,994
FGTS		7,691	2,426	7,917	7,501
Taxes, fees and contributions					
Federal		93,855	27,809	114,375	197,393
State		87,865	4,616	87,403	172,260
Municipal		882	1,497	892	1,497
Remuneration of third-party capital:					
Rent		18,348	6,078	21,011	22,539
Royalties	19	91,298	15,426	104,487	112,298
Interest		413,793	75,485	415,035	95,358
Return on own capital:					
Dividends and interest on own capital	15	410,000	-	410,000	-
Retaining earnings (loss)		(163,785)	377,154	(163,785)	377,154
WEALTH DISTRIBUTED					
		1,123,245	573,162	1,167,079	1,132,820

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



1. GENERAL INFORMATION

PetroReconcavo S.A. ("Company", "PetroReconcavo" or "Parent Company") is a business corporation headquartered in Mata de São João, Bahia, listed on B3 S.A – Brasil, Bolsa, Balcão and is engaged in the operation and production of mature oil and natural gas fields and its byproducts in Brazil. In operation since February 2000, the Company does not have a controlling shareholder or group.

PetroReconcavo is the parent company of SPE Tiêta Ltda. ("SPE Tiêta") (collectively with PetroReconcavo referred to as the "Group"). The Group is currently the concessionaire of 57 fields distributed among the states of Bahia, Sergipe and Rio Grande do Norte and operates in five of them in the consortium modality.

Due to the corporate reorganization occurred in October 2023, the individual results of the Company as at October 31, 2023 reflected only the results from the 12 fields operated by the Company. Up to that date, the results from the fields operated by its then subsidiaries Potiguar E&P, SPE Miranga and Recôncavo E&P were reflected through its equity in those investments. From November, the Company's individual results also included contributions from the fields acquired in the merger, totaling 55 fields as at December 2023. Further information on the corporate reorganization are detailed under Note 1.2. to the financial statements of the Company as at December 31, 2023.

1.1 SPE Tiêta Ltda.

SPE Tiêta Ltda. ("SPE Tiêta") is a limited liability company, with an indefinite term, incorporated on September 18, 2009 in the city of Rio de Janeiro, state of Rio de Janeiro. SPE Tiêta is a concessionaire for the exploration and production of the Tie and Tartaruga fields.

SPE Tiêta operates the Tartaruga field in a consortium with Petrobras and its equity interest in the operation is of 75%.

2. MATERIAL ACCOUNTING POLICIES APPLIED IN PREPARING THE INTERIM FINANCIAL STATEMENTS

The material accounting policies adopted in the financial statements as at December 31, 2023 have been consistently applied in the preparation of these Interim Financial Statements.

2.1 Basis of preparation and presentation of the Interim Financial Statements

- The individual and consolidated Interim Financial Statements were prepared and are presented in accordance with technical pronouncement CPC 21 (R1) – issued by the Accounting Pronouncements Committee ("CPC"); with the IAS 34 – issued by the International Accounting Standards Board ("IASB"); and with the standards and guidance issued by the Brazilian Securities and Exchange Committee ("CVM").
- The individual and consolidated interim financial statements should be read in conjunction with the individual and consolidated financial statements of the Company as at December 31, 2023.
- In preparing these interim financial statements Management is required to use certain critical accounting estimates and to make judgments in the process of applying its material accounting practices.

- There were no significant changes to the assumptions and judgments made by Management in the use of the estimates for the preparation of these interim financial statements in relation to those used for the financial statements as at December 31, 2023.
- These interim financial statements were authorized for issuance by Company Management on August 8, 2024.

2.2 Material accounting policies

All relevant information specifically related to these interim financial statements, and only in relation to these, are being evidenced and correspond to the information used by the Company in its management. The material accounting policies and estimates adopted by the Company and its subsidiary are in accordance with CPC 21 and IAS 34 and were disclosed in the individual and consolidated financial statements as at December 31, 2022. There were no alterations between the policies disclosed in the financial statements as at December 31, 2023 and these Interim Financial Statements.

New accounting pronouncements (effective in 2024), listed in the financial statements as at December 31, 2023, did not have any effect, or were not applicable to the accounting policies used in the preparation of these interim financial statements.

2.3 Basis of consolidation and investments the subsidiary

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

In the Company's Interim Financial Statements, the financial information on the subsidiary is recognized using the equity accounting method, and all transactions between the parties are fully eliminated in the consolidated Interim Financial Statements.

2.4 Functional currency and foreign currency translations

Company Management defined the Brazilian Real (R\$) as the "Functional Currency", for the Company and its subsidiary, since this is the currency of the primary economic environment in which the Group operates. The Brazilian Real is also the presentation currency for these Interim Financial Statements. The values presented in these Interim Financial Statements are expressed in thousands of Brazilian Reais, unless otherwise indicated.

Transactions in foreign currencies are initially recognized at the exchange rates prevailing on the dates of the transaction. Monetary assets and liabilities that are denominated in foreign currencies are retranslated at the reporting date and exchange differences are recognized in profit or loss.

3. CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

3.1 Cash and cash equivalents

	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Bank checking accounts	291	17,357	291	17,573
Short-term investments	339,344	93,477	410,724	179,611
Total	339,635	110,834	411,015	197,184

Short-term investments refer to fixed-income transaction (CDB – Bank Deposit Certificates and repo operations), indexed between 89% and 102.5% of the Interbank Deposit Certificate rates (CDI) (90% to 103% of the CDI in 2023) maintained by top tier banks, having ratings of between brAA and brAAA (or similar), based on one of the three most renown rating agencies worldwide (S&P, Fitch or Moody).

The Company and its subsidiary can immediately redeem these investments without any fee or restriction and their market values do not differ from their carrying values.

3.2 Short-term investments

	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Short-term investments	1,122,581	310,172	1,215,647	310,172
Total	1,122,581	310,172	1,215,647	310,172

Short-term investments refer mainly to investments in Exchange Funds and exclusive funds with investments in products indexed to the U.S. dollar, such as US Treasuries and Time Deposits. Management opted to invest part of the funds in this kind of investment as a manner of protection against the exchange variation, due to the fact that the remaining payments for the acquisitions of assets are denominated in U.S. dollars.

These funds are split among four financial institutions that have good rating assessments. In the six-month period ended June 30, 2024, the exchange funds varied negatively, on an average of 18.51% (2023, negative variation of 2.58%), while the Ptax dollar presented a negative variation of 14.82% (2023, negative variation of 7.23%).

4. TRADE RECEIVABLES

4.1 Breakdown

	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Oil	196,398	211,915	243,836	239,019
Gas and byproducts	130,715	120,132	131,847	121,592
Provision of services	1,535	-	1,535	-
Subtotal	328,648	332,047	377,218	360,611
Other, net of losses (i)	55,917	55,917	55,917	55,917
Total trade receivables	384,565	387,964	433,135	416,528
Current	328,648	332,047	377,218	360,611
Noncurrent	55,917	55,917	55,917	55,917

(i) The Company is currently under discussion in relation to credit values from transactions occurred in contracts for the acquisition and sale of natural gas during 2022. Accordingly, the amounts are classified under noncurrent assets and a provision for expected credit loss ("ECL") registered in the amount of R\$70,711, which reflects the Company's best estimates of credit realization as at June 30, 2024.

Invoices are issued to customers with average maturities of 30 to 60 days. For the six-month period ended June 30, 2024, the average term for trade receivables was of 50 days (in 2023, 54 days), considered as part of normal and inherent commercial conditions of the Company's operations.

4.2 Aging of Trade Receivables for Oil, Gas and byproducts

	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Due (i)	328,108	320,244	375,724	343,628
Past due:				
Up to 3 months	-	8,660	682	13,698
From 3 to 6 months	-	162	-	166
From 6 to 12 months	-	2,981	-	3,119
Over 12 months	540	-	812	-
Total	<u>328,648</u>	<u>332,047</u>	<u>377,218</u>	<u>360,611</u>

(i) The outstanding balance includes amounts due from contractual revenues invoiced and to be invoiced.

5. INVESTMENTS

5.1 Breakdown

Investee	Base-date	Equity interest %	Share capital	Assets	Liabilities	PL
SPE Tiêta	06/30/2024	100	630,165	820,143	107,862	712,281
SPE Tiêta	12/31/2023	100	630,165	727,050	61,255	665,795

5.2 Changes in investments

Changes in investments	Recôncavo E&P	America LLC	Potiguar E&P	SPE Miranga	SPE Tiêta (iii)	Total
Balance as at December 31, 2022	21,171	20,073	1,433,185	818,756	-	2,293,185
Equity in investments	414	375	181,112	167,737	22,932	372,570
Acquisition of SPE Tiêta (ii)	-	-	-	-	797,011	797,011
Amortization of value-added of SPE Tiêta assets	-	-	-	-	(7,673)	(7,673)
Equity valuation adjustment	-	-	148,878	-	-	148,878
Balance as at June 30, 2023	21,585	20,448	1,763,175	986,493	812,270	3,603,971
Balance as at December 31, 2023	-	-	-	-	790,258	790,258
Equity in investments (i)	-	-	-	-	29,426	29,426
Balance as at June 30, 2024	-	-	-	-	819,684	819,684

- (i) The equity in investments amount presented is net of amortization of value-added of SPE Tiêta assets in the amount of R\$ 17,061 (2023, R\$ 7,673).
- (ii) The Subsidiary's net equity comprises the investment of the Company together with the value-added and its accumulated amortization. In addition, the equity balance recognized in the parent company reflects the results of the investee in the four months, which is the period from the date of acquisition up until June 30, 2023.
- (iii) On February 28, 2023 the acquisition of SPE Tiêta was fully concluded. Further information in relation to this transaction is detailed in Note 7.3. to the financial statements as at December 31, 2023.

6. PROPERTY, PLANT AND EQUIPMENT (PP&E) AND INTANGIBLE ASSETS

6.1 Breakdown and changes in PP&E and Intangible assets

Company	12/31/2022	Additions	Write-off	Transfer	06/30/2023	12/31/2023	Additions	Write-off	Transfer	06/30/2024
<u>PP&E</u>										
Machinery and equipment	69,061	1,560	(24)	7,843	78,440	229,765	620	(13)	1,164	231,536
PP&E in progress	47,096	71,755	(2,474)	34,660	151,037	79,766	46,928	-	20,994	147,688
Oil and gas production rights (i)	95,629	-	-	-	95,629	2,894,154	-	-	-	2,894,154
Development of fields	1,006,288	54,277	(564)	11,177	1,071,178	2,508,212	202,179	(2,910)	89,874	2,797,355
Exploratory blocks (ii)	-	-	-	-	-	9,303	71	-	-	9,374
Well abandonment	15,656	-	-	-	15,656	142,706	-	-	-	142,706
Capital asset inventories	120,632	59,119	(26,387)	(4,884)	148,480	550,379	159,261	(130,533)	(82,379)	496,728
Advances	95,703	31,939	-	(50,548)	77,094	53,421	11,494	(4,303)	(30,127)	30,485
Other	32,412	1,586	(46)	1,752	35,704	106,005	4,732	(134)	474	111,077
Total	1,482,477	220,236	(29,495)	-	1,673,218	6,573,711	425,285	(137,893)	-	6,861,103
<u>Depreciation, amortization and depletion</u>										
Machinery and equipment	(19,109)	(3,972)	-	-	(23,081)	(34,807)	(12,674)	2	-	(47,479)
Oil and gas production rights (i)	(6,130)	(2,704)	-	-	(8,834)	(586,522)	(79,874)	-	-	(666,396)
Development of fields	(700,696)	(28,082)	-	-	(728,778)	(1,100,689)	(132,423)	-	-	(1,233,112)
Well abandonment	(2,897)	(902)	-	-	(3,799)	(31,960)	(9,276)	-	-	(41,236)
Other	(18,483)	(1,384)	40	-	(19,827)	(28,094)	(4,867)	96	-	(32,865)
Total	(747,315)	(37,044)	40	-	(784,319)	(1,782,072)	(239,114)	98	-	(2,021,088)
<u>Intangible assets</u>										
Software	14,393	563	-	-	14,956	24,664	5,445	-	-	30,109
<u>Amortization</u>										
Software – amortization	(6,358)	(894)	-	-	(7,252)	(8,568)	(2,059)	-	-	(10,627)
Total PP&E and intangible assets	743,197	182,861	(29,455)	-	896,603	4,807,735	189,557	(137,795)	-	4,859,497

Consolidated	12/31/2022	Acquisition SPE Tiêta	Additions	Write-off	Transfer	06/30/2023	12/31/2023	Additions	Write-off	Transfer	06/30/2024
<u>PP&E</u>											
Machinery and equipment	83,453	27	3,679	(312)	8,207	95,054	229,800	620	(13)	1,164	231,571
PP&E in progress	63,785	-	82,981	(2,672)	38,269	182,363	79,766	46,928	-	20,994	147,688
Oil and gas production rights (i)	2,894,155	79,373	-	-	-	2,973,528	2,973,528	-	-	-	2,973,528
Development of fields	1,779,122	872,413	284,820	(6,665)	113,574	3,043,264	3,397,198	227,352	(2,982)	94,880	3,716,448
Exploratory blocks (ii)	3,766	10,493	1,773	(297)	130	15,865	19,796	71	-	-	19,867
Well abandonment	87,288	1,725	-	(549)	-	88,464	150,277	-	-	-	150,277
Capital asset inventories	364,122	46,020	286,981	(79,618)	(75,603)	541,902	597,789	169,788	(134,936)	(87,385)	545,256
Advances	126,788	-	58,525	(2,450)	(86,366)	96,497	56,203	12,338	(4,305)	(30,127)	34,109
Other	57,126	3,570	2,892	(294)	1,789	65,083	109,290	4,732	(134)	474	114,362
Total	5,459,605	1,013,621	721,651	(92,857)	-	7,102,020	7,613,647	461,829	(142,370)	-	7,933,106
<u>Depreciation, amortization and depletion</u>											
Machinery and equipment	(18,565)	(22)	(4,172)	13	-	(22,746)	(34,839)	(12,680)	2	-	(47,517)
Oil and gas production rights (i)	(428,232)	(55,274)	(80,165)	-	-	(563,671)	(643,239)	(87,517)	-	-	(730,756)
Development of fields	(848,990)	(219,898)	(141,793)	-	-	(1,210,681)	(1,428,320)	(197,620)	-	-	(1,625,940)
Well abandonment	(20,705)	(1,176)	(3,725)	-	-	(25,606)	(37,025)	(9,366)	-	-	(46,391)
Other	(25,745)	(2,198)	(2,909)	147	3,601	(27,104)	(30,479)	(5,006)	96	-	(35,389)
Total	(1,342,237)	(278,568)	(232,764)	160	3,601	(1,849,808)	(2,173,902)	(312,189)	98	-	(2,485,993)
<u>Intangible assets</u>											
Software	15,044	1,038	588	-	-	16,670	25,702	5,445	-	-	31,147
<u>Amortization</u>											
Software – amortization	(3,047)	(953)	(977)	-	(3,601)	(8,578)	(9,558)	(2,075)	-	-	(11,633)
Total PP&E and intangible assets	4,129,365	735,138	488,498	(92,697)	-	5,260,304	5,455,889	153,010	(142,272)	-	5,466,627

- (i) A breakdown of the cost of acquisitions by cluster is demonstrated below:

Assets	Cluster	Amount
Bahia	Remanso	95,629
Bahia	Remanso BT-REC	1,248
Bahia	Miranga	1,247,506
Bahia/Sergipe	Tiêta	79,373
Potiguar	Potiguar	1,549,772
Total		2,973,528

- (ii) Exploratory blocks refer to investments made due to commitments signed with ANP for the exploration of hydrocarbons in established regions (see Note 17).

6.2 Estimated useful lives

Assets	Annual rate	Useful life
Machinery and equipment	10%	10
Oil and gas production rights (i)	U.P.M.	-
Development of fields (i)	U.P.M.	-
Well abandonment (i)	U.P.M.	-
Exploratory blocks	N/A	-
Other	4% - 20%	7
Software	20%	5

(i) The items in question are depreciated on the basis of the unit of production (UPM) method. Further information on this matter is detailed under Note 3 to the financial statements as at December 31, 2023.

6.3 Assets pledged as collateral

The Company has a land drilling rig pledged as collateral in tax foreclosure lawsuit 0000566-4420118050164, filed against the Company.

6.4 Negotiations for the disposal of 50% of seven concessions of the Potiguar asset

On June 4, 2024 PetroReconcavo S.A. signed a Farm-out contract ("Transaction") with Mandacaru Energia Ltda. ("Mandacaru") to sell 50% of its equity interest in seven concessions, which are presently totally held by the Company. The concessions are located in the Potiguar Basis, state of Rio Grande do Norte, named: Acauã, Baixa do Algodão, Fazenda Curral, Fazenda Malaquias, Pajeú, Rio Mossoró and Três Marias.

The total value of the transaction is of US\$ 5 million, with 40% to be paid by the closing date, subject to compliance with usual precedent conditions, including the approval of Brazilian regulatory bodies, and the remaining amount to be paid within two years in the form of investments in concession production development activities.

The seven concessions correspond to 0.5% of the net present value (PV10) of the 2P reserves disclosed by the Company to the market on April 8, 2024, and currently produce 390 boed2, which corresponds to 1.4% of the Company's total production.

With the closing of the transaction, Mandacaru will assume the operation of the concessions, with the parties having negotiated the creation of a consortium and a Joint Operating Agreement, which will regulate joint operations between the two companies.

The Company analyzed the transaction in accordance with CPC 31 and applied the accounting policy of maintain the assets of the transaction in its PP&E. Such decision was based on the absence of any specific interpretation or guidance for transactions not involving the loss of control, once the

operation will be managed through a “joint operation” with shared control, and on the low materiality of the operations sold, representing approximately 1% of the Company’s total production for the six-month period ended June 30, 2024.

7. SUPPLIERS

7.1 Breakdown

	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Local currency suppliers	343,558	371,565	360,210	380,598
Foreign currency suppliers	2,301	2,912	3,098	2,912
Related parties (Note 16)	541	976	541	976
Total	346,400	375,453	363,849	384,486
Total current	215,924	244,977	233,373	254,010
Total noncurrent	130,476	130,476	130,476	130,476

The amounts allocated under noncurrent liabilities refer to notes payable by suppliers under dispute, where prospective payment exceeds 12 months.

8. LOANS AND FINANCING

8.1 Breakdown

	Company and Consolidated	
	06/30/2024	12/31/2023
Bank loans	1,008,767	923,890
Costs to amortize	(19,697)	(20,910)
Total	989,070	902,980
Total current	201,755	142,772
Total noncurrent	787,315	760,208

8.2 Changes in loans and financing

Company and Consolidated	
Balance as at December 31, 2022	655,581
Cash effect	
Payment of principal	(331)
Interest paid	(22,377)
Non-cash effect	
Accrued interest	26,614
Foreign exchange variation	(50,872)
Balance as at June 30, 2023	608,615
Balance as at December 31, 2023	902,980
Cash effect	
Payment of principal	(44,594)
Interest paid	(43,052)
Non-cash effect	
Accrued interest	41,943
Foreign exchange variation	131,793
Balance as at June 30, 2024	989,070

Maturities of noncurrent loans are presented below:

Noncurrent loans	Company and Consolidated
July-December 2025	87,873
2026	302,273
2027	397,169
Total	787,315

The main characteristics and conditions of these loans are detailed under Note 10 to the financial statements for the year ended December 31, 2023.

On June 30, 2024, the converted balance of the Company's loans and financing was USD 177,925 (USD 186,516 in 2023).

Described below are the main covenants in effect as at December 31, 2023 and June 30, 2024:

- Non the last day of each fiscal quarter, the Leverage Ratio (net debt to EBITDA) of the Consolidated must not be greater than 3.00;
- On the last day of each fiscal year, the Asset Coverage Ratio (PV-10 of Proven Reserves to gross debt) must not be lower than 1.50;
- At any time, Free Cash (cash and cash equivalents, including restricted funds) of the Consolidated must not be lower than R\$100,000.
- Submission of the reserve report, issued by independent certification body, within up to 60 days after the end of the fiscal year.

In addition, the Company has some restrictive clauses for dividend distribution, as listed below:

- During the year 2024, the Company may declare a maximum of 25% of net income as dividends, should the consolidated leverage ratio be greater than 2.00:1.00, but not exceeding 2.50:1.00;
- After 2024, in the following years, the Company may declare a maximum of 25% of net income as dividends, should the consolidated leverage ratio be greater than 1.50:1.00, but not exceeding 2.50:1.00.

For the six-month period ended June 30, 2024 and for the year ended December 31, 2023, the Company was in compliance with its covenants.

9. DEBENTURES

9.1 Breakdown

Breakdown	Company and Consolidated
	06/30/2024
Debentures - Series 1	759,222
Debentures - Series 2	379,774
Costs to amortize	(31,676)
Total	1,107,320
Total current	2,417
Total noncurrent	1,104,903

On June 4, 2024 the first issuance of simple, non-convertible, unsecured debentures, in two series, for public distribution, under the procedure of automatic registration of distribution with the Brazilian Securities and Exchange Commission ("CVM"), with exemption from prior analysis, pursuant to CVM Resolution 160, of July 13, 2022. intended solely for professional investors.

The total issuance amount was of R\$ 1,129,500 with the issuance of (i) 753,000 Debentures of the 1st series; and (ii) 376,500 Debentures of the 2nd series.

The 1st Series Debentures and 2nd Series Debentures will have a maturity of 2,551 days, as of the Date of Issuance, with maturity, therefore, for May 16, 2031.

The 1st Series principal is adjusted by the IPCA and has an associated fixed interest rate of 7.32%, while the 2nd Series is associated to a fixed interest rate of 12.88%. The Debentures have the incentive provided for in article 2 of Law 12431, of June 24, 2011, as amended, of article 2, item I, combined with articles 18 and 19, all of Presidential Decree 11964, of March 26, 2024, in view of the framework of the infrastructure projects described in the "Private Deed of the 1st Issue of Simple Debentures, Non-Convertible Shares, Unsecured, in 2 Series, for Public Distribution ("Projects"), under the Automatic Distribution Registration Procedure, of PetroReconcavo S.A. ("Deed of Issue") as priorities by the Ministry of Mines and Energy.

The funds obtained by the Company from the payment of the Debentures will be used exclusively for (i) future payment and/or (ii) reimbursement of expenses, expenses and/or debts related to the implementation of the Projects, provided that the payment of such expenses, expenses and/or debts subject to reimbursement have occurred within a period equal to or less than 24 months from the closing date of the Offering.

In addition, the Company contracted FX Swap contracts with the objective of dollarizing the issuance. Thus, the issuance, together with the derivative instruments, will result in an average dollarized cost of approximately 7.05% per year and an approximate duration of 5.1 years, see explanatory Note 14.

To obtain the aforementioned funds, the Company spent R\$ 31,930 on bank commissions, legal costs and sundry fees. All these costs were allocated in a liability reduction account and will be amortized following the cash flow of payments of the issued debentures.

At the time of signing the agreement, the Company assumed financial and non-financial obligations ("Covenants") with the guarantor institutions, the main ones being presented below:

- On the last day of each fiscal quarter, the leverage ratio (net debt to EBITDA) of the Consolidated must not be greater than 3.00;
- On the last day of each fiscal year, the Asset Coverage Indicator (PV-10 of Proven Reserves over Gross Debt) must not be less than 1.50;
- At any time, the Free Cash (cash and cash equivalents and short-term investments, including foreign exchange funds) of the Consolidated must not be less than R\$100,000.

The measurement of this index is carried out quarterly and as at June 30, 2024, the calculated indicator was below the established limit, in compliance with the contract clause.

In addition, these contracts have non-financial obligations disclosed in the prospectus that are monitored quarterly and are fully met.

9.2 Changes in debentures

Changes in debentures	Company and Consolidated
Balance as at December 31, 2023	-
Cash effect	
Additions, net of borrowing costs	1,097,570
Non-cash effect	
Accrued interest	7,352
Monetary correction	2,398
Balance as at June 30, 2024	1,107,320

Noncurrent	Company and Consolidated
July – December 2025	(2,650)
2026	(5,137)
2027	1,112,690
Total	1,104,903

10. INCOME TAX AND SOCIAL CONTRIBUTION

10.1 Income tax and social contribution on profit and loss

Income tax (“IR”) and social contribution on net income (CSLL) amounts affecting profit and loss for the six-month period ended June 30, 2024 and 2023 are demonstrated below:

	Company		Consolidated	
	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Net income before IR and CSLL	46,394	181,506	52,849	229,444
Combined IR and CSLL rates	34%	34%	34%	34%
IR and CSLL at statutory rates	(15,774)	(61,712)	(17,969)	(78,011)
Equity in investments	6,797	54,152	-	-
Reduction – tax incentive (i)	(29,587)	(3,186)	(24,764)	15,337
ICMS deemed credit	-	(2,691)	-	(6,268)
Interest on own capital	139,400	-	139,400	-
Rate of deferred taxes (ii)	(14,277)	6,624	(13,001)	13,189
Other	3,228	2,948	(334)	3,950
Income tax and social contribution	89,787	(3,865)	83,332	(51,803)

	Company		Consolidated	
	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
Net income before IR and CSLL	171,526	376,017	181,361	466,658
Combined IR and CSLL rates	34%	34%	34%	34%
IR and CSLL at statutory rates	(58,319)	(127,846)	(61,663)	(158,664)
Equity in investments	10,005	126,674	-	-
Reduction – tax incentive (i)	-	-	7,950	60,308
ICMS deemed credit	-	(2,679)	-	(6,256)
Interest on own capital	139,400	-	139,400	-
Rate of deferred taxes (ii)	(21,689)	3,006	(20,298)	8,834
Other	5,291	1,982	(536)	6,274
Income tax and social contribution	74,688	1,137	64,853	(89,504)

(i) Federal tax incentive granted by SUDENE for income tax reduction.

(ii) Refers to the difference between the nominal and effective rate from the SUDENE tax benefit over temporary differences of foreign exchange variation.

10.2 Deferred income tax and social contribution on the balance sheet

	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Assets				
Provision for well abandonment	26,941	10,428	28,195	11,261
Derivative financial instruments	61,532	33,807	61,532	33,807
Tax loss/tax loss carryforward	100,943	66,666	136,265	106,265
Unrealized foreign exchange loss	9,507	-	8,297	-
Provision suppliers	38,987	46,302	40,244	47,691
Expected credit loss	24,042	24,042	24,042	24,042
Share-based payment	7,905	10,463	7,905	10,463
Provision for profit sharing	5,830	10,404	5,830	10,404
Lease	2,518	9,701	5,868	14,312
Provision for inventory obsolescence	5,997	3,357	5,997	3,357
Contingent liabilities from acquisitions	7,491	-	7,491	-
Environmental license	1,831	-	1,831	-
Other	4,867	5,127	38,961	39,075
Total	298,391	220,297	372,458	300,677
Liabilities				
Accelerated depletion (i)	(225,410)	(189,860)	(263,306)	(227,756)
Leases	(3,096)	(8,989)	(6,481)	(13,502)
Unrealized foreign exchange gain	(5,153)	(13,049)	(6,363)	(13,049)
Total	(233,659)	(211,898)	(276,150)	(254,307)
Total deferred IR and CSLL assets	64,732	8,399	96,308	46,370

(i) The Company uses the prerogative established under Law 13586, of December 29, 2017, to accelerate fiscal depletion of its fields.

Management considers that the tax assets resulting from temporary provisions will be realized in the proportion in which the derivative contracts mature, the wells are abandoned and contingencies and other provisions are realized.

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

	Company	Consolidated
2024	51,866	55,519
2025	131,644	144,731
2026	21,912	36,959
2027	13,177	15,175
2028 onward	79,792	119,074
Total	298,391	372,458

10.3 Changes in deferred taxes

	Company	Consolidated
Balance as at December 31, 2022	28,110	161,817
<u>Statement of comprehensive income</u>		
Hedge Accounting	-	(76,695)
Total effect on comprehensive income	-	(76,695)
<u>Statement of profit and loss</u>		
Foreign exchange variation	(2,493)	(8,131)
Well abandonment	707	2,262
Accelerated depletion	(6,319)	(73,351)
Provision for suppliers	10,722	29,383
Other	(1,480)	(1,018)
Total effect on profit and loss	1,137	(50,855)
Acquisition of SPE Tiêta	-	15,902
Net balance as at June 30, 2023	29,247	50,169
Balance as at December 31, 2023	8,399	46,370
<u>Statement of comprehensive income</u>		
Hedge Accounting	(18,355)	(18,355)
Total effect on comprehensive income	(18,355)	(18,355)
<u>Statement of profit and loss</u>		
Foreign exchange variation	17,402	16,270
Well abandonment	16,513	16,513
Accelerated depletion	(35,549)	(35,549)
Tax loss	34,277	31,378
Derivatives	46,080	46,080
Other	(4,035)	(6,399)
Total effect on profit and loss	74,688	68,293
Net balance as at June 30, 2024	64,732	96,308

11. PAYABLES FOR ACQUISITIONS

11.1 Breakdown

	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
<u>Current</u>				
<u>SPE Tiêta</u>				
Fair value through profit and loss	24,515	7,116	24,515	7,116
<u>Miranga Cluster</u>				
Amortized cost	231,365	200,004	231,365	200,004
Fair value through profit and loss	166,767	133,136	166,767	133,136
Total current	422,647	340,256	422,647	340,256
Total current in US\$	76,031	70,282	76,031	70,282
<u>Noncurrent</u>				
<u>Miranga Cluster</u>				
Fair value through profit and loss	-	145,239	-	145,239
Total noncurrent	-	145,239	-	145,239
Total noncurrent in US\$	-	30,000	-	30,000
Total	422,647	485,495	422,647	485,495

11.2 Changes in payables for acquisitions

	Company	Consolidated
Balance as at December 31, 2022	-	918,272
Non-cash effect		
Addition	295,372	295,372
Accrued interest	-	2,303
Foreign exchange variation	(22,268)	(81,748)
Cash effect		
Payment	-	(175,703)
Balance as at June 30, 2023	273,104	958,496
Balance as at December 31, 2023	485,495	485,495
Non-cash effect		
Addition	22,033	22,033
Accrued interest	1,575	1,575
Foreign exchange variation	57,983	57,983
Cash effect		
Payment	(144,439)	(144,439)
Balance as at June 30, 2024	422,647	422,647

a) SPE Tiêta

As described under Note 5, on February 29, 2023 the acquisition operation was concluded.

Fair value through profit and loss:

As part of the contract, the total earnout was of up to US\$ 36 million (R\$ 200,120). These payments are pegged to the price of Brent Oil in the calendar Years 2023 to 2025 and to Other operational synergies.

For the six-month period ended June 30, 2024 the Company registered the amount of US\$ 4,410 (R\$ 24,515) as earnout (as at December 31, 2023, US\$ 1,470 or R\$ 7,116, which is part of the acquisition cost), of the US\$ 8,300 (R\$ 46,139) possible. This amount was registered at fair value through profit and loss. The earnout value for 2024 shall be settled in March 2025, should the Brent Oil price remain above the limits established in the contract. The amount registered in 2023 was fully settled in March 2024.

For the years 2024 and 2025 the sellers may receive an additional amount of up to US\$15,700 (R\$ 87,275), of which US\$ 4,410 (R\$ 24,515) have already been provisioned. Besides this amount, there is US\$ 12,000 (R\$ 66,707) remaining related to synergies with potential new assets that may be acquired by the Company which is unrecognized considering the remote probability of the occurrence of the events.

b) Miranga Cluster

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

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

Amortized cost:

- US\$20,000 (R\$ 105,676) paid in December, 2022;
- US\$20,000 (R\$ 101,343) paid in December, 2023;
- US\$41,466 (R\$ 230,505) payable in December, 2024.

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

Fair value through profit and loss:

On June 30, 2024 the Company can pay up to US\$30,000 (R\$166,767) in relation to the third and final instalment of the contingent payment as provisioned by contract. Up until June, 2024 the Company had paid a total amount of US\$55,000 (R\$238,447) related to the payment of the first and second installments of the contingent payments.

12. PROVISION FOR CONTINGENCY RISKS

12.1 Probable loss

Based on the individual analyses of claims filed against the Company and its subsidiary, and supported by the opinion of its internal and external legal advisors, provisions have been registered, under noncurrent liabilities, for risks with losses considered as probable, as demonstrated below:

	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Labor claims	1,886	1,965	3,069	3,366
Tax claims	1,345	1,274	1,345	1,274
Regulatory claims	441	-	43,008	659
Total	3,672	3,239	47,422	5,299

The Company is a party to 108 labor claims (109, as at December 31, 2023), of which 35 classified as of probable loss (41, in December 2023). Most of the labor claims are related to outsourced company where PetroReconcavo appears as a jointly and severally liable party.

The variation in regulatory claims is due to the subsidiary SPE Tiêta Ltda. being a party of two administrative proceedings that are being processed by the National Agency of Petroleum, Natural Gas and Biofuels (*Agência Nacional do Petróleo, Gás Natural e Biocombustíveis* - "ANP") with the objective of resolving controversies related to the Minimum Exploratory Program of two exploratory blocks, in which partial non-execution of Work Units totaling the original amount of R\$18,896, to be adjusted by the General Price Index – Internal Availability ("IGP-DI"), from the date of signature of the concession contracts up until the month prior to payment, which currently total R\$ 41,254.

Despite the fact that a reconciliation procedure was initiated with ANP, within the scope of the acquisition of SPE Tiêta, the sellers of SPE Tiêta have undertaken to indemnify the Company in the event that SPE Tiêta has to make any disbursement for the payment of fines applied by ANP and, as a result, presented a bank guarantee provided by Banco Itaú in the amount of R\$ 41,254 and committed to make monthly deposits, in a security account, of the monetary adjustment amount, also based on the IGP-DI index.

12.1.1 Changes in the provision for contingency risks

	Company	Consolidated
Balance as at December 31, 2022	3,391	3,726
Acquisition of SPE Tiêta	-	1,844
Recognized provision	129	198
Reversed provision	(551)	(551)
Balance as at June 30, 2023	2,969	5,217
Balance as at December 31, 2023	3,239	5,299
Recognized provision	536	42,505
Reversed provision	(103)	(382)
Balance as at June 30, 2024	3,672	47,422

12.2 Possible loss

The Company was a party, as at June 30, 2024 and December 31, 2023 to claims with a possible likelihood of loss, based on the opinion of Management and its legal advisors, as demonstrated below:

	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Labor claims	2,250	2,512	5,036	7,739
Tax claims	48,656	46,098	48,848	46,286
Regulatory claims	49,454	15,363	49,454	15,367
Civil claims	1,618	1,660	8,147	6,795
Total	101,978	65,633	111,485	76,187

Tax claims are comprised of sundry proceedings involving mainly federal taxes.

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

Regulatory claims are comprised of sundry claims involving regulatory bodies and the increase in the number of regulatory claims with possible loss in the quarter was due to a notice of infraction drawn up for non-compliance with the local content clause by the former operator in the amount of R\$34,000.

12.3 Arbitration proceedings

PetroReconcavo is a party to an arbitration proceeding initiated by the Company itself, which is being processed before the International Chamber of Commerce (ICC) to discuss the contracts for the purchase and sale of natural gas, where the Company requests that the regularity and validity of the operations carried out in the contracts be declared, recognizing the non-existence of debts and the existence of credits in its favor.

The proceeding is confidential and at an early stage, with only the Request for Arbitration (on January 24, 2024) and the Response to the Request for Arbitration with Counterclaim (on April 3, 2024) having been filed.

There was confirmation of co-arbitrators appointed by the parties who designated a name for the presiding arbitrator. The appointed presiding arbitrator presented a Declaration of Acceptance, Availability, Impartiality and Independence and the Company submitted a request for clarification to the Declaration, and the Arbitration Panel has not yet been established.

The Request for Arbitration and the Response to the Request for Arbitration with Counterclaim already filed at this stage of the arbitration are not exhaustive and do not replace the future Opening Statements and the Response to the Initial Claims with Counterclaim that will be offered in accordance with the schedule to be set forth in the Minutes of Mission, at which time the Parties may articulate their reasons in a more comprehensive manner. As a result, Management understands that there is no other relevant information to be disclosed by the Company to date, without its disclosure seriously impairing the Company's position.

13. PROVISION FOR WELL ABANDONMENT

13.1 Changes in provision for well abandonment

	Company	Consolidated
Balance as at December 31, 2022	32,483	113,611
Acquisition of SPE Tiêta	-	2,390
Adjustment	2,082	6,644
Write-off	-	(360)
Balance as at June 30, 2023	34,565	122,285
Balance as at December 31, 2023	184,707	189,624
Adjustment	8,795	9,014
Write-off	(1,934)	(1,934)
Balance as at June 30, 2024	191,568	196,704
Total current liabilities	6,268	6,268
Total noncurrent liabilities	185,300	190,436

14. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value. Changes in the fair value of derivatives are recorded in profit and loss, unless designated as hedge accounting. Derivative transactions qualified as hedge accounting are classified and presented as economic hedge, once the Company uses derivative instruments in the management of its financial risks as a manner of mitigating such risks.

As at June 30, 2024 the Company had the following derivative instruments:

Financial instrument	Classification	Designation
Non Delivery Forward ("NDF")	Fair value through other comprehensive income (FVOCI)	Hedge accounting
Zero Cost Collar ("Collar")	Fair value through profit and loss (FVTPL)	N/A
FX Swap ("Swap")	Fair value through profit and loss (FVTPL)	N/A

Detailed descriptions of the NDFs and Collar are included in the financial statements as at December 31, 2023.

a) Foreign Exchange Swap ("FX Swap")

The FX Swap operation was established together with the issue of incentivized debentures, see Note 9. Fair value measurement is carried out both for the positive and negative position, estimated in an independent manner and brought to present value, where the difference between the positions generates the market value of the SWAP which is recorded in profit or loss.

Swap contracts result in a dollarized average cost of approximately 7.05% per year for the issued debentures.

Series 1	<i>"Notional"</i>	Remuneration	Fair value
Positive position	R\$ 753,000	IPCA + 7.3249%	788,523
Negative position	US\$ 143,776	VC + 7.03%	(874,017)
Effect on profit and loss			(85,494)
Series 2	<i>"Notional"</i>	Remuneration	Fair value
Positive position	R\$ 376,500	IPCA + 12.8886%	388,397
Negative position	US\$ 71,888	VC + 7.10%	(438,432)
Effect on profit and loss			(50,035)
Total effect on profit and loss			(135,529)

14.1 Breakdown

Company and Consolidated		
	06/30/2024	12/31/2023
NDFs	45,447	99,433
Collar	8,780	45
FX Swap	135,529	-
Total	189,756	99,478
Current liabilities	54,227	99,478
Noncurrent liabilities	135,529	-

14.2 Changes in derivative financial instruments

	Company	Consolidated
Balance as at December 31, 2022	-	387,592
Cash effect		
Settlement of derivative contracts	-	(131,754)
Non-cash effect – Comprehensive income		
NDFs	-	(225,573)
Non-cash effect – Profit and loss		
NDFs	-	131,754
Balance as at June 30, 2023	-	162,019
Balance as at December 31, 2023	99,478	99,478
Cash effect		
Settlement of derivative contracts	(91,570)	(91,570)
Non-cash effect – Comprehensive income		
NDFs	(53,986)	(53,986)
Non-cash effect – Profit and loss		
Collar	9,062	9,062
FX SWAP	135,529	135,529
Derivatives recorded under comprehensive income and recycled in profit or loss	91,243	91,243
Balance as at June 30, 2024	189,756	189,756

15. NET EQUITY

15.1 Share capital

As at June 30, 2024 and December 31, 2023 the share capital was represented as follows:

Year	Number of shares (i)	Subscribed capital	Capital to be paid-in	Share issue cost	Tax effect	Net share capital
12/31/2023	293,338,126	2,905,941	(495)	(113,140)	38,468	2,830,774
06/30/2024	293,440,126	2,907,033	(86)	(113,140)	38,468	2,832,275

As at June 30, 2024 and December 31, 2023 the shares were distributed as follows:

Shareholder	PetroReconcavo	
	06/30/2024	12/31/2023
Funds managed by Opportunity	71,861,589	68,753,289
PetroSantander Luxembourg Holdings S.a.r.l.	57,536,716	57,536,716
Eduardo Cintra Santos	16,560,000	16,527,177
Funds managed by Atmos	14,805,100	14,876,100
Perbras - Empresa Brasileira de Perfurações Ltda.	12,523,304	12,523,304
Other shareholders	120,153,417	123,121,540
Total	293,440,126	293,338,126
Treasury shares	(215,548)	(225,996)
Total shares net of treasury shares	293,224,578	293,112,130

In the six-month period ended June 30, 2024 the Company bought-back 552,000 shares (200,000 shares were bought-back in 2023) and delivered/sold 562,448 (2023, 256,248) common shares to executives and key-collaborators of the Company as part of the share-based compensation programs. In addition, shareholders of the Company paid-in capital in the amount of R\$ 495 in the six-month period ended June 30, 2024 (R\$ 259, for the six-month period ended June 30, 2023).

As at June 30, 2024 the Company held 215,548 treasury shares (225,996 as at December 31, 2023) at an average price of R\$20.56, totaling R\$4,432 (R\$5,084 as at December 31, 2023).

b) Changes in Share Capital

Event	Meeting	Date	Shares	Amount
Balance		12/31/2022	293,056,784	2,903,102
Exercise of options	Executive Committee Meeting	01/25/2023	114,000	1,220
Exercise of options	Executive Committee Meeting	03/02/2023	13,018	135
Exercise of options	Executive Committee Meeting	05/25/2023	18,268	189
Exercise of options	Executive Committee Meeting	08/04/2023	32,000	310
Exercise of options	Executive Committee Meeting	09/28/2023	47,056	490
Exercise of options	Executive Committee Meeting	12/21/2023	57,000	495
Balance		12/31/2023	293,338,126	2,905,941
Exercise of options	Executive Committee Meeting	04/29/2024	42,000	450
Exercise of options	Executive Committee Meeting	05/29/2024	52,000	556
Exercise of options	Executive Committee Meeting	06/27/2024	8,000	86
Balance		06/30/2024	293,440,126	2,907,033

15.2 Earnings per share

PetroReconcavo		
	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Net income	136,181	177,641
Weighted average of issued shares	292,977,807	292,797,220
Basic earnings per share - R\$	0.4648	0.6070
Weighted average of shares and share options issued	293,074,642	293,088,317
Diluted earnings per share - R\$	0.4647	0.6060

PetroReconcavo		
	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
Net income	246,214	377,154
Weighted average of issued shares	293,044,969	292,821,233
Basic earnings per share - R\$	0.8402	1.2880
Weighted average of shares and share options issued	293,165,386	293,136,056
Diluted earnings per share - R\$	0.8398	1.2870

15.3 Dividends and Interest on Own Capital

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

a) Dividend calculation - 2023

Net income	708,938
Legal reserve	(35,447)
Tax incentive reserve	(7,442)
Calculation basis	666,049
Percentage	25%
Minimum mandatory dividends	166,512
Interest on own capital net of withheld income tax	(149,153)
Minimum mandatory dividends as at December 31, 2023	17,359

b) Changes in dividends

Initial balance	17,359
Interest on own capital	410,000
Payment	(427,357)
Balance as at June 30, 2024	2

On April 26, 2024 the shareholders approved in an Executive Committee Meeting the allocation of net income for 2023, in accordance with the proposal by Management, disclosed in the financial statements of 2023 and in the notice of the Executive Committee Meeting.

On May 29, 2024 the Executive Committee approved the distribution of interest on own capital in the gross amount of R\$410,000, corresponding to a gross value of R\$1.398827 per common share, subject to withholding of income tax, except for those shareholders that are provenly not subject to the levy of the tax, in accordance with the applicable legislation.

Out of the total amount approved for distribution, only those shareholders presenting some sort of financial impediment were not contemplated in the settlement occurred in June 2024.

15.4 Share-based compensation

a) Deferred shares

As at June 30, 2024 and December 31, 2023, capital reserves presented the following changes.

Changes in capital reserves	Company and Consolidated
December 31, 2022	24,670
Provision	6,691
Delivery	(3,310)
June 30, 2023	28,051
December 31, 2023	33,477
Provision	7,484
Delivery	(11,031)
June 30, 2024	29,930

- Extraordinary benefits and annual target benefits (2020)

The programs refer to a benefit pursuant to the conclusion of the initial public offering and to having reached the annual targets for 2020, respectively. Payment depends only on the permanency of the executives in the Company.

- Long-term Incentive Plan ("LTIP")

The LTIP awards restricted shares (during the vesting period) to the Participants in two separate tranches, the retention tranche and the Total Shareholder Return ("TSR") tranche. Payments depends on the permanency of the executives in the Company and on the appreciation of the share, respectively. Each tranche represents 50% of the shares awarded.

The following deferred share contracts and long-term incentives were in effect:

	Quantity	Grant date	Validity	Amount	Vested amount	
(i)			(ii)	(iii)	06/30/2024	12/31/2023
Extraordinary benefit – 4 th installment	-	06/25/2021	06/25/2024	-	-	3,034
Annual target benefit – 2020 (iv)	8,464	06/25/2021	06/25/2024	-	-	3,529
LTIP 2022 – Retention tranche & TSR (iv)	528,895	05/31/2022	2023–2025	20,455	11,858	10,954
LTIP 2023 – Retention tranche & TSR	703,843	2023–2024	2024–2027	15,054	4,593	3,301
LTIP 2024 - Retention tranche & TSR	568,348	04/29/2024	2025–2027	12,969	820	-
Total	1,809,550			48,478	17,271	20,818

(i) In compliance with CPC 10 (R1), the Company recognized expenses related to the granting of deferred shares, offset against capital reserve, considering the intention of the Company in settling with share-based compensation. In addition, labor charges are recognized as a provision under liabilities.

(ii) The validity of the plan represents the end of the vesting period.

(iii) Represents the total fair value of the plan. For plans in which the condition of the service is limited to the length of service, fair value is determined based on the market price of the share on the granting date (Extraordinary Benefit and Annual Target Benefit). On the other hand, for plans in which the service condition depends both on the length of service and on the valuation of the share, fair value is determined using the Monte Carlo methodology (LTIPs).

(iv) As at June 30, 2024 the Company had 12,612 vested shares (8,464 deferred shares and 4,148 LTIP 2022) which were distributed in July of the same year.

Shares	12/31/2022	Granted	Cancelled	Delivered	06/30/2023
Extraordinary benefit – 3 rd tranche	200,402	-	(14,119)	(186,283)	-
Extraordinary benefit – 4 th tranche	200,402	-	-	-	200,402
Annual target benefit 2020	233,064	-	-	-	233,064
LTIP 2022 – Retention tranche & TSR	699,661	-	-	-	699,661
LTIP 2023 – Retention tranche & TSR	-	587,629	-	-	587,629
LTIP 2024 – Retention tranche & TSR	-	-	-	-	-
Total	1,333,529	587,629	(14,119)	(186,283)	1,720,756

Shares	12/31/2023	Granted	Cancelled	Delivered	06/30/2024
(i)					
Extraordinary benefit – 3 rd tranche	-	-	-	-	-
Extraordinary benefit – 4 th tranche	200,402	-	(13,249)	(187,153)	-
Annual target benefit 2020	233,064	-	(18,738)	(205,862)	8,464
LTIP 2022 – Retention tranche & TSR	629,696	7,127	-	(107,928)	528,895
LTIP 2023 – Retention tranche & TSR	617,653	147,695	-	(61,505)	703,843
LTIP 2024 – Retention tranche & TSR	-	568,348	-	-	568,348
Total	1,680,815	723,170	(31,987)	(562,448)	1,809,550

(i) The Executive Committee approved the granting of 144,953 (in 2023, 30,024) common shares to new participants hired by the Company after the approval of the Retention Tranche and TSR 2023. In addition, in April 2024, the same Committee approved the granting of the Retention Tranche and TSR 2024 Program.

b) Stock option

For the years ended December 31, 2013, 2014 and 2016 the Company granted to executives and collaborators holding strategic positions a stock-option based compensation plan. Due to the share split of the Company, which occurred on April 1, 2021, each stock option may be converted into two Company common shares upon exercise of the option.

The following stock option agreements became effective as at June 30, 2024. The quantities of options are the residual and non-exercised options.

Date of issue	Residual quantity	Grant date	Validity	Strike price (R\$)	Fair value (R\$)
08/28/2014	4,000	08/20/2014	08/19/2024	21.41	16.99
05/13/2016	17,000	05/13/2016	05/12/2026	14.81	11.93

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

For the six-month period ended June 30, 2024, 51,000 options were exercised (2023, 140,671) and zero options were cancelled (2023, zero). The Company received R\$ 1,006 (2023, R\$2,344) related to the exercise of these options and has R\$ 86 receivable as subscribed capital to be paid-in. No options expired during the six-month period ended June 30, 2024 and for the year 2023.

15.5 Equity valuation adjustment

In the six-month period ended June 30, 2024 PetroReconcavo recognized the effective portion of the changes in fair value of derivatives, net of taxes, which are designated and qualified as cash flow hedges in the amount of R\$35,631 (R\$148,878, in 2023).

16. RELATED PARTIES

16.1 Balance and transactions

Balance	Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
<u>Other assets:</u>				
SPE Tiêta Ltda. (i)	11,488	5,084	-	-
<u>Dividends payable</u>	2	17,539	2	17,539
<u>Dividends receivable:</u>				
SPE Tiêta Ltda. (v)	-	11,316	-	-
<u>Suppliers:</u>				
PERBRAS Group (ii)	541	927	541	927
PetroSantander Group (iii)	-	49	-	49
Total suppliers	541	976	541	976

Transactions – Income (expenses)	Company		Consolidated	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Subsidiary (i)	15,866	59,575	-	-
PERBRAS Group (ii)	(1,018)	(4,570)	(1,018)	(7,619)
PetroSantander Group (iii)	(315)	(269)	(315)	(269)
Apportionment (iv)	7,539	58,066	-	-
Total	22,072	112,802	(1,333)	(7,888)

(i) Refers to services provided (rigs and sundry), sale of materials and natural gas among companies of the group;

(ii) The Company conducts transactions with the shareholder PERBRAS - Empresa Brasileira de Perfuração Ltda., which performs services using onshore production rigs and other sundry support services, under a unit price service agreement, adjusted annually using the IGP-M.

(iii) The Company conducts transaction with PetroSantander Management Inc., PetroSantander Colombia and PetroSantander Holdings GMBH which provide technical assistance and specialized consulting services on a “man-hour” basis related to the exploration and production of oil wells, under a service agreement that does not provide for financial charges.

(iv) Refers to the apportionment of corporate administrative expenses.

(v) Dividends declared and distributed by the subsidiary SPE Tiêta to the Company.

16.2 Key-management compensation

	Company		Consolidated	
	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Benefits – Board of Directors (i)	3,549	3,718	3,549	3,727
Benefits – Executive Committee (i)	1,258	1,184	1,258	1,184
Other benefits (ii)	115	61	115	61
Share-based compensation (iii)	2,640	1,313	2,640	1,313
Subtotal	7,562	6,276	7,562	6,285
Social charges (iv)	433	900	433	901
Total	7,995	7,176	7,995	7,186

	Company		Consolidated	
	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
Benefits – Board of Directors (i)	4,169	7,284	4,169	7,300
Benefits – Executive Committee (i)	2,310	2,264	2,310	2,264
Other benefits (ii)	188	121	188	121
Share-based compensation (iii)	5,189	3,334	5,189	3,334
Subtotal	11,856	13,003	11,856	13,019
Social charges (iv)	1,309	1,621	1,309	1,624
Total	13,165	14,624	13,165	14,643

(i) Refers to management compensation, net of social charges, and bonus payable to statutory directors and advisors of the Company. After obtaining the results for 2023, part of the provisioned bonus was reversed in March, 2024.

(ii) Refers to contributions made by the Company to a private pension plan.

(iii) Refers to payment and vesting, net of charges, of the programs described under Note 15.4..

(iv) Refers to social charges of the employer related to the remuneration of statutory directors and advisors of the Company.

Compensation of the Executive Committee is determined by the shareholders. On April 24, 2024 the shareholders defined, in a General Shareholders' Meeting the maximum remuneration for the year 2024 in the amount of R\$34,222 (R\$33,198, 2023), excluding social charges which is the responsibility of the employer.

17. RIGHTS AND COMMITMENTS TOWARDS ANP

17.1 Production fields' commitments and rights

The Group is a concessionaire to 57 oil fields subdivided among the Remanso, Miranga and Tiêta Clusters (jointly referred to as "Bahia Asset"), and Potiguar Cluster ("Potiguar Asset"), as well as having rights to exploratory blocks in the Potiguar Cluster.

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

Participation	Details
Royalties	Royalties are equivalent to a percentage of 7.5% up to 10% applied on the gross production of oil and/or natural gas, from the date of the beginning of the commercial production of the Concession Area (June 30, 2024 R\$ 37,638 and June 30, 2023, R\$ 96,573). Payment to the landowners corresponds to the equivalent of 1% (one percent) of the production of oil and natural gas, according to the applicable Brazilian legislation (June 30, 2024, R\$ 14,065 and June 30, 2023, R\$ 15,724).
Special participation	In the amount defined in the Participation Decree 2705/98 and ANP Administrative Rule 10/99.
Payment for occupying and retaining the Concession Area	For each field there is an amount payable in R\$ per square kilometer, which varies according to the concession contract of each field and with the stage of operation of each field, which can be: (i) exploration stage; (ii) development stage; and (iii) production stage. All fields are in the production stage.

17.2 Exploratory blocks' commitments and rights

Under the terms of the concession agreements, in the event of discovery and proof of a commercially exploitable deposit, the Company is guaranteed the rights to develop and produce oil and gas in the commercial fields, for a 27-year period, that are restricted within the limits of these blocks.

Company	Block area	Block	Situation
PetroReconcavo	Potiguar Basin	POT-T-702	Under prospection
PetroReconcavo	Potiguar Basin	POT-T-742	Signing of concession process
PetroReconcavo	Potiguar Basin	POT-T-793	Signing of concession process
SPE Tiêta	Recôncavo Basin	REC-T-129	Value reduced to R\$0
SPE Tiêta	Recôncavo Basin	REC-T-142	Value reduced to R\$0
SPE Tiêta	Recôncavo Basin	REC-T-224	Value reduced to R\$0
SPE Tiêta	Recôncavo Basin	REC-T-117	Value reduced to R\$0
SPE Tiêta	Recôncavo Basin	REC-T-118	Value reduced to R\$0

18. NET REVENUE

18.1 Breakdown

Revenue from oil is directly related to the Brent Oil price, the quotations of which are negotiated freely in the external markets and to the contractual sales price of natural gas and its byproducts.

	Company		Consolidated	
	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Gross revenue:				
Sale of oil	534,215	93,272	622,591	594,264
Sale of gas and byproducts	372,894	19,031	374,445	282,286
Provision of services	8,677	-	8,677	-
Hedge contracts	(32,073)	-	(32,073)	(60,286)
Total	883,713	112,303	973,640	816,264
(-) Deductions on revenue	(138,798)	(11,535)	(147,386)	(157,950)
Net revenue	744,915	100,768	826,254	658,314

	Company		Consolidated	
	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
Gross revenue:				
Sale of oil	1,040,121	207,957	1,193,278	1,172,942
Sale of gas and byproducts	740,553	35,522	743,128	665,063
Provision of services	9,956	-	9,956	-
Hedge contracts	(91,243)	-	(91,243)	(131,754)
Total	1,699,387	243,479	1,855,119	1,706,251
(-) Deductions on revenue	(269,326)	(25,010)	(284,130)	(328,725)
Net revenue	1,430,061	218,469	1,570,989	1,377,526

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

	Company		Consolidated	
	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Personnel	(67,490)	(21,769)	(72,003)	(66,633)
Services and materials	(107,841)	(30,631)	(117,957)	(99,298)
Electricity	(17,143)	(9,182)	(17,160)	(20,081)
Other	(13,928)	5,322	(12,455)	16,856
Acquisition/Swap of gas	(13,169)	(204)	(13,169)	(15,881)
Gas outflow	(4,853)	(1,353)	(4,853)	(6,828)
Gas processing	(58,346)	(3,262)	(58,346)	(48,835)
Gas transportation	(31,293)	(2,999)	(31,293)	(35,425)
Royalties	(44,200)	(8,805)	(51,703)	(62,951)
Depletion, depreciation and amortization	(134,235)	(24,727)	(178,214)	(145,186)
Total	<u>(492,498)</u>	<u>(97,610)</u>	<u>(557,153)</u>	<u>(484,262)</u>
Cost of products sold and services provided	(440,605)	(94,420)	(501,955)	(472,834)
General and administrative	(44,773)	(14,712)	(48,331)	(35,741)
Other income (expenses), net	(7,120)	11,522	(6,867)	24,313
Total	<u>(492,498)</u>	<u>(97,610)</u>	<u>(557,153)</u>	<u>(484,262)</u>

	Company		Consolidated	
	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
Personnel	(122,867)	(51,905)	(130,411)	(132,621)
Services and materials	(207,766)	(80,990)	(226,586)	(193,734)
Electricity	(35,017)	(18,016)	(35,456)	(39,214)
Sales	(892)	-	(892)	-
Other	(55,306)	11,169	(54,164)	3,744
Acquisition/Swap of gas	(25,794)	(9,658)	(25,794)	(74,357)
Gas outflow	(11,213)	(1,562)	(11,213)	(11,023)
Gas processing	(119,382)	(4,213)	(119,382)	(86,023)
Gas transportation	(61,937)	(5,787)	(61,937)	(77,927)
Royalties	(91,298)	(15,426)	(104,487)	(112,297)
Depletion, depreciation and amortization	(256,947)	(44,944)	(332,076)	(249,109)
Total	<u>(988,419)</u>	<u>(221,332)</u>	<u>(1,102,398)</u>	<u>(972,561)</u>
Cost of products sold and services provided	(871,069)	(208,482)	(977,803)	(915,097)
General and administrative	(83,629)	(38,129)	(90,949)	(81,581)
Other income (expenses), net	(33,721)	25,279	(33,646)	24,117
Total	<u>(988,419)</u>	<u>(221,332)</u>	<u>(1,102,398)</u>	<u>(972,561)</u>

20. FINANCIAL INCOME (EXPENSES)

	Company		Consolidated	
	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Financial income				
Interest and earnings, net	12,984	7,502	15,674	14,872
Total financial income	12,984	7,502	15,674	14,872
Financial expenses				
Interest on loans	(21,017)	(14,364)	(21,017)	(14,527)
Other interest	(1,660)	(328)	(1,913)	(1,980)
Interest on well abandonment	(4,339)	(1,041)	(4,449)	(3,351)
Bank and other charges	(6,431)	(565)	(6,629)	(1,259)
Interest on debentures	(9,497)	-	(9,497)	-
Total financial expenses	(42,944)	(16,298)	(43,505)	(21,117)
Foreign exchange variation				
Exchange variation gain	81,775	47,010	89,441	83,742
Exchange variation loss	(144,644)	(19,136)	(144,674)	(22,105)
Total foreign exchange variation	(62,869)	27,874	(55,233)	61,637
Financial instruments				
FX Swap	(135,529)	-	(135,529)	-
Zero Cost Collar	2,341	-	2,341	-
Total financial instruments	(133,188)	-	(133,188)	-
Total	(226,017)	19,078	(216,252)	55,392

	Company		Consolidated	
	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023	01/01/2024 to 06/30/2024	01/01/2023 to 06/30/2023
Financial income				
Interest and earnings, net	21,050	9,840	26,249	25,760
Total financial income	21,050	9,840	26,249	25,760
Financial expenses:				
Interest on loans	(41,943)	(31,930)	(41,943)	(32,675)
Other interest	(3,554)	(441)	(4,217)	(3,559)
Interest on well abandonment	(8,795)	(2,082)	(9,014)	(6,644)
Bank and other charges	(16,249)	(601)	(16,573)	(2,693)
Interest on debentures	(9,497)	-	(9,497)	-
Total financial expenses	(80,038)	(35,054)	(81,244)	(45,571)
Foreign exchange variation:				
Exchange variation gain	93,201	71,955	101,556	131,291
Exchange variation loss	(189,164)	(40,431)	(189,200)	(49,787)
Total foreign exchange variation	(95,963)	31,524	(87,644)	81,504
Financial instruments:				
FX Swap	(135,529)	-	(135,529)	-
Zero Cost Collar	(9,062)	-	(9,062)	-
Total financial instruments	(144,591)	-	(144,591)	-
Total	(299,542)	6,310	(287,230)	61,693

21. FINANCIAL INSTRUMENTS

21.1 Capital risk management

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

Management monitors return on capital applied considering the results of the economic activities of its operational segment. Historically, the Company financed its operations with its own capital, with low indebtedness with third-parties, not related to the Company. In 2021, the Company went public to raise funds, having made a subsequent public offering in 2022 for the same purpose. The debt instruments currently in force are related to the bank loans and debentures of the Parent Company.

The Company's capital structure consists of its equity (which includes capital, reserves, profit reserves, as presented under Note 15), bank debts (see Note 8) and debentures (see Note 9).

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

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

21.2 Category of financial instruments and fair value hierarchy

Fair value hierarchy awards greater weight to available market information (i.e. observable data) and less weight to information related to data without transparency (i.e., unobservable data). Additionally, the standard requires that the Company takes into consideration all aspects of nonperformance risks, including the Company's own credit, when measuring the fair value of a liability.

CPC 40 /IFRS 7 establishes a three-level fair value hierarchy to measure and disclose fair value:

- Fair value measurements at Level 1 are those resulting from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Fair value measurements at Level 2 are those resulting from inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (such as prices) or indirectly (such as resulting from prices); and
- Fair value measurements Level 3 are those resulting from assessment techniques that include information on the asset or liability that are not based on observable market information (unobservable input).

	Notes	Company		Consolidated	
		06/30/2024	12/31/2023	06/30/2024	12/31/2023
Financial assets					
<u>Amortized cost (i)</u>					
Cash and cash equivalents	3	339,635	110,834	411,015	197,184
Short-term investments	3	1,122,581	310,172	1,215,647	310,172
Trade receivables	4	384,565	387,964	433,135	416,528
Dividends receivable	15	-	11,316	-	-
Financial liabilities					
<u>Amortized cost (i)</u>					
Suppliers	7	346,400	375,453	363,849	384,486
Loans and financing	8	989,070	902,980	989,070	902,980
Debentures (iii)	9	1,107,320	-	1,107,320	-
Dividends payable	15	2	17,359	2	17,359
Payables for acquisitions	11	231,365	200,004	231,365	200,004
<u>Fair value through other comprehensive income (ii)</u>					
Derivative financial instruments	14	45,447	99,433	45,447	99,433
<u>Fair value through profit and loss</u>					
Payables for acquisitions	11	191,282	285,491	191,282	285,491
Derivative financial instruments	14	144,309	45	144,309	45

(i) There are no material differences between the carrying value and the fair value considering the terms and characteristics of these assets and liabilities, unless otherwise indicated.

(ii) Items measured at fair value Level 2.

(iii) The fair value of debentures differs from the amortized cost. As at June 30, 2024 the fair value of debentures was of R\$1,176,921.

21.3 Financial risk management

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

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

Risk management structure

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

The risk management policies and systems are frequently reviewed to reflect any changes in market conditions and in the activities of the Company.

The Company, through its training standards and procedures and management, has the purpose of developing a disciplined and constructive control environment, in which all collaborators understand their roles and obligations.

The Company does not operate derivative financial instruments for speculative purposes; all contracted derivatives are aimed at mitigating the risks arising from the Company's exposures in its operations.

Cash management by Management is centralized once it has unrestricted access to the resources of its Subsidiary.

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

a) Credit risk

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

- Cash and cash equivalents

Bank deposits and investments are made in top tier financial institutions in compliance with the guidelines established in the Counterparty and Issuer Risk Policy. Investments in these institutions are detailed under Note 3 to the financial statements, where the counterparties have minimum credit classifications of A-, on a national scale, and are considered as low credit risk for the purpose impairment. Credit rating information is provided by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rank its key customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of completed transactions is divided among the approved counterparties.

The Company maintains bank accounts and short-term investments in financial institutions, according to strategies previously approved by Management, detailed under Note 3.

- Trade receivables

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

In order to mitigate the credit risk, the Group negotiates only with creditworthy counterparties. Before accepting new customers, the Group assesses the credit risk of the potential customer and depending on the results assesses the need to contract credit risk insurance (see Note 22). As described in Note 4, the Group has provided amounts as ECL regarding the swap contract signed with Petrobras. Part of the receivables relating to the mentioned contract are past due. The Group does not have other notes past due other than those mentioned under trade receivables.

Since January 2022, the Company became able to add new players to its customer portfolio. The New Gas Market permitted access of producers to the Natural Gas Treatment Units ("UPGNs") and, consequently, the possibility of selling natural gas and its byproducts to a broader pool of companies.

For the six-month period ended June 30, 2024, around 85% of the revenue of the Group was concentrated with customers that represented over 10% of annual revenue. The three highest concentrations represented 21%, 26% and 38% of total revenue. For the six-month period ended June 30, 2023, the percentage was concentrated in two clients totaling 76% of the Group's revenue.

b) Liquidity risk

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

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

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

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

Maturity	2024	2025	2026	2027+	Total
Loans and financing	130,432	248,318	354,527	428,487	1,161,764
Debentures, net of FX Swap (ii)	39,226	85,499	85,499	1,498,574	1,708,798
Derivative financial instruments (NDF and Zero Cost Collar)	48,128	-	-	-	48,128
Payables for acquisitions	233,094	191,282	-	-	424,376
Suppliers (i)	233,373	-	-	-	233,373
Lease payments	5,613	9,265	3,650	-	18,528

(i) As disclosed under Note 7, the amounts allocated to noncurrent liabilities refer to securities suppliers in dispute whose payment forecast exceeds 12 months. Accordingly, once there is no specific date to settle this liability the amounts were not presented in the above schedule.

(ii) The issue of debentures occurred in an operation linked to the acquisition of swap financial instruments and, accordingly, all effects of the derivative are presented net.

c) Market risk

- Foreign exchange rate

During the six-month period ended June 30, 2024, 99% (96% as at June 30, 2023) of the gross operating revenues of the Company and its subsidiary were indexed to the U.S. dollar exchange rate at the time of billing. In the case of oil, revenue refers to the sale of oil that is indexed to the price of Brent oil, which in turn is quoted in U.S. dollars. For natural gas and its byproducts, revenue is linked to contracts indexed to the price of Brent oil, as well as contracts with fixed and variable prices in U.S. dollars. The only contracts, in the period, in which pricing is in Brazilian reais refer to the sale of LPG.

On September 27, 2022 and on July 24, 2023 the Company obtained loans in U.S. dollars and on June 4, 2024 carried out its 1st issuance of simple debentures, not convertible into shares, in two series in an operation combined to the acquisition of FX Swap derivative instruments (see Note 9).

The Group has registered, in the item payables for acquisitions, deferred/contingent installments for the acquisition of assets in amounts indexed to the U.S. dollar. As at June 30, 2024 the Group had recognized total liabilities of US\$76,031 (R\$ 422,647) (US\$ 100,282 (R\$ 485,495) in 2023)

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

Company						
	Risk	Rate (a)	Exposure R\$	Probable	25% (b)	50% (b)
<u>Assets</u>						
Short-term investments	US\$ appreciation	5.2000	1,101,527	1,030,411	1,376,912	1,652,294
<u>Liabilities</u>						
Loans and financing	US\$ appreciation	5.2000	989,070	925,213	1,236,338	1,483,605
Payables for acquisitions	US\$ appreciation	5.2000	422,647	395,361	528,311	633,973
Debentures (c)	US\$ appreciation	5.2000	1,242,850	1,162,607	1,553,562	1,864,275
Net effect on income (loss)				100,270	(388,259)	(776,519)

Consolidated						
	Risk	Rate (a)	Exposure R\$	Probable	25% (b)	50% (b)
<u>Assets</u>						
Short-term investments	US\$ appreciation	5.2000	1,194,593	1,117,464	1,493,239	1,791,886
<u>Liabilities</u>						
Loans and financing	US\$ appreciation	5.2000	989,070	925,213	1,236,338	1,483,605
Payables for acquisitions	US\$ appreciation	5.2000	422,647	395,361	528,311	633,973
Debentures (c)	US\$ appreciation	5.2000	1,242,850	1,162,607	1,553,562	1,864,275
Net effect on income (loss)				94,258	(365,007)	(730,011)

(a) The translation rate (R\$ to US\$) used in the sensitivity tables as probable scenario was obtained from the Central Bank of Brazil (BACEN) and corresponds to the U.S. dollar rate in the Market Expectation System for December 2024. As at June 30, 2024 the rate was of R\$ 5.5589.

(b) The scenarios consider variations of 25% and 50% against the Brazilian real (R\$). Both project stress scenarios (either depreciation or appreciation of the foreign exchange rate) against the U.S. dollar effective as at June 30, 2024.

(c) The issuance of debentures occurred in a combined operation with the acquisition of SWAP Financial Instruments and, accordingly, all the effects of this derivative is reflected in this debt.

- Interest rate risk

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

In relation to assets, the Company has short-term investments exposed to floating interest rates, linked to the CDI (Interbank Deposit Certificate) variation. It also has exposure to the interest rate fluctuation in the U.S. for foreign currency investments.

Regarding liabilities, interest is recognized at a spread of 3.7% plus 6-month SOFR and 3.8% plus 3.8% plus 3-month SOFR.

Company						
	Risk	Rate (a)	Accounting	Probable	25% (b)	50% (b)
<u>Assets</u>						
Short-term investments	CDI depreciation	10.50%	339,343	374,974	366,066	357,159
Short-term investments	US Treasury depreciation	5.47%	627,794	662,134	653,549	644,964
Effect on income (loss)				-	(17,493)	(34,986)
<u>Liabilities</u>						
Loans and financing	SOFR appreciation	5.39%	989,070	989,272	991,403	993,737
Effect on income (loss)				(202)	(2,333)	(4,667)

		Consolidated				
	Risk	Rate (a)	Accounting	Probable	25% (b)	50% (b)
Assets						
Short-term investments	CDI depreciation	10.50%	410,727	453,853	443,072	432,290
Short-term investments	US Treasury depreciation	5.47%	720,860	760,291	750,433	740,575
Effect on income (loss)				-	(20,639)	(41,279)
Liabilities						
Loans and financing	SOFR appreciation	5.39%	989,070	989,272	991,403	993,737
Effect on income (loss)				(202)	(2,333)	(4,667)

(a) The rates used in the sensitivity table as the probable scenario were obtained from the Central Bank of Brazil (BACEN) and at Bloomberg. For the CDI, the expectation rates of the BACEN for 2024 were used, while for the SOFR, we used the rate projected for December 2024. For US Treasury, we used the US 2-year for Q4 24 expectations

(b) The scenarios consider variations of 25% and 50% of the rates. Both project stress scenarios (either depreciation or appreciation) on the effective rate as at June 30, 2024.

- Commodity prices

For the six-month period ended June 30, 2024, 79% of the Company's gross operating revenue was directly linked to the price of the Brent Oil, the quotations of which are freely traded in foreign markets (75% as at June 30, 2023).

It should be observed that, as of 2022, new natural gas contracts were signed, and many of these do not have any direct relation to the price of oil. Furthermore, a significant part of other contracts, despite being linked to the price of oil, have predefined minimum prices.

As a means of protection against the volatilities of the oil market, the Company entered into several hedge contracts, having hedged a volume of approximately 681 thousand barrels (53% of net oil production for the period) as at June 30, 2024 (June 30, 2023, 896 thousand barrels, 34% of net production of oil for the period) at an average price of NDFs of US\$56.00/bbl as at June 30, 2024 (June 30, 2023 US\$51.17/bbl).

Company						
	Risk	Price (a)	Accounting	Probable	25% (b)	50% (b)
Net income - Oil	Brent depreciation	82.40	944,022	920,098	748.865	502.302
Net income - Gas	Brent depreciation	82.40	568,744	563,170	523.773	497.336
Hedge	Brent depreciation	82.40	(91,243)	(83,635)	(20.542)	52.226
Total			1,421,523	1,399,632	1.252.097	1.051.864

Probable effect on income (loss)	(21.890)	(169,426)	(369,658)
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Consolidated						
	Risk	Price (a)	Accounting	Probable	25% (b)	50% (b)
Net income - Oil	Brent depreciation	82.40	1,082,894	1,055,005	791,254	598,424
Net income - Gas	Brent depreciation	82.40	570,801	565,227	525,830	499,393
Hedge	Brent depreciation	82.40	(91,243)	(83,635)	(20,542)	52,226
Total			1,562,452	1,536,597	1,296,543	1,141,043

Probable effect on income (loss)	(25,855)	(265,909)	(421,409)
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(a) The commodity prices used in the sensitivity table as probable scenario were obtained from the ICE commodity pricing agency, and represent the average for the next 12 months.

(b) The scenarios consider a 25% and 50% depreciation of the indexer against the average price of the Brent Oil demonstrated in the accounting scenario

The policy of the Company and its subsidiary is to contract commodity forwards to manage the commodity price risk associated to the payment of contracted loans. In 2023, new hedges in the form of Collars were contracted for the Company to continue to be sufficiently protected in relation to price fluctuations.

The table below describes the outstanding commodity forward contracts as at June 30, 2024, as well as information related to corresponding items object of hedge. The commodity forwards are presented under “derivative financial instruments” on the balance sheet (for further information, see Note 13).

Company and Consolidated			
NDF	Average price (US\$)	Quantity (bbl)	Fair value
	06/30/2024	06/30/2024	06/30/2024
Under 3 months	59.72	260,000	(36,017)
From 3 to 6 months	59.43	71,500	(9,429)
Total		331,500	(45,446)

Company and Consolidated				
Zero cost collar	Average price (US\$)		Quantity (bbl)	Fair value
	06/30/2024	06/30/2024	06/30/2024	06/30/2024
	Put	Call		
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			945,000	(8,781)

22. INSURANCE COVERAGE

The Company maintains a monitoring policy of the risks inherent to its business. For the six-month period ended June 30, 2024, the Company had insurance contracts in place to cover operational, environmental, civil liability and other risks.

22.1 Company and Consolidated

Modality	Currency	Risk amount		Maximum indemnifiable amount	
		06/30/2024	12/31/2023	06/30/2024	12/31/2023
Environmental risks	US\$	N/A	N/A	10,000	6,050
Material damages	US\$	409,743	272,726	45,000	25,100
Civil responsibility	US\$	N/A	N/A	6,000	3,000
Corporate D&O	R\$	130,000	120,000	130,000	120,000
Credit risks	R\$	2,350,000	1,920,000	320,000	320,000

23. SEGMENT INFORMATION

The Group operates exclusively in the exploration and production (E&P) of oil and gas, whether by providing services or selling products, which account for 100% of the Company’s net revenue. This activity is considered as a sole segment by Company Management.

Information reported to the Company’s Management (chief operating decision maker) for purposes of resource allocation and performance assessment is reviewed monthly using reports on management results that present expenses by cost center. Management evaluates investments,

expenses, production and other operating indicators and makes decisions based on the consolidated information from all companies of the Group.

24. NON-CASH TRANSACTIONS

During the six-month periods ended June 30, 2024 and 2023, the Company carried out the following transactions not involving cash; accordingly, these are not reflected in the statements of cash flows.

	Company		Consolidated	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Additions for new IFRS 16 contracts	2,480	14,267	2,480	16,004
Acquisition SPE Tiêta Ltda.	-	295,372	-	295,372
Total	2,480	309,639	2,480	311,376

25. SUBSEQUENT EVENTS

25.1 Loan settlement

On July 19, 2024 the Company concluded the settlement of the loan raised in 2023 with the financial institutions Banco Itaú BBA S.A., Banco Santander S.A. and Banco do Brasil S.A. To conclude the operation, the Company disbursed a total amount of R\$ 336,355, corresponding to US\$ 60,000 of the principal of the debt and US\$ 1,384 of remaining charges.