

Petro Rio S.A.

Quarterly Information – ITR

June 30, 2023

with Independent Auditors' Report on the Review of
the Quarterly Information

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Auditors' report on the review of the quarterly information

To the
Shareholders, Board Members and Administrators of
Petro Rio S.A.
Rio de Janeiro - RJ

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of Petro Rio S.A. for the quarter ended June 30, 2023, comprising the statement of financial position as of June 30, 2023 and the related statements of profit or loss and of comprehensive income for the three- and six-month periods then ended, and the statements of changes in equity and of cash flows for the six month period then ended, including the explanatory notes.

The executive board is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 - Interim Financial Reporting, and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (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 engagements (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 auditing standards 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 quarterly information referred to above are not prepared, in all

material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).


Other matters

Statements of value added

The abovementioned quarterly information includes the individual and consolidated statement of value added (SVA) for the six months period ended June 30, 2023, prepared under Company's executive board responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

Rio de Janeiro, August 02, 2023.

ERNST & YOUNG
Auditores Independentes S.S. Ltda
CRC-SP015199/F



Beatriz Gonçalves de Moraes Nicolaci
Accountant CRC-RJ091370/O

Balance sheet

June 30, 2023 and December 31, 2022

(In thousands of reais – R\$)

		Parent Company		Consolidated	
	Note	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Assets					
Current assets					
Cash and cash equivalents	3	16,642	17,148	1,155,253	9,612,961
Accounts receivable	4	-	-	1,357,896	166,304
Oil inventories	23	-	-	363,201	344,727
Inventory of consumables		-	-	365,999	108,698
Financial instruments	28	-	-	590	-
Recoverable taxes	5	1,806	1,575	199,217	76,012
Advances to suppliers		34	34	137,624	186,149
Advances to partners	18	-	-	1,810	31,336
Prepaid expenses		182	430	13,944	10,809
Other current assets		2	-	574	317
		18,666	19,187	3,596,108	10,537,313
Non-current assets classified as held for sale	6	-	-	67,915	65,314
		18,666	19,187	3,664,023	10,602,627
Non-current assets					
Advances to suppliers		-	-	224	242
Deposits and pledges	30	-	12	32,493	10,518
Recoverable taxes	5	-	-	6,598	26,923
Deferred taxes	16	6,225	10,970	744,773	692,076
Mark-to-market of debenture swaps	14	-	-	107,909	-
Related parties	21	108,909	96,881	-	-
Right-of-use	15	-	-	1,714,785	1,470,973
Investments	7	11,229,043	10,005,199	-	-
Property, plant and equipment	8	328	520	7,633,823	4,665,206
Intangible assets	9	-	-	12,087,324	2,833,955
		11,344,505	10,113,582	22,327,929	9,699,893
Total assets		11,363,171	10,132,769	25,991,952	20,302,520

See the accompanying notes to the quarterly information.

Balance sheet

June 30, 2023 and December 31, 2022

(In thousands of reais – R\$)

		Parent Company		Consolidated	
	Note	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Liabilities and shareholders' equity					
Current liabilities					
Suppliers	10	474	218	757,359	565,926
Labor obligations	11	12,006	18,755	180,905	138,003
Taxes and social contributions	12	638	635	433,332	158,712
Loans and financing	13	-	-	2,206,310	393,258
Local debentures (includes conversion swaps)	14	-	-	38,857	40,514
Contractual Charges	15	-	-	177,407	64,547
Accounts payable for acquisition of Albacora Leste	9	-	-	265,061	-
Accounts payable – Gas Bridge	6	-	-	24,800	43,433
		13,118	19,608	4,084,031	1,404,393
Liabilities directly linked to non-current assets classified as held for sale	6	-	-	(16,619)	(16,654)
		13,118	19,608	4,067,412	1,387,739
Non-current liabilities					
Suppliers	10	-	-	-	1,503
Loans and financing	13	-	-	4,389,772	5,248,108
Mark-to-market of debenture swaps	14	-	-	-	89,310
Local debentures (includes conversion swaps)	14	-	-	1,808,793	1,950,208
Provision for abandonment (ARO)	17	-	-	1,613,946	271,631
Provision for contingencies	30	500	500	999,875	23,350
Related parties	21	595,481	220,644	-	-
Contractual Charges	15	-	-	1,628,705	1,436,811
Accounts payable for acquisition of Albacora Leste	9	-	-	722,880	-
Other liabilities		184	-	6,681	1,843
		596,165	221,144	11,170,652	9,022,764
Shareholders' equity					
Realized share capital	20	5,352,792	5,319,674	5,352,792	5,319,674
Capital reserves		278,597	377,427	278,597	377,427
Profit reserves		3,256,052	3,682,453	3,256,052	3,682,453
Accumulated translation adjustment		(237,675)	601,773	(237,675)	601,773
Reflex equity valuation adjustments	14	101,088	(89,310)	101,088	(89,310)
Income (loss) for the period		2,003,034	-	2,003,034	-
		10,753,888	9,892,017	10,753,888	9,892,017
Total liabilities and shareholders' equity		11,363,171	10,132,769	25,991,952	20,302,520

See the accompanying notes to the quarterly information.

Statements of income

Six-month period ended June 30, 2023 and 2022

(In thousands of reais—R\$, except earnings/losses per share)

	Note	Parent Company		Consolidated	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022
Net revenue	22	-	-	5,126,161	3,403,980
Costs of products/services	23	-	-	(1,824,958)	(1,119,431)
Gross revenue		-	-	3,301,203	2,284,549
Operating revenues (expenses)					
Sales expenses	22	-	-	(261,808)	-
Geology and geophysics expenses		-	-	(1,108)	(14,123)
Personnel expenses		(2,029)	(21,206)	(72,923)	(55,313)
General and administrative expenses		(225)	(95)	(35,613)	(35,260)
Expenses with Outsourced Services		(1,115)	(1,141)	(24,885)	(17,706)
Taxes and rates		(624)	(1,950)	(11,577)	(9,205)
Depreciation and amortization expenses		(176)	(236)	(42,029)	(43,391)
Equity in income of subsidiaries	7	2,032,775	1,741,188	-	-
Other operating revenues (expenses), net	24	(12,358)	(288)	(150,228)	(136,195)
Operating income (loss) before financial income (loss)		2,016,248	1,716,272	2,701,032	1,973,356
Financial revenues	25	692	56	20,870	68,617
Financial expenses	25	(4,515)	(2,263)	(419,857)	(261,060)
Net exchange-rate changes	25	(4,646)	1,545	(206,357)	(44,925)
Income before income tax and social contribution		2,007,779	1,715,610	2,095,688	1,735,988
Current income tax and social contribution	26	(4,745)	-	(233,000)	(313,233)
Deferred income tax and social contribution	26	-	(7,560)	140,346	285,295
Income for the period		2,003,034	1,708,050	2,003,034	1,708,050
Basic and diluted earnings per share					
Basic		2.371	2.025	2.371	2.025
Diluted		2.355	2.010	2.355	2.010

See the accompanying notes to the quarterly information.

Statements of income

Three-month period ended June 30, 2023 and 2022

(In thousands of reais—R\$, except earnings/losses per share)

	Note	Parent Company		Consolidated	
		04/01/2023– 06/30/2023	04/01/2022– 06/30/2022	04/01/2023– 06/30/2023	04/01/2022– 06/30/2022
Net revenue	22	-	-	2,311,206	1,873,985
Costs of products/services	23	-	-	(843,072)	(657,336)
Gross revenue		-	-	1,468,134	1,216,649
Operating revenues (expenses)					
Sales expenses	22	-	-	(165,166)	-
Geology and geophysics expenses		-	-	(1,108)	(7,168)
Personnel expenses		(1,061)	(19,356)	(43,125)	(36,471)
General and administrative expenses		(1)	(4)	(14,936)	(12,671)
Expenses with Outsourced Services		(266)	(546)	(17,802)	(2,021)
Taxes and rates		(122)	(363)	(6,839)	(5,742)
Depreciation and amortization expenses		(84)	(117)	(20,691)	(20,741)
Equity in income of subsidiaries	7	860,463	665,874	-	-
Other operating revenues (expenses), net	24	(6,926)	(177)	(17,278)	(109,192)
Operating income (loss) before financial income (loss)		852,003	645,311	1,181,189	1,022,643
Financial revenues	25	264	19	(5,940)	45,512
Financial expenses	25	(3,418)	(3,255)	(223,995)	(118,583)
Net exchange-rate changes	25	(4,919)	(8,307)	(111,119)	(118,827)
Income before income tax and social contribution		843,930	633,768	840,135	830,745
Current income tax and social contribution	26	(2,961)	-	(108,927)	(197,982)
Deferred income tax and social contribution	26	-	5,312	109,761	6,317
Income for the period		840,969	639,080	840,969	639,080
Basic and diluted earnings per share					
Basic		0.999	0.757	0.999	0.757
Diluted		0.992	0.752	0.992	0.752

See the accompanying notes to the quarterly information.



Statements of comprehensive income
Six-month period ended June 30, 2023 and 2022
(In thousands of reais – R\$)

	Consolidated	
	06/30/2023	06/30/2022
Income (loss) for the period	2,003,034	1,708,050
Mark-to-market of local debenture swaps	101,088	-
Deferred taxes on Mark-to-Market Swaps	(34,370)	
Translation adjustment to presentation currency	(839,448)	(194,724)
Other comprehensive income for the period, net of taxes	(772,730)	(194,724)
Total other comprehensive income for the period, net of taxes	1,230,304	1,513,326

See the accompanying notes to the quarterly information.



Statements of comprehensive income
Three-month period ended June 30, 2023 and 2022
(In thousands of reais – R\$)

	Consolidated	
	04/01/2023– 06/30/2023	04/01/2022– 06/30/2022
Income (loss) for the period	840,969	639,080
Mark-to-market of local debenture swaps	150,588	-
Deferred taxes on Mark-to-Market Swaps	(51,200)	-
Translation adjustment to presentation currency	(518,940)	793,286
Other comprehensive income for the period, net of taxes	(419,552)	793,286
Total other comprehensive income for the period, net of taxes	421,417	1,432,366

See the accompanying notes to the quarterly information.

Statements of changes in shareholders' equity
Six-month period ended June 30, 2023 and 2022
(In thousands of reais – R\$)

	Share capital	Treasury shares	Capital reserve	Profit reserve	Accumulated translation adjustment	Equity valuation adjustment	Retained earnings	Consolidated
Balances at January 1, 2022	5,303,644	(40,874)	389,760	255,381	712,338	-	-	6,620,249
Paid-up capital	16,587	-	-	-	-	-	-	16,587
Stock options granted	-	-	10,300	-	-	-	-	10,300
Translation adjustment on investment abroad	-	-	-	-	(194,724)	-	-	(194,724)
Acquisition of non-controlling interest	-	-	10,727	-	-	-	-	10,727
Treasury shares	-	439	-	-	-	-	-	439
Net income for the period	-	-	-	-	-	-	1,708,050	1,708,050
Balances at June 30, 2022	5,320,231	(40,435)	410,787	255,381	517,614	-	1,708,050	8,171,627
Balances at January 1, 2023	5,319,674	(40,435)	417,863	3,682,453	601,773	(89,310)	-	9,892,017
Paid-up capital	33,118	-	-	-	-	-	-	33,118
Stock options granted	-	-	43,075	-	-	-	-	43,075
Translation adjustment on investment abroad	-	-	-	-	(839,448)	-	-	(839,448)
Gain (loss) with financial instruments	-	-	-	-	-	190,398	-	190,398
Net income for the period	-	-	-	-	-	-	2,003,034	2,003,034
Treasury shares	-	(426,401)	-	-	-	-	-	(426,401)
Gain (loss) with the buyback of preferred shares in the subsidiary	-	-	(141,906)	-	-	-	-	(141,906)
Balances at June 30, 2023	5,352,792	(466,836)	319,032	3,682,453	(237,675)	101,088	2,003,034	10,753,888

See the accompanying notes to the quarterly information.

Statements of cash flows
Six-month period ended June 30, 2023 and 2022
(In thousands of reais – R\$)

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Cash flows from operating activities				
Income (loss) for the period (before taxes)	2,007,779	1,715,610	2,095,688	1,735,988
Depreciation and amortization	176	236	845,349	392,317
Financial revenue	(12,090)	(4,954)	(594,011)	135,846
Financial expenses	21,274	6,020	1,024,612	(330,984)
Share-based compensation	43,075	10,300	43,075	10,300
Equity in income of subsidiaries	(2,032,775)	(1,741,188)	-	-
Provision for contingencies/losses/R&D	(38)	(22)	22,900	61,602
Amendment of the provision for abandonment/IFRS 16 Contracts	-	-	20,776	(20,722)
Provision for impairment	-	-	-	31,358
	27,401	(13,998)	3,458,389	2,015,705
(Increase) decrease in assets				
Accounts receivable	-	-	(1,074,506)	(49,861)
Recoverable taxes	2,000	(1,134)	70,578	(84,664)
Prepaid expenses	301	(1,892)	(1,283)	(21,563)
Advances to suppliers	-	(6)	48,543	(42,605)
Oil inventories	-	-	157,328	66,157
Inventory of consumables	-	-	(7,021)	(95,795)
Related parties	(9,720)	(24,728)	-	-
Advance to partners in oil and gas operations	-	-	(12,555)	(27,494)
Deposits and pledges	13	(15)	1,978	(1,348)
Other receivables	(17)	177	(126)	549
Increase (decrease) in liabilities				
Suppliers	1,965	210	(147,932)	81,250
Labor obligations	(5,026)	5,907	22,473	21,208
Taxes and social contributions	(2,479)	5,985	(182,578)	(191,732)
Related parties	380,632	6,392	-	-
Other liabilities	181	-	(5,339)	1,367
Net cash (invested in) from operating activities	395,251	(23,102)	2,327,947	1,671,174
Cash flows from investment activities				
(Investment in) redemption of securities	-	349	-	1,338,659
(Investment in) redemption of Abandonment Fund	-	-	20,291	9,156
(Purchase) sale of property, plant and equipment	-	-	(2,104,287)	(450,537)
(Purchase) sale of intangible assets	-	-	-	(1,453,474)
(Acquisition) of oil and gas assets	-	-	(9,317,197)	(376,684)
Net cash (invested in) from investment activities	-	349	(11,401,193)	(932,880)
Cash flows from financing activities				
Borrowings	-	-	1,467,650	2,266,419
Interest paid on loans	-	-	(149,086)	(96,248)
Contractual charges - Leases IFRS 16 - Principal	-	-	(9,004)	(36,704)
Contractual charges (Leases - IFRS 16) - Interest	-	-	(51,831)	(22,383)
Funding of debentures	-	-	-	(23,543)
Interest paid on debentures	-	-	(66,397)	-
Derivative transactions	-	-	25,237	-
(Decrease) Paid-up capital	33,118	16,587	33,118	16,587
Own Company's shares (held in treasury)	(426,401)	-	(426,401)	-
Net cash (invested in) from financing activities	(393,283)	16,587	823,286	2,104,128
Translation adjustment	(2,474)	(1,397)	(207,748)	(619,722)
Net increase (decrease) in cash and cash equivalents	(506)	(7,563)	(8,457,708)	2,222,700
Cash and cash equivalents at the beginning of the period	17,148	23,581	9,612,961	970,681
Cash and cash equivalents at the end of the period	16,642	16,018	1,155,253	3,193,381
Net increase (decrease) in cash and cash equivalents	(506)	(7,563)	(8,457,708)	2,222,700

See the accompanying notes to the quarterly information.

Statements of added value
(Supplementary information for IFRS purposes)
Six-month period ended June 30, 2023 and 2022
(In thousands of reais – R\$)

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Revenues				
Oil & Gas sales	-	-	5,126,161	3,403,980
	-	-	5,126,161	3,403,980
Inputs acquired from third parties				
Third party's services and other	(1,115)	(1,141)	(24,885)	(17,706)
Geology and geophysics expenses	-	-	(1,108)	(14,123)
Costs of services	-	-	(557,788)	(502,407)
Gross added value	(1,115)	(1,141)	4,542,380	2,869,744
Depreciation and amortization	(176)	(236)	(845,349)	(382,988)
Net added value produced by the Entity	(1,291)	(1,377)	3,697,031	2,486,756
Added value received as transfer				
Financial revenue	14,220	5,745	1,062,704	172,592
Equity in income of subsidiaries	2,032,775	1,741,188	-	-
Deferred taxes	-	(7,560)	140,346	285,295
Other revenues	2	66	436,607	34,652
Total added value payable	2,045,706	1,738,062	5,336,688	2,979,295
Distribution of added value				
Personnel	2,029	21,207	72,923	55,313
Direct remuneration	1,941	21,100	62,776	50,957
Benefits	59	33	8,012	3,627
FGTS	29	74	2,135	729
Taxes, duties and contributions	5,368	1,949	244,575	322,438
Federal	5,317	1,819	243,918	319,548
State	-	-	(540)	2,611
Municipal	51	130	1,197	279
Third-party capital remuneration	35,275	6,856	3,016,156	893,494
Interest (Financial expenses)	22,689	6,407	1,668,048	409,960
Rentals	-	-	102,680	10,646
Other (royalties, other expenses)	12,586	449	1,245,428	472,888
Remuneration of own capital	2,003,034	1,708,050	2,003,034	1,708,050
Income for the period	2,003,034	1,708,050	2,003,034	1,708,050

See the accompanying notes to the quarterly information.



Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

1. Operations

Petro Rio S.A. (“Prio”), was established on July 17, 2009. Headquartered in the city of Rio de Janeiro, its main purpose is to hold interests in other companies as partner, shareholder or quotaholder, in Brazil and abroad, with a focus on exploration, development and production of oil and natural gas.

For the purpose of this report, Petro Rio S.A and its subsidiaries are denominated, individually or jointly, as the “Company” or “Group”, respectively.

Its significant operations are carried out by means of subsidiaries Petro Rio O&G Exploração e Produção de Petróleo Ltda. (“PrioOG”), Petro Rio Jaguar Petróleo S.A. (“Jaguar”), Prio Bravo Ltda. (“Bravo”) and Brasoil Coral Exploração Petrolífera S.A. (“Coral”) and Prio Forte S.A. (“Forte”) are the production of oil and natural gas, operating in Campos Basin - RJ (PrioOG, Jaguar and Bravo) and in Camamu Basin – BA (“Coral”).

On June 30, 2023, the Company had a negative net working capital (current assets minus current liabilities) of R\$ 403,389, mainly due to short-term loans that mature in the first half of 2024, which represent 54% of current liabilities corresponding to R\$ 2,206.

The Company has strong cash generation in the fields in operation, mainly in the Frade and Albacora Leste fields and Management understands that the negative net working capital scenario will be reversed within the 2023 fiscal year.

Polvo Field

The Company is the operator and holds 100% of the Polvo Field concession contract, acquired from BP Energy do Brasil Ltda. (“BP”) – 60% in 2014 and from Maersk Energia Ltda. (“Maersk”) – 40% in 2015. On March 29, 2023, the field concession was transferred from the subsidiary PrioOG to the subsidiary Bravo, starting a process of restructuring/streamlining the group’s corporate structure, with no impact on the quarterly information.

The Polvo Field is in the southern portion of the Campos Basin (offshore) some 100 km east of the city of Cabo Frio in the state of Rio de Janeiro. The license covers an area of approximately 134 km² with several prospects for future exploration. Average daily output during the 2Q23 was of roughly 7.1 thousand bbl (6.5 thousand bbl for the 2Q22).

Manati Field

In March 2017, PrioOG concluded the transaction for the acquisition of 100% of the shares of Brasoil do Brasil Exploração Petrolífera S.A. (“Brasoil”). Brasoil is a holding company, indirectly holding a 10% interest in the rights and obligations of the Manati Field concession contract, in the production phase, in addition to a 10% interest in the Camarão Norte Field, under development, which is under return process by the consortia to National Agency of Petroleum, Natural Gas and Biofuels (ANP) and a 100% interest in the concessions of Blocks FZA-Z-539 and FZA-M-254, both in the exploration phase.



Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

The Manati Field is located in the Camamu Basin, on the coast of the State of Bahia. Average daily output during the 2Q22 was of roughly 2.0 million cubic meters of natural gas (2.8 million cubic meters of natural gas for the 2Q23).

As of November 3, 2022, the Company signed an agreement with Gas Bridge S.A. (“Gas Bridge”), for the disposal of its 10% interest in Manati Field. The total amount of the transaction is R\$ 124,000. For further details, see Note 6.

The Company accounts for this asset in accordance with CPC 31, as non-current assets classified as held for sale.

Frade Field

On March 25, 2019 and October 01, 2019, after complying with the precedent conditions and obtaining the necessary approvals, Jaguar completed the acquisition of 51.74% and 18.26%, respectively, of interest in the concession of Frade Field, in the operational assets of the Field, and assumed the operation of the Field.

Furthermore, on November 28, 2019, Jaguar signed a purchase and sale agreement with Petrobras for the acquisition of the remaining 30% interest in the Field, increasing interest in Frade Field to 100%. The completion of this transaction took place on February 5, 2021.

The Frade Field is in the northern region of the Campos Basin, about 120 kilometers from the coast of the State of Rio de Janeiro. The license covers an area of approximately 154 km², with an average water depth of 1,155 m. In the 2Q23, the Field produced approximately 49.0 thousand bbl of oil per day (15 thousand bbl of oil per day in the second quarter of 2023).

Tubarão Martelo (“TBMT”) and Dommo Energia S.A.

As of August 3, 2020, PrioOG completed the acquisition of 80% of the Tubarão Martelo Field operations and took over the Field’s operation.

The Tubarão Martelo Field is located in the south of the Campos Basin, approximately 86 kilometers off the coast of the State of Rio de Janeiro. The license covers an area of approximately 32 km², with an average water depth of 110m. The Field produced approximately 10.6 thousand bbl of oil per day in the second quarter of 2023 (11,000 bbl of oil per day in the second quarter of 2022).

On January 8, 2023, the subsidiary Petro Rio OPCO Exploração Petrolífera Ltda. (“OPCO”) completed the acquisition of shares and control of Dommo. As of this date, all Dommo’s shares were transferred to OPCO, in exchange for PNA shares that were redeemed on the same day for PRI03 shares; and PNB, in turn redeemed in cash on January 13, 2023, as detailed in Note 11.

Dommo Energia S.A. had its corporate name changed to Prio Forte S.A. (“Forte”).

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

FPSO Bravo (formerly “OSX-3”) and connection between the Polvo and Tubarão Martelo fields

As of February 3, 2020, the Company entered into a contract for the acquisition of the FPSO Bravo vessel (Floating, Production, Storage and Offloading – FPSO), built in 2012 with a processing capacity of 100 thousand bbl of oil per day and storage capacity of 1.3 million bbl.

Currently, the FPSO operates in the Tubarão Martelo and Polvo Fields, through a tieback with the Polvo A Fixed Platform, concluded on July 14, 2021.

Wahoo and Itaipu Field

As of November 19, 2020, a contract was signed with BP Energy do Brasil Ltda. for the acquisition of shares regarding a 35.7% interest in Block BM-C-30 (“Wahoo Field” or “Wahoo”), and a 60% interest in Block BM-C-32 (“Itaipu Field” or “Itaipu”). On June 17, 2021, the ANP - Brazilian National Agency of Petroleum approved the transfer of assets, and on July 1, 2021, the certificate of completion of the acquisition operation was signed, with Prio becoming the operator of both pre-salt fields and increasing proven reserves by approximately 132 million barrels.

Additionally, on March 4, 2021, the Company signed an agreement with Total E&P do Brasil Ltda. for the acquisition of an additional 28.6% interest in Wahoo, approved by the ANP on July 08, 2021. Subsequently, as of September 26, 2022, the Company also signed with Total E&P do Brasil Ltda. the acquisition of the remaining 40% of the Itaipu field, approved by ANP on March 23, 2023. In addition to the Wahoo portion acquired from BP, Prio’s interest the concession will increase to 64.3%.

With the development of the field, estimated to be concluded in 2024, the Company will form another production cluster and will share the full infrastructure with Frade Field (including the FPSO), thus enabling the capture of several synergies resulting in another strong and sustainable decrease in the lifting cost, striving to always maintain the highest standards of safety and efficiency.

Albacora Leste field

On April 28, 2022, Jaguar signed a Purchase and Sale Agreement with Petróleo Brasileiro S.A. (“Petrobras”) for the acquisition of a 90% interest and operation of Albacora Leste Field, with Repsol Sinopec Brasil as the partner holding the remaining 10%.

On January 26, 2023, upon ANP’s approval, the acquisition of control, a 90% interest in Albacora Leste Field (“Field” or “Albacora Leste”) with Petrobras was concluded. As of this date, PRIO becomes the operator of the asset, pursuant to the Note referring to Intangible assets.

Albacora Leste is located at a water depth of 1,200 meters, in the north of the Campos Basin, 23 km from the Frade field. Discovered in 1986, the field had its first oil in 1998 through its 10 producing wells and 6 injection wells currently in operation. The field produced in the second quarter of 2023, approximately 24.5 thousand bbl of oil per day.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

2. Preparation basis and presentation of quarterly information

2.1 Statement of conformity

The individual and consolidated quarterly information was prepared and are presented in accordance with accounting practices adopted in Brazil, which includes the provisions of Brazilian Corporation Law, Procedures, Guidance and Interpretations issued by Accounting Pronouncement Committee - CPC and approved by the Brazilian Securities Commission - CVM and by the Federal Accounting Council - CFC, which are in conformity with international accounting standards issued by *International Accounting Standards Board - IASB*.

The statements of added value are being presented as supplementary information for IFRS purposes.

2.2 Basis of preparation

The individual and consolidated quarterly information was prepared based on the historical cost, except for amounts and transactions measured at fair value, when indicated.

2.3 Basis of consolidation and investments in subsidiaries

The consolidated quarterly information includes quarterly information of the Company and its subsidiaries. Control is achieved when the Company has the power to control financial and operating policies of an entity to gain benefits from its activities.

The income of the subsidiaries acquired, sold or merged during the period are included in the consolidated income and comprehensive income information from the effective date of acquisition, disposal or merger, as applicable.

In the individual quarterly information of the Company, the quarterly information of the direct and indirect subsidiaries is recognized under the equity method.

When necessary, subsidiaries' quarterly information accounting policies are adjusted to those of the Group. All transactions, balances, revenues and expenses among the Group's companies are fully eliminated in consolidated quarterly information.

The Company's consolidated quarterly information comprises:

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

Fully consolidated companies		Interest			
		06/30/2023		12/31/2022	
		Direct	Indirect	Direct	Indirect
Petro Rio O&G Exploração e Produção de Petróleo Ltda.	"PrioOG"	100.00%	-	100.00%	-
Petro Rio Internacional Ltda.	"PrioIntl"	0.86%	99.14%	1.23%	98.77%
Petrório Luxembourg Holding Sarl	"Lux Holding"	-	100.00%	-	100.00%
Walvis Petroleum (Pty) Ltd.	"Walvis"	-	100.00%	-	100.00%
Petrório Luxembourg Trading Sarl	"Lux Trading"	-	100.00%	-	100.00%
Kunene Energy (Pty) Ltd.	"Kunene"	-	100.00%	-	100.00%
Orange Petroleum Ltd.	"Orange"	-	100.00%	-	100.00%
Petro Rio OPCO Exploração Petrolífera Ltda.	"Opco"	-	100.00%	-	100.00%
Petro Rio Coral Exploração Petrolífera Ltda.	"Coral"	-	100.00%	-	100.00%
Petro Rio Energia Ltda.	"PrioEnergia"	-	100.00%	-	100.00%
Brasol Finco LLC	"Finco"	-	100.00%	-	100.00%
Petro Rio Jaguar Petróleo S.A.	"Jaguar"	-	100.00%	-	100.00%
Prio Bravo Ltda.	"Bravo"	-	100.00%	-	100.00%
Prio Forte S.A. (formerly Dommo Energia S.A.)	"Forte"	-	100.00%	-	-
Dommo R-11 Petróleo e Gás S.A	"R-11"	-	100.00%	-	-
Óleo e Gás Participações S.A	"OGPar"	-	100.00%	-	-
PRIO O&G Trading & Shipping GmbH (formerly Dommo Austria GmbH)	"PrioAustria"	-	100.00%	-	-
PRIO O&G International GmbH (formerly Dommo International GmbH)	"PrioOGIntl"	-	100.00%	-	-
Dommo Netherlands BV	"PrioNed"	-	100.00%	-	-
Dommo Netherlands Holding BV	"Ned Holding"	-	100.00%	-	-

2.4 Accounting policies adopted

We hereby declare that the accounting policies adopted in the preparation of this quarterly information are consistent with those used in the most recent annual financial statements (year ended December 31, 2022). Thus, this quarterly information should be read together with information disclosed in financial statements for the year ended December 31, 2022.

2.5 Functional currency and presentation currency

Presentation currency

In compliance with Brazilian legislation, the individual and consolidated quarterly information is presented in reais, translated from the consolidated information prepared in the Company's functional currency, which on January 1, 2022 was changed to the US dollar, as highlighted:

- Assets and liabilities are translated into reais at the exchange rate on the reporting date (closing rate);
- Statements of income, comprehensive income, cash flows and added value are translated at the exchange rate on the date of operations (daily rate); and
- Shareholders' equity is translated at the historical rate.

Foreign exchange differences resulting from said translation are accounted for separately in shareholders' equity, in comprehensive statement of income, in line of "Accumulated translation adjustments".

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

Functional currency

The Company's Management periodically monitors the primary and secondary indicators that define the functional currency to be used.

All the Company's subsidiaries had their functional currency translated changed to the dollar as of January 1, 2022, except for the subsidiary Coral, which did not meet the necessary requirements for the change. Furthermore, the entities added in Forte's control acquisition process also had their functional currency changed to the US dollar on the acquisition date, as they have the same structure as Prio's companies.

The individual and consolidated quarterly information in the US dollar functional currency, presented as supplementary information, as well as the information translated into the presentation currency, which is the Real, are presented below:

	June 30, 2023			
	Parent Company		Consolidated	
	US\$	R\$	US\$	R\$
Balance sheet				
Assets				
Cash and cash equivalents	3,453	16,642	239,719	1,155,253
Accounts receivable	-	-	281,768	1,357,896
Oil inventories	-	-	75,365	363,201
Inventory of consumables	-	-	75,946	365,999
Financial instruments	-	-	123	590
Recoverable taxes	375	1,806	41,338	199,217
Advances to suppliers	7	34	28,557	137,624
Advances to partners	-	-	376	1,810
Prepaid expenses	38	182	2,894	13,944
Other receivables	-	2	119	574
Current assets	3,873	18,666	746,205	3,596,108
Non-current assets available for sale	-	-	14,093	67,915
	-	-	14,093	67,915
Advances to suppliers	-	-	46	224
Deposits and pledges	-	-	6,742	32,493
Recoverable taxes	-	-	1,369	6,598
Deferred taxes	1,292	6,225	154,543	744,773
Mark-to-market of debenture swaps	-	-	22,392	107,909
Related parties	22,599	108,909	-	-
Right-of-use (Lease CPC 06.R2/IFRS 16)	-	-	355,824	1,714,785
Investments	2,330,064	11,229,043	-	-
Property, plant and equipment	68	328	1,584,044	7,633,823
Intangible assets	-	-	2,508,160	12,087,324
Non-current assets	2,354,023	11,344,505	4,633,120	22,327,929
Total assets	2,357,896	11,363,171	5,393,418	25,991,952

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

Balance sheet

Liabilities and shareholders' equity

Suppliers
Labor obligations
Taxes and social contributions
Local debentures (includes conversion swaps)
Loans and financing
Contractual charges (Leases - IFRS 16)
Accounts payable - earn out Albacora Leste
Accounts payable - Gas Bridge

Current liabilities

Liabilities related to non-current assets held for sale

Loans and financing
Local debentures (includes conversion swaps)
Provision for abandonment (ARO)
Provision for contingencies
Related parties
Contractual charges (Leases - IFRS 16)
Accounts payable - earn out Albacora Leste
Other liabilities

Non-current liabilities

Realized share capital
Capital reserves
Profit reserves
Accumulated translation adjustment
Equity valuation adjustments
Income (loss) for the period

Shareholders' equity

Total liabilities and shareholders' equity

June 30, 2023			
Parent Company		Consolidated	
US\$	R\$	US\$	R\$
98	474	157,155	757,359
2,491	12,006	37,538	180,905
132	638	89,918	433,332
-	-	8,063	38,857
-	-	457,817	2,206,310
-	-	36,813	177,407
-	-	55,001	265,061
-	-	5,146	24,800
2,721	13,118	847,451	4,084,031
-	-	(3,448)	(16,619)
-	-	(3,448)	(16,619)
-	-	910,892	4,389,772
-	-	375,331	1,808,793
-	-	334,899	1,613,946
104	500	207,477	999,875
123,564	595,481	-	-
-	-	337,962	1,628,705
-	-	150,000	722,880
38	184	1,385	6,681
123,706	596,165	2,317,946	11,170,652
959,899	5,352,792	959,899	5,352,792
47,346	278,597	47,346	278,597
676,372	3,256,052	676,372	3,256,052
126,888	(237,675)	126,888	(237,675)
22,392	101,088	22,392	101,088
398,572	2,003,034	398,572	2,003,034
2,231,469	10,753,888	2,231,469	10,753,888
2,357,896	11,363,171	5,393,418	25,991,952

Consolidated statement of income

Net revenue

Costs of products/services

Gross revenue

Sales expenses
Geology and geophysics expenses
Personnel expenses
General and administrative expenses
Expenses with Outsourced Services
Taxes and rates
Depreciation and amortization expenses
Equity in income of subsidiaries
Other operating revenues (expenses), net

Operating income (loss) before financial income (loss)

Financial revenues
Financial expenses
Net exchange-rate changes

Income before income tax and social contribution

Current income tax and social contribution
Deferred income tax and social contribution

Income for the period

June 30, 2023			
Parent Company		Consolidated	
US\$	R\$	US\$	R\$
-	-	1,028,021	5,126,161
-	-	(371,450)	(1,824,958)
-	-	656,571	3,301,203
-	-	(52,609)	(261,808)
-	-	(225)	(1,108)
(403)	(2,029)	(14,144)	(72,923)
(44)	(225)	(7,207)	(35,613)
(217)	(1,115)	(4,784)	(24,885)
(120)	(624)	(2,283)	(11,577)
(32)	(176)	(8,279)	(42,029)
404,924	2,032,775	-	-
(2,377)	(12,358)	(28,729)	(150,228)
401,731	2,016,248	538,311	2,701,032
137	692	4,441	20,870
(1,287)	(4,515)	(85,074)	(419,857)
(1,024)	(4,646)	(41,169)	(206,357)
399,557	2,007,779	416,509	2,095,688
(985)	(4,745)	(47,059)	(233,000)
-	-	29,122	140,346
398,572	2,003,034	398,572	2,003,034

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

Statement of cash flows	June 30, 2023			
	Parent Company		Consolidated	
	US\$	R\$	US\$	R\$
Cash flows from operating activities				
Income (loss) for the year (before taxes)	399,557	2,007,779	416,509	2,095,688
Depreciation and amortization	32	176	164,325	845,349
Financial revenue	(2,458)	(12,090)	(125,250)	(594,011)
Financial expenses	4,776	21,274	209,561	1,024,612
Share-based compensation	8,577	43,075	8,577	43,075
Equity in income of subsidiaries	(404,925)	(2,032,775)	-	-
Provision for contingencies/losses/R&D	-	(38)	(2,501)	22,900
Amendment of the provision for abandonment/IFRS 16 Contracts	-	-	6,672	20,776
	5,559	27,401	677,893	3,458,389
(Increase) decrease in assets				
Accounts receivable	-	-	(227,608)	(1,074,506)
Recoverable taxes	1,132	2,000	2,130	70,578
Prepaid expenses	53	301	(466)	(1,283)
Advances to suppliers	-	-	7,120	48,543
Oil inventories	-	-	20,491	157,328
Inventory of consumables	-	-	(5,992)	(7,021)
Related parties	(2,790)	(9,720)	-	-
Advance to partners in oil and gas operations	-	-	(2,219)	(12,555)
Deposits and pledges	3	13	(151)	1,978
Other receivables	(4)	(17)	(35)	(126)
Increase (decrease) in liabilities				
Suppliers	393	1,965	23,740	(147,934)
Labor obligations	(774)	(5,026)	6,947	22,473
Taxes and social contributions	(1,408)	(2,479)	(15,409)	(182,578)
Related parties	77,092	380,632	-	-
Other liabilities	39	181	(576)	(5,339)
Net cash (invested in) from operating activities	79,295	395,251	485,865	2,327,947
(Investment in) redemption of Abandonment Fund	-	-	2,782	20,291
(Purchase) sale of property, plant and equipment	-	-	(419,607)	(2,104,287)
(Acquisition) of oil and gas assets	-	-	(1,823,535)	(9,317,197)
Net cash (invested in) from investment activities	-	-	(2,240,360)	(11,401,193)
Borrowings	-	-	278,000	1,467,650
Interest paid on loans	-	-	(30,243)	(149,086)
Contractual charges - Leases IFRS 16 - Principal	-	-	(1,454)	(9,004)
Contractual charges (Leases - IFRS 16) - Interest	-	-	(12,021)	(51,831)
Interest paid on debentures	-	-	(12,260)	(66,397)
Derivative transactions	-	-	8,024	25,237
Own Company's shares (held in treasury)	(85,648)	(426,401)	(85,648)	(426,401)
(Decrease) Paid-up capital	6,519	33,118	6,519	33,118
Net cash (invested in) from financing activities	(79,129)	(393,283)	150,917	823,286
Translation adjustment	-	(2,474)	922	(207,748)
Net increase (decrease) in cash and cash equivalents	166	(506)	(1,602,656)	(8,457,708)
Cash and cash equivalents at the beginning of the year	3,287	17,148	1,842,375	9,612,961
Cash and cash equivalents at the end of the year	3,453	16,642	239,719	1,155,253
Net increase (decrease) in cash and cash equivalents	166	(506)	(1,602,656)	(8,457,708)

2.6 Standards and new and reviewed interpretations already issued

In the preparation of quarterly information, the Company's Management considers, when applicable, new reviews and interpretations of IFRS and technical pronouncements, issued by IASB and CPC. There were no changes affecting the Company's quarterly information for the six-month accounting period ended June 30, 2023.

2.7 Completion of quarterly information

The Company's management authorized the presentation of this quarterly information on August 02, 2023.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

3. Cash and cash equivalents

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash	-	-	86	80
Banks	16,642	17,148	1,155,167	9,612,881
	16,642	17,148	1,155,253	9,612,961
National	4,601	3,418	278,412	2,671,858
Abroad	12,041	13,730	876,841	6,941,103

The balance of cash and cash equivalents consists of funds for the purpose of working capital, applied in highly liquid instruments in Brazil (committed, Bank Deposit Certificates and Investment fund) and abroad (remunerated current account deposits), without risk of significant change of the principal, and yields upon redemption. The reduction presented in the period is mainly due to the payment of the acquisition amounts regarding the interest in Albacora Leste Field and the repurchase of preferred shares in the process of acquisition of shares and equity control of Forte.

4. Accounts receivable

	Consolidated	
	06/30/2023	12/31/2022
Petrobras (i)	23,099	17,835
Repsol (ii)	220,929	125,529
Petrochina (iii)	751,050	22,939
Phillips 66 (iv)	360,718	-
Other	2,100	1
Total	1,357,896	166,304
Total local currency	25,199	17,836
Total foreign currency	1,332,697	148,468

- (i) Balance receivable referring to sales of gas and condensed oil carried out by Manati, Frade and Albacora Leste fields in June 2023, of which R\$ 16,155 for Manati, R\$ 5,616 for Frade and R\$ 1,328 for Albacora Leste. Accounts receivable days sales outstanding is from 30 to 45 days.
- (ii) Balance receivable referring to the sales of oil from Polvo, Tubarão Martelo and Frade field cluster, made in June 2023.
- (iii) Balance receivable referring to the sales of oil from Frade and Albacora Leste Fields, made in June 2023.
- (iv) Balance receivable referring to the sales of oil from Polvo, Tubarão Martelo and Frade field cluster, made in June 2023.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

5. Recoverable taxes

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
PIS and COFINS (i)	-	13	111,250	42,814
Income tax and social contribution (ii)	1,806	1,558	41,577	23,514
Tax abroad (iii)	-	-	32,588	11,480
ICMS (iv)	-	-	18,715	24,193
Other	-	4	1,685	934
Total	1,806	1,575	205,815	102,935
Current assets	1,806	1,575	199,217	76,012
Non-current assets	-	-	6,598	26,923

- (i) PIS/COFINS credits on inputs used in operation. The increase in the first semester is mainly due to the acquisition of equity interest in Albacora Leste.
- (ii) Primarily refers to withholding income tax on financial investments and negative balance of IRPJ/CSLL (Corporate Income Tax / Social Contribution on Net Revenue), prepaid tax due in the previous year and prepaid income tax and social contribution for the current year.
- (iii) Taxes (Value Added Tax - VAT and Net Withholding Tax - NWT) in the process of refunding the subsidiaries in Luxembourg.
- (iv) ICMS recoverable referring to oil loans between Frade Field partners and movement of materials upon acquisition of Polvo.

6. Non-current assets classified as held for sale (Consolidated)

As of November 3, 2022, the Company signed a new agreement with Gas Bridge S.A. ("Gas Bridge"), for the disposal of its 10% interest in Manati Field.

The amount negotiated is R\$ 124.000 million, with 10% received upon signing, 10% received one month after signing and the remaining amount upon conclusion of the operation. Completion is subject to the usual precedent conditions, such as approval by CADE and the ANP and the Administration is making every effort together with the competent authorities for the completion of the operation. The effective date of the sale is December 1, 2022, that is, the revenues and expenses related to Manati Field, as of this date, will adjust the purchase price, when closing the transaction.

Thus, the Company accounts for this asset in accordance with CPC 31, as non-current assets classified as held for sale recorded at cost.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

The main classes of assets and liabilities classified as held for sale on June 30 are as follows:

	06/30/2023	12/31/2022
Assets		
Advances to partners	6,919	2,068
Property, plant and equipment	1,878	1,928
Intangible assets	59,118	61,318
Total assets held for sale	67,915	65,314
Liabilities		
Provision for abandonment (ARO)	(18,197)	(18,232)
Other liabilities	1,578	1,578
Total liabilities directly linked to assets held for sale	(16,619)	(16,654)
Non-current assets classified as held for sale	84,534	81,968

Incurred net cash flows are:

	06/30/2023	06/30/2022
Net cash from operating activities	21,445	9,982
Net increase in cash and cash equivalents	21,445	9,982

Earnings per share

Basic and diluted earnings per share	06/30/2023	06/30/2022
Numerator (R\$'000)		
Income from discontinued operation	26,045	13,537
Denominator (in thousands of shares)		
Weighted average number of common shares adjusted by dilution effect	844,631	843,652
Basic and diluted earnings per share from discontinued operations:	0.0308	0.0160

The result for the six-month period ended June 30, 2023, of the Manati Field, proportional to the Company's interest, is presented below:

	Consolidated	
	06/30/2023	06/30/2022
Net revenue from services	37,459	57,624
Costs of services	(9,975)	(22,640)
Gross revenue	27,484	34,984
Operating revenues (expenses)		
Personnel expenses	-	(6,661)
General and administrative expenses	(300)	(3,472)
Expenses with Outsourced Services	(83)	(2,268)
Taxes and rates	(79)	(1,683)
Other operating revenues (expenses), net	(728)	(6,254)
Operating income (loss) before financial income (loss)	26,294	14,646
Financial revenues	9,628	12,238
Financial expenses	(6,449)	(7,957)
Income before income tax and social contribution	29,473	18,927
Current income tax and social contribution	(2,449)	(4,412)
Deferred income tax and social contribution	(979)	(978)
Profit for the period	26,045	13,537

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

7. Investments

On June 30, 2023, the Company presented the following main interest held in direct subsidiaries:

- **Petro Rio O&G Exploração e Produção de Petróleo Ltda. (“PrioOG”)**

The subsidiary was created on July 20, 2009, with headquarters in Rio de Janeiro, and engages in: (i) exploration, development and production of oil and natural gas; (ii) import, export, refining, sale and distribution of oil, natural gas, fuel and oil by-products; (iii) generation, sale and distribution of electric power; and (iv) interest in other companies.

Since March 2011, PrioOG already operated as Operator B, in shallow waters and, beginning as of October 2015, PrioOG was qualified as Operator A by ANP, which permits conduction of activities in land areas, and shallow, deep and ultra-deep waters.

- **Petro Rio Internacional S.A. (“PrioIntl”)**

The subsidiary, headquartered in Rio de Janeiro is engaged in: (i) exploration, development and production of oil and natural gas; (ii) import, export, refining, sale and distribution of oil, natural gas, fuel and oil by-products; (iii) generation, sale and distribution of electric power; and (iv) interest in other companies.

All Group’s companies located outside of Brazil, except for PrioUSA, are consolidated under a single corporate structure having PrioIntl as head office in Brazil.

Currently, the main Companies controlled by PrioIntl are (i) Lux Holding, a company that has large-sized assets in operation, (ii) Coral, which was contributed by PrioOG in June 2019 and holds 10% of interest in the concession of Manati field, and (iii) Lux Trading, which as for September 2016 started to trade the oil produced in the Polvo field and currently trades the production of Frade and Tubarão Martelo fields. Lux Holding owns the fixed platform, “Polvo A”, and a 3,000 HP drilling rig. Also under this corporate structure are subsidiaries located in the Republic of Namibia and are under settlement.

Portfolio of concessions

On June 30, 2023, the Company’s subsidiaries were participants in the following concessions in Brazilian basins:

Country	Basin	Block	Field	Concessionaire	%	JOA (**)	Status	Phase	PEM (*)
Brazil	Campos	BM-C-8	Polvo	Bravo	100%	No	Operator	Production	-
Brazil	Camamu	BCAM-40	Manati	Coral	10%	Yes	Non-operator	Production	-
Brazil	Campos	Frade	Frade	Jaguar	100%	No	Operator	Production	-
Brazil	Campos	C-M-466	Tubarão Martelo	Bravo	100%	No	Operator	Production	-
Brazil	Foz do Amazonas	FZA-M-254	-	Coral	100%	No	Operator	Exploration	R\$ 587
Brazil	Foz do Amazonas	FZA-M-539	Pirapema	Coral	100%	No	Operator	Exploration	R\$ 10,564
Brazil	Campos	BM-C-30	Wahoo	Jaguar	64%	Yes	Operator	Exploration	-
Brazil	Campos	BM-C-32	Itaipu	Jaguar	100%	No	Operator	Exploration	-
Brazil	Campos	Albacora Leste	Albacora Leste	Jaguar	90%	Yes	Operator	Production	-

(*) Minimum exploratory program remaining.

(**) Joint Operating Agreement.

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(In thousands of reais—R\$, unless otherwise indicated)

The acquisition of Forte shares increased by 20% the interest in the Tubarão Martelo Field, totaling 100%, and granting control of the Field to the Company. The acquisition of Albacora Leste, with a 90% interest in this field (the remaining 10% being owned by Repsol Sinopec Brasil), and the acquisition of 40% of the Itaipu Field, completing the 100% ownership of the Field.

a) Relevant information on investees as of June 30, 2023

	PrioOG	PrioIntl
Direct interest	100.00%	0.86%
Indirect interest	-	99.14%
Shareholders' equity	11,153,893	8,724,299
Income for the period	2,017,620	1,724,675
Total assets	11,830,099	8,724,300

b) Breakdown of investments

	Parent Company	
	06/30/2023	12/31/2022
PrioOG	11,153,893	9,939,915
PrioIntl	75,150	65,284
	11,229,043	10,005,199

c) Changes in investment

	PetroRioOG	PTRIntl	Total
Balance at December 31, 2021	6,715,199	51,327	6,766,526
Equity in income of subsidiaries	3,445,854	21,207	3,467,061
Conversion adjustments	(114,125)	(6,320)	(120,445)
Treasury shares - reflex	(18,472)	(161)	(18,633)
Equity evaluation adjustments	(88,541)	(769)	(89,310)
Balance at December 31, 2022	9,939,915	65,284	10,005,199
Equity in income of subsidiaries	2,017,620	15,155	2,032,775
Conversion adjustments	(851,725)	(5,699)	(857,424)
Capital reserve – as a result of the repurchase of OPCO shares	(140,676)	(1,229)	(141,905)
Reflexive equity valuation adjustments on income from swap on debentures – Note 14	188,759	1,639	190,398
Balance at June 30, 2023	11,153,893	75,150	11,229,043

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(In thousands of reais—R\$, unless otherwise indicated)

8. Property, plant and equipment (Consolidated)

a) Breakdown of the balance

	Depreciation rate %	Cost *	Depreciation *	Translation adjustment	Balance at 06/30/2023	Balance at 12/31/2022
In operation						
Polvo A platform and drilling rig	UOP **	101,740	(93,589)	8,283	16,434	19,364
Oil & gas assets - Frade	UOP **	1,348,314	(416,126)	217,719	1,149,907	2,156,895
FPSO Tubarão Martelo		802,047	(279,918)	(45,678)	476,451	501,506
FPSO Valente		1,517,061	(462,501)	(134,642)	919,918	-
FPSO P.50 Forte - Albacora Leste *****		1,776,225	(72,933)	(92,233)	1,611,059	-
Machinery and equipment	10	8,009	(7,083)	(926)	-	-
Furniture and fixtures	10	2,361	(1,434)	(125)	802	936
Communication equipment	20	1,132	(591)	(59)	482	477
IT equipment	20	11,521	(7,218)	(468)	3,835	2,570
Leasehold improvements	4	6,998	(993)	(819)	5,186	5,745
Development expenditures	UOP **	1,009,258	(459,976)	(95,472)	453,810	521,542
Wells revitalization (workover) ****	3	238,673	(131,423)	(13,216)	94,034	119,454
In progress						
Property, plant and equipment in progress ***		8,083	-	(377)	7,706	2,413
Wells revitalization (workover) ****		238,236	-	(11,502)	226,734	34,993
Capex wells		1,992,564	-	(83,500)	1,909,064	741,441
Spare parts		55,124	-	(3,779)	51,345	55,591
West Capricorn drilling rig		225,747	-	(24,092)	201,655	218,330
Material for well revitalization/re-entry - Frade ****		537,682	-	(32,281)	505,401	283,949
Total		9,880,775	(1,933,785)	(313,167)	7,633,823	4,665,206

* Cost and depreciation are presented converted at their respective historical rates

** UOP - Units of Production (Unit-of-production depreciation method);

*** Construction in progress refers basically to expenditures with administrative facilities;

**** Wells revitalization (workover) for the resumption and/or improvement of wells;

***** Materials acquired as part of the Frade Field Revitalization Plan.

***** FPSO acquired in the Albacora Leste business combination as "Intangible assets" note.

b) Changes in balance

	Balance at 01/01/2023	Acquisition	Additions	Write-offs	Depreciation	Transfers	Translation adjustment	Balance at 06/30/2023
In operation								
Polvo A platform and drilling rig	19,364	-	-	-	(1,681)	-	(1,249)	16,434
Oil & gas assets - Frade	2,156,895	-	-	-	(130,816)	(784,689)	(91,483)	1,149,907
FPSO Tubarão Martelo	501,506	-	31,889	-	(46,136)	-	(10,808)	476,451
FPSO Valente	-	-	-	-	(122,267)	1,106,589	(64,404)	919,918
FPSO P50 Forte - Albacora Leste	-	1,776,225	-	-	(72,932)	-	(92,234)	1,611,059
Machinery and equipment	-	-	-	-	-	-	-	-
Furniture and fixtures	936	-	9	-	(82)	-	(61)	802
Communication equipment	477	-	78	-	(39)	-	(34)	482
IT equipment	2,570	649	1,506	-	(634)	-	(256)	3,835
Leasehold improvements	5,745	-	-	-	(139)	-	(420)	5,186
Development expenditures	521,542	20,186	-	-	(47,222)	18,512	(59,208)	453,810
Wells revitalization (workover)	119,454	-	-	-	(25,731)	6,739	(6,428)	94,034
In progress	-	-	-	-	-	-	-	-
Property, plant and equipment in progress								
Wells revitalization (workover)	2,413	-	6,271	-	-	-	(978)	7,706
Development expenditures	34,993	-	209,981	-	-	(6,739)	(11,501)	226,734
Spare parts	741,441	-	1,447,095	-	-	(176,531)	(102,941)	1,909,064
West Capricorn drilling rig	55,591	-	-	-	-	-	(4,246)	51,345
Material for well revitalization/re-entry - Frade	218,330	-	-	-	-	-	(16,675)	201,655
	283,949	-	512,435	(34,886)	-	(233,922)	(22,175)	505,401
Total	4,665,206	1,797,060	2,209,264	(34,886)	(447,679)	(70,041)	(485,101)	7,633,823

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In 2022, the Company started the redevelopment of Frade Field. The first phase was completed in October 2022, with the drilling of two production wells and two injection wells, which increased the field's production by approximately 18,000 barrels of oil per day. Phase 2, initially scheduled for 2025, has been brought forward and is currently ongoing. In this phase, two producing wells have already been drilled (MUP5/F23P1 and N5P2/F23P2), taking the total production of Frade Field to 50,000 barrels of oil per day. In the coming months, Prio still plans to finish an additional producing well (ODP5/F23P3), an injector (F23I1) and at least one exploratory prospect before starting the development of Wahoo.

On July 22, 2022, the Company concluded the acquisition of the West Capricorn drilling rig, with the definitive transfer of the equipment to Prio. Furthermore, US\$ 1,886 thousand (R\$ 9,971) were paid for the transfer of the drilling rig. The drilling rig is located in Brazil, carrying out its technical activation, and will then be transported to the Field for the start of operational activities.

	Balance at 01/01/2022	Additions	Write- offs	Depreciation	Transfers	Translation adjustment	Balance at 12/31/2022
In operation							
Polvo A platform and drilling rig	24,596	-	-	(3,672)	-	(1,560)	19,364
Oil & gas assets - Manati	-	-	-	(1,410)	1,410	-	-
Oil & gas assets - Frade	1,709,986	-	-	(356,849)	886,696	(82,938)	2,156,895
FPSO Tubarão Martelo	635,539	-	-	(100,642)	1,480	(34,871)	501,506
Machinery and equipment	2,404	-	-	(924)	(1,480)	-	-
Furniture and fixtures	1,134	29	-	(163)	-	(64)	936
Communication equipment	411	155	-	(65)	-	(24)	477
IT equipment	2,111	1,525	(77)	(891)	1	(99)	2,570
Leasehold improvements	6,424	-	-	(280)	-	(399)	5,745
Development expenditures	654,069	-	-	(104,663)	8,400	(36,264)	521,542
Wells revitalization (workover)	11,125	-	-	(51,235)	166,353	(6,789)	119,454
In progress							
Property, plant and equipment in progress	-	2,362	-	-	-	51	2,413
Wells revitalization (workover)	92,877	107,539	-	-	(166,353)	930	34,993
Development expenditures	104,496	1,151,617	(7,999)	-	(524,761)	18,088	741,441
Spare parts	59,456	-	-	-	-	(3,865)	55,591
West Capricorn drilling rig	-	225,747	-	-	-	(7,417)	218,330
Material for well revitalization/re-entry - Frade	243,140	474,732	-	-	(423,817)	(10,106)	283,949
Material for use and consumption (wells)	1,277	-	-	-	(1,277)	-	-
Total	3,549,045	1,963,706	(8,076)	(620,794)	(53,348)	(165,327)	4,665,206

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(In thousands of reais—R\$, unless otherwise indicated)

9. Intangible assets (Consolidated)

a) Breakdown of the balance

	Amortization rate (%)	Consolidated	
		06/30/2023	12/31/2022
Oil & Gas assets			
Acquisition cost - Polvo	(i)	270,979	293,386
Acquisition cost - Albacora Leste	(i)	8,360,692	-
Acquisition cost - TBMT	(i)	168,715	182,666
Acquisition cost - Frade	(i)	55,814	60,429
Acquisition cost - Wahoo	(i)	730,398	790,795
Provision for abandonment - Albacora Leste	(i)	1,175,670	-
Subscription bonus - Frade	(i)	43,913	47,544
Capital gain in the acquisition of the Frade concession	(ii)	691,909	749,123
Advance for the acquisition of Albacora Leste	*	-	1,526,960
Goodwill on the acquisition of equity control of Forte (formerly Dommo Energia S.A.)	(iii)	1,542,320	-
Surplus in the acquisition of Forte (formerly Dommo Energia S.A.)	(iii)	238,432	-
Software and others	20	9,030	9,033
		13,287,872	3,659,936
Accumulated amortization		(1,200,548)	(825,981)
Total		12,087,324	2,833,955

* Amount referring to the advance for the acquisition of the block from Petrobras, pursuant to Operations, fully allocated to assets and liabilities identified in the operation.

- (i) Acquisition costs/subscription bonuses and exploration expenses are amortized by the unit of production method, considering the production of each concession and the volume of reserves when exploration/redevelopment processes will be completed.
- (ii) Capital gain related to the acquisition of the concession contract for Frade Field, Jaguar and Bravo, amortized using the units produced method, monitoring the asset generating the capital gain.
- (iii) Goodwill and surplus related to the acquisition of shares and control of Forte (formerly Dommo Energia S.A.), as detailed below.

b) Changes in balance

	Balance at 01/01/2023	Acquisition	Amortization	Translation adjustment	Balance at 06/30/2023
Acquisition cost - Polvo	19,345		(1,680)	(1,248)	16,417
Acquisition cost - Albacora Leste (*)	-	8,839,343	(362,949)	(458,997)	8,017,397
Acquisition cost - TBMT	108,557		(9,426)	(7,005)	92,126
Acquisition cost - Frade	24,222		(5,526)	1,446	20,142
Acquisition cost - Wahoo	790,796		-	(60,397)	730,399
Provision for abandonment - Albacora Leste (*)	-	1,244,001	(51,080)	(65,526)	1,127,395
Subscription bonus - Frade	2,517		(269)	(156)	2,092
Software and others	274		-	(4)	270
Capital gain in the acquisition of the Frade concession	361,285		(38,629)	(22,321)	300,335
Advance for the acquisition of Albacora de Leste	1,526,959	(1,453,476)	-	(73,484)	-
Surplus in the acquisition of Forte (formerly Dommo Energia S.A.) (**)	-	261,502	-	(23,070)	238,432
Goodwill on the merger of Forte (formerly Dommo Energia S.A.) (**)	-	1,691,553	-	(149,233)	1,542,320
	2,833,955	10,582,923	(469,559)	(859,995)	12,087,324

(*) Amount referring to the acquisition of Albacora Leste, whose allocation in the total concession's intangible assets is R\$ 10,083,344, pursuant to Note 9 (c).

(**) Amount referring to the acquisition of Forte (formerly Dommo Energia S.A.).

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	Balance at 01/01/2022	Additions	Write-offs	Amortization	Transfer	Translation adjustment	Balance at 12/31/2022
Acquisition cost - Polvo	24,572	-	-	(3,882)	-	(1,345)	19,345
Acquisition cost - Manati	-	-	-	(13,309)	13,309	-	-
Acquisition cost - TBMT	191,865	10,887	(54,614)	(32,033)	-	(7,548)	108,557
Acquisition cost - Frade	164,060	-	(117,119)	(26,037)	-	3,318	24,222
Acquisition cost - Wahoo	845,781	-	-	-	-	(54,985)	790,796
Goodwill on acquisition - Brasoil	-	-	-	-	1,821	(1,821)	-
Subscription bonus - FZA-M-254	5,968	-	-	-	(5,968)	-	-
Subscription bonus - FZA-Z-539	8,022	-	-	-	(8,022)	-	-
Subscription bonus - Frade	3,255	-	-	(562)	-	(176)	2,517
Subscription bonus - Ceará	31,358	-	(31,358)	-	-	-	-
Client portfolio - Manati	-	-	-	(1,760)	2,214	(454)	-
Software and others	274	-	-	-	-	-	274
Capital gain in the acquisition of the Frade concession	467,171	-	-	(75,284)	-	(30,602)	361,285
Advance for acquisition - Albacora Leste	-	1,453,475	-	-	-	73,484	1,526,959
	1,742,326	1,464,362	(203,091)	(152,867)	3,354	(20,129)	2,833,955

c) Acquisition of assets

1. Itaipu Field (100%)

The Company completed the acquisition of the remaining 40% interest in the Itaipu Field from Total On March 23, 2023 for the amount of R\$ 395 (US\$ 75 thousand).

Itaipu is an exploratory block in the Campos Basin and had 3 pilot wells drilled. It is located close to Parque das Baleias cluster and preliminary studies performed indicate that the accumulation is potentially shared with the southeast region of the cluster. Before any development definition, the area must go through a unitization process.

The field has already carried out the minimum exploratory programs and has no provision for abandonment, which is only formed during the development period.

2. Albacora Leste field

As described in the Operations, as of January 26, 2023, Jaguar concluded the acquisition of 90% interest of Albacora Leste field with Petrobras and also became the field's operator, which may provide suggestions to the decisions of the consortium and implement cost reductions and synergies to its operation, in agreement with Repsol, which equally shares the Field's control.

The transaction price was established in U.S. dollars and totaled US\$1,935 million (R\$ 9,824,596 converted to the date of the operation), of which US\$ 293 million (R\$ 1,491,081) was paid upon signing the agreement, on April 28, 2022, US\$ 1,636 million (R\$ 8,333,515) were paid on January 26, 2023 and the remaining portion of US\$ 7 million (R\$ 35,608) will be paid in August 2023, considering the final price adjustment. On the date of these financial statements, as provided for by the CPC, Management is making fine adjustments to the acquisition of interest transaction, as well as identifying the fair value of the assets and liabilities acquired. Not having finished yet.

Additionally, according to oil price projections on the closing date, there is an expected payment of US\$ 205 million of the total of US\$ 250 million (R\$ 1,044,496 and R\$ 1,273,775, respectively) of contingent consideration (earn-out), and such amount likely payment was

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included in the total price against accounts payable to Petrobras. Any change between the provision and the realization of amounts will have an impact on the Company's income.

The identified fair value assets and liabilities, at the date of transaction, as well as the preliminary allocation to Jaguar, are presented below:

	R\$	US\$'000
Downpayment (advance)	1,491,081	292,650
Payment - closing date	8,333,515	1,635,594
Final price adjustment	35,608	6,988
Earn-out provision	1,044,496	205,000
Total consideration	10,904,700	2,140,232
Allocation of price		
Intangible assets – Concession	10,083,344	1,978,866
Property, plant and equipment – FPSO P-50	1,776,225	348,614
– Albacora Leste		
Inventories	250,280	49,122
Inventory oil	38,852	7,625
Provision for abandonment	(1,244,001)	(243,995)

d) Business combination - Acquisition of shares and control – Dommo Energia S.A. (currently “Forte”)

As disclosed in the operations session, on January 8, 2023, OPCO completed the acquisition of control of Dommo Energia S.A. (whose corporate name was changed to Prio Forte S.A. – identified as “Forte” in this financial statement), through the purchase of 100% of the shares. On this date, the OPCO's capital was increased through the issue of Class A and B preferred shares (PNA and PNB, respectively), which were paid in with Dommo's shares and subscription warrants, valued at R\$ 889,970.

In total, 64,618,788 PNA preferred shares and 481,643,405 PNB preferred shares were issued by choice of the holders of shares and subscription warrants, which were redeemed on the same day for PRIO3 shares, in the case of PNA, and in cash, in the case of the PNB, which together amounted to R\$ 1,031,875 (US\$ 203,340 thousand), of which R\$ 141,906 was paid in excess to the market value of shares on the date and consequently, treated as transaction among partner and recorded in the shareholders' equity as the statement of changes in shareholders' equity.

The operation included the company Forte, holder of 20% interest in Tubarão Martelo field and all subsidiaries of this company, in which it has a 100% interest, which are Dommo R-11 Petróleo e Gás S.A., Oil and Gas Participações S.A., Dommo Austria GmbH (changed to PRIO O&G Trading & Shipping GmbH), Dommo International GmbH (changed to PRIO O&G International GmbH), Dommo Netherlands BV and Dommo Netherlands Holding BV.

The Group, through its subsidiary PrioOG, held a JOA contract with Forte, through which it controlled 80% of the Tubarão Martelo field operations. Thus, in light of CPC 15, the acquisition of control of Forte by OPCO, through the remaining 20% of the JOA, was treated by Management as a business combination carried out in stages (step acquisition). The Company determined the fair values of the assets acquired and liabilities assumed,

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the fair value of the interest previously held by the Company of 80% of the Field, as well as the allocation of the purchase price.

On the control acquisition date, net assets and liabilities amounted to a liability of R\$ 431,355, mainly consisting of provision for probable contingencies recognized in the balance sheet in the amount of R\$ 424,509 and amounts payable for the conclusion of the abandonment of Tubarão Azul Field in the amount of R\$ 86,092, in the final stage, net of bank deposits in the amount of R\$ 48,192 and judicial deposits in the amount of R\$ 21,473.

The gain on the revaluation of previously existing assets (referring to the 80% interest) was fully realized upon the transfer of JOA and control of Forte's activities to the subsidiary, Bravo, on March 29, 2023. Therefore, there is no effect on the income for the year regarding the transaction.

On the date of these financial statements, as provided for by CPC 15, Management is investigating the fine adjustments of the transaction for the acquisition of interest and control, as well as identifying the fair value of the assets acquired and liabilities assumed. The assets and liabilities determined at fair value, at the date of transaction, as well as the preliminary allocation, are as follows:

	R\$	US\$'000
Consideration transferred (subscription of OPCO shares)	889,970	168,378
Allocation of price		
Shareholders' equity on acquisition	(431,355)	(81,611)
Capital gain of the concession	261,502	49,475
Deferred tax on surplus	(88,911)	(16,822)
Contingent liabilities assumed	(542,819)	(102,700)
Goodwill generated in business combination	1,691,553	320,036

10. Suppliers

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Domestic suppliers	474	218	561,330	268,405
Foreign suppliers	-	-	196,029	299,024
	474	218	757,359	567,429
Total current liabilities	474	218	757,359	565,926
Total non-current liabilities	-	-	-	1,503

11. Labor obligations

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Salary	-	-	12,007	3,677
Provision for bonus (*)	11,846	18,583	139,234	118,254
Charges	97	84	13,042	3,080
Vacation / 13 th salary	63	88	16,622	12,992
	12,006	18,755	180,905	138,003

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(In thousands of reais—R\$, unless otherwise indicated)

(*) Subject to the Company's performance indicators.

12. Taxes and social contributions payable

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Export tax (i)	-	-	132,485	-
IRPJ and CSLL payable	-	-	107,654	86,979
IRRF on services	632	632	90,096	11,319
Royalties	-	-	83,734	49,694
PIS/COFINS/CSLL	6	3	8,612	4,496
ICMS	-	-	4,123	2,462
INSS	-	-	4,883	3,131
Taxes on Equity	-	-	1,032	132
Other	-	-	713	499
	638	635	433,332	158,712

(i) In March 2023, the Brazilian Government implemented, through a Provisional Measure, a 9.2% tax on crude oil exports, effective until June 30, 2023. During the period covered by the Provisional Measure, the Company recorded R\$ 274,727 in income (loss) under Net Revenue, and disbursed R\$ 142,242 up to June 2023. The balance presented refers to sales for May and June maturing in 60 days.

13. Loans and financing

		Additions			Payments		Translation		
		12/31/2022	Principal	Interest	Principal	Interest	Allocation	adjustment	06/30/2023
Citibank	(i)	529,555	270,130	20,983	-	(20,225)	-	(69,018)	731,425
CCB	(ii)	151,000	-	2,543	-	-	-	(11,160)	142,383
BTG	(iii)	371,474	-	6,930	-	(7,367)	-	(27,896)	343,141
ABC	(iv)	161,321	-	2,891	-	-	-	(11,954)	152,258
Itaú	(v)	527,765	537,590	28,965	-	(11,904)	-	(95,521)	986,895
Safra	(vi)	188,625	-	3,273	-	-	-	(13,949)	177,949
Santander	(vii)	527,875	262,630	19,310	-	(17,270)	-	(61,521)	731,024
Bank of China	(viii)	80,180	-	1,861	-	(3,767)	-	(5,976)	72,298
ICBC	(ix)	-	254,755	6,537	-	-	-	(13,797)	247,495
HSBC	(x)	-	142,545	4,565	-	-	-	(7,609)	139,501
Subtotal		2,537,795	1,467,650	97,858	-	(60,533)	-	(318,401)	3,724,369
BOND	(xi)	3,141,804	-	88,553	-	(88,553)	-	(239,954)	2,901,850
Fundraising expenses - Bond	**	(38,233)	-	-	-	-	5,176	2,920	(30,137)
Total		5,641,366	1,467,650	186,411	-	(149,086)	5,176	(555,435)	6,596,082
Current		393,258							2,206,310
Non-current		5,248,108							4,389,772

* Costs with banks, lawyers, and consultants for issuing the BOND.

(i) In March 2022, Petro Rio Jaguar contracted an Export Prepayment Agreement ("PPE") with Banco Citibank in the amount of US\$ 100 million, with full amortization at maturity, at the rate of 4.71% p.a., semi-annual interest payments and final maturity in 36 months.

In January 2023, Petro Rio Jaguar contracted an Export Prepayment Agreement ("PPE") with Banco Citibank in the amount of US\$ 50 million, with full amortization at maturity, at the TERM SOFR rate + 2.90% p.a., monthly interest payments and final maturity in 36 months.

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(ii) In March 2022, Petro Rio Jaguar contracted an Advance on Exchange Contract (“ACC”) with China Construction Bank (CCB) in the amount of US\$ 28 million, with total amortization and interest at maturity, rate of 4.30% p.a. and maturing in 24 months.

(iii) In February 2022, Petro Rio contracted an Advance on Exchange Contract (“ACC”) with BTG in the amount of US\$ 70 million, with full amortization at maturity, at the rate of 4.15% p.a., semi-annual interest payments and final maturity in 18 months.

(iv) In April 2022, Petro Rio Jaguar contracted two Advances on Exchange Contract (“ACC”) with Banco ABC Brasil (ABC) in the total amount of US\$ 30 million, with total amortization and interest at maturity, at a rate of 4.48% p.a. and maturing in 22 and 23 months.

(v) In April 2022, Petro Rio Jaguar contracted an Export Prepayment Agreement (“PPE”) with Banco Itaú in the amount of US\$ 100 million, with full amortization at maturity, at the rate of 4.65% p.a., semi-annual interest payments and final maturity in 24 months.

In January 2023, Petro Rio Jaguar contracted an Export Prepayment Agreement (“PPE”) with Banco Itaú in the amount of US\$ 100 million, with full amortization at maturity, at the TERM SOFR rate + 2.57% p.a., semi-annual interest payments and final maturity in 12 months.

(vi) In April 2022, Petro Rio Jaguar contracted an Export Prepayment Agreement (“PPE”) with Banco Safra in the amount of US\$ 35 million, with total amortization and interest at maturity, at a rate of 4.4% p.a. and final maturity in 24 months.

(vii) In April 2022, Petro Rio Jaguar contracted an Export Prepayment Agreement (“PPE”) with Banco Santander in the amount of US\$ 100 million, with full amortization at maturity, at the rate of 4.9% p.a., quarterly interest payments and final maturity in 36 months.

In February 2023, Petro Rio Jaguar contracted an Export Prepayment Agreement (“PPE”) with Banco Santander in the amount of US\$ 50 million, with full amortization at maturity, at the TERM SOFR rate + 2.46% p.a., quarterly interest payments and final maturity in 12 months.

(viii) In July 2022, Petro Rio contracted an Advance on Exchange Contract (“ACC”) with Banco da China (Brazil) in the amount of US\$ 15 million, with full amortization at maturity, at the rate of 4.95% p.a., semi-annual interest payments and final maturity in 30 months.

(ix) In January 2023, Petro Rio Jaguar contracted an Export Prepayment Agreement (“PPE”) with ICBC in the amount of US\$ 50 million, with full amortization at maturity, at the TERM SOFR rate + 1.45% p.a., semi-annual interest payments and final maturity in 24 months.

(x) In January 2023, Petro Rio Jaguar contracted an Advance on Exchange Contract (“ACC”) with HSBC in the amount of US\$ 28 million, with total amortization and interest at maturity, rate of 7.47% p.a. and maturing in 12 months.

(xi) On June 9, 2021, the Company issued debt in the international capital market in the amount of US\$ 600 million at a cost of 6.125% p.a. and a final term of 5 years, with a repurchase option as of the 3rd year. The principal will be repaid on maturity, June 9, 2026,

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while interest will be repaid semiannually, and the first amortization took place in December 2021. Additionally, this contract has non-financial obligations that are monitored quarterly and are fully met.

The contracts signed with Citibank (i), BTG (iii), Santander (vii), ICBC (ix) and the debt issued in the international capital market (xi) have financial covenants linked to the leverage ratio. The ratio is calculated by dividing the net debt for the period by the Adjusted EBITDA of the last 12 months (EBITDA minus other revenues and expenses). The maximum limit of the ratio is 2.5x and any non-compliance with this index results in a restriction on taking on new debts. The measurement of this ratio is carried out quarterly, and on June 30, 2023, the calculated indicator was below the established limit, complying with the contract clauses.

14. Local debentures (includes conversion swaps)

As of August 24, 2022, the first issue of simple, non-convertible debentures, in two series, of the unsecured type, with additional personal guarantee from Jaguar, in the total amount of R\$2,000,000 in the date of its issuance, which was the object of a public offering with restricted placement efforts, carried out under the terms of CVM Instruction 476, with 1,500,000 Debentures issued in the First Series, maturing as of August 15, 2032; and 500,000 Debentures issued in the Second Series, maturing on August 15, 2027.

The First Series Debentures will bear interest equivalent to IPCA+ 7.41% per annum, and the Second Series Debentures are restated at the interest of 100% of the DI Rate, plus a spread of 2.05% p.a. Both series have semiannual interest, with payment dates on February 15 and August 15.

On the same date, Jaguar entered into derivative instruments (swap contracts) to hedge the risks of foreign exchange exposures of debentures, issued in Brazil (in Reais), and the volatility of the debentures' indexes, IPCA and CDI.

These swap contracts, which were contracted with terms and interest rates identical to the 1st and 2nd series debentures, practically exchange the amounts in Reais and interest rates of IPCA+7.41% p.a. and CDI+ 2.05% p.a., respectively, on a debt denominated in US\$ at a fixed rate of 6.79% p.a.

The Company designated the debentures as hedged items, and the swap contracts with hedging instruments. Moreover, it decided to use hedge accounting, according to CPC 48, item 6.4.1, as cash flow hedge. As they were contracted with identical terms and rates, the operation is fully effective, with no risk of mismatching as to the amounts practiced in the settlement of each interest or principal installment.

The cash flow hedge must account for the adjustment to fair value (or mark-to-market) of the hedging instruments in shareholders' equity, under other comprehensive income. This represents the amount that would be paid and transferred to income (loss) in the event of early settlement of the swap contracts. In June 2023, the amount recorded in Shareholders' Equity amounts to R\$101,088 (US\$ 22,392 thousand). The amount of

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R\$ 107,909 was recorded, which was translated at the closing rate, generating a non-relevant translation adjustment.

Furthermore, the expenses for the issuance of debentures were capitalized and are being allocated to income (loss) for the term of maturity of the debentures. The balance as of June 30, 2023 is R\$ 65,276 (US\$ 13,545 thousand).

Changes in linked debentures and swaps are presented below, including mark-to-market:

	12/31/2022	Interest		Allocation	Translation adjustment	06/30/2023	Mark-to-market	06/30/2023
		Additions	Payments					
Debentures	2,075,403	52,984	-	-	-	2,128,387	-	2,128,387
Swap contracts - Assets	(2,075,403)	(52,984)	-	-	-	(2,128,387)	(324,755)	(2,453,142)
Swap contracts - Liabilities	2,060,261	65,142	(66,397)	-	(146,080)	1,912,926	216,846	2,129,772
Funding costs	(69,539)	-	-	4,263	-	(65,276)	-	(65,276)
Total	1,990,722	65,142	(66,397)	4,263	(146,080)	1,847,650	(107,909)	1,739,741
Current	40,514					38,857	-	
Non-current	1,950,208					1,808,793	(107,909)	

The debentures have financial covenants linked to the leverage ratio. The ratio is calculated by dividing the net debt for the period by the Adjusted EBITDA of the last 12 months (EBITDA minus other revenues and expenses). The maximum limit of the ratio is 2.5x. However, any non-compliance with this index results in a restriction on taking on new debts. The measurement of this ratio will be carried out quarterly, and on June 30, 2023, the calculated indicator was below the established limit, complying with the contract clause. Additionally, these contracts have non-financial obligations that are monitored quarterly and are fully met.

15. Lease operations

The right-of-use assets represent the following underlying assets:

Right-of-use assets	Cost	Amortization	CTA	Balance
Support Vessels	1,462,715	(134,765)	(93,077)	1,234,873
Helicopters	255,012	(32,579)	(17,756)	204,677
Buildings/Support Bases	177,674	(46,208)	(12,162)	119,304
Equipment	202,977	(35,587)	(11,459)	155,931
Total	2,098,378	(249,139)	(134,454)	1,714,785

To calculate the cost, the terms in which the assets will be needed for the operation and the incremental rate on the loans in force at the time of contracting the equipment lease were considered. The dollar-denominated contracts in force since the beginning were discounted at rates of 5.63% p.a., recalculated to 5.90% p.a. when the useful life of the Polvo Field increased. Contracts in reais are discounted at the rate of 10% p.a. For a dollar-denominated contract for a vessel that entered 2020, in dollars, the discount rate used was 8.95% p.a., and for two contracts that entered in the first quarter of 2022, the installment in dollars, the rate used was 4.45% p.a., for the installment in reais the rate used was CDI + 2.05% p.a., the average of loans contracted in the period. Furthermore, a new aircraft charter contract in US dollars was included using the rate of 6.93% p.a.

As disclosed in Note, Basis for preparation and presentation of quarterly information, the new estimate of the Frade Field reserve, with the lengthening of the production curve,

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changed the lease discount rates, CDI + 2.05% p.a. for contracts in Reais and 7.14% p.a. for contracts in Dollar, same rates used in Albacora Leste's contracts.

In the first quarter of 2023, with the entry of Albacora Leste, there was the inclusion of an operation support vessel and freshwater production equipment in a stationary production unit.

Furthermore, in the second quarter of 2023, there was a replacement of a contract in dollars for a support vessel for the operation, discounted at the rate of 7.14% pa.

Due to new contracts included in the period and the update of the estimated reserves at Frade and Albacora Leste, the Company's assets and liabilities increased by R\$ 435,897.

The depreciations of the right of use, when related to assets used for the operations, are firstly recognized in inventory and then transferred to income when disposed. Administrative assets are directly recorded in the statement of income, both calculated under the straight-line method, observing the periods when they are used.

Exchange-rate change and inflation adjustment are recorded directly in the Company's statement of income.

The effects presented in the period were:

	Assets	Liabilities
Balance at December 31, 2022	1,470,973	(1,501,358)
Additions/Reversals (*)	435,897	(435,897)
Currency adjustment	-	(8,879)
Price-level restatement	-	(51,831)
Payments made	-	60,835
Amortization	(57,631)	-
Translation adjustment	(134,454)	131,018
Balance at June 30, 2023	1,714,785	(1,806,112)
Current	-	(177,407)
Non-current	1,714,785	(1,628,705)

(*) Reversals refer to contracts terminated early, and other changes to existing contracts.

Contract maturity		PIS/COFINS
Maturity of installments	Amount R\$	Amount R\$
2023	(118,956)	11,770
2024	(197,982)	18,313
2025	(197,534)	18,272
2026	(197,534)	18,272
2027	(197,534)	18,272
2028	(197,982)	18,313
2029	(197,534)	18,272
2030	(197,534)	18,272
2031	(197,534)	18,272
2032	(188,758)	17,460
2033–2041	(1,175,536)	108,736
Undiscounted amounts	(3,064,418)	284,224
Embedded interest	1,258,306	
Lease liability balance	<u>(1,806,112)</u>	

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June 30, 2023

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16. Current and deferred income tax and social contribution

We present below the bases of tax loss and credit, respectively:

Companies	Tax loss		Tax credit	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
PetroRio S.A.	195,371	183,100	66,426	62,254
PrioIntl	11,573	14,830	3,935	5,042
PetroRioOG	414,870	792,918	141,056	269,592
Jaguar	971,400	1,003,727	330,276	341,267
Bravo	672,594	734,989	228,682	249,896
Brasoil Group (Coral, OPCO and Energia)	69,664	71,747	23,686	24,394
Grupo Forte (formerly Dommo Energia S.A.)*	19,530,821	-	6,640,479	-
Lux Holding	3,192,022	4,448,549	796,090	1,109,468
Lux Trading *	725,967	745,587	181,056	185,949
	25,784,282	7,995,447	8,411,686	2,247,862

(*) As of June 30, 2023, there is no tax loss or credit recognized in the accounts, due to the non-expectation of generating taxable income from operations over an average period of time.

The Company has tax loss carry forwards and negative social contribution tax generated in Brazil and abroad, which may be offset against future taxable profit, limited to 30% every year in Brazil, and without offset limit in Luxembourg. As detailed below, and based on the projected results of the companies, Management recognized and recorded the amounts proportional to future income, as well as the amount related to the negative goodwill recorded in the acquisitions of the Polvo and Albacora Leste Fields and the total amount of deferred liabilities recorded in Luxembourg, related to negative goodwill recorded in the acquisition of Frade Field. Other credits, which will be recognized as the future taxable income is being generated. Of the total available tax credits, only non-operating amounts were not recognized in the Company's balance sheet.

The balance of deferred income tax and social contribution, net of provision for recovery is as follows:

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Negative goodwill/surplus in business combination	-	-	112,951	129,882
Temporary differences	(6,225)	(10,970)	246,066	23,002
Temporary differences - Translation adjustments *	-	-	(434,396)	(63,588)
Tax losses	-	-	(669,394)	(781,372)
Net balance of (Assets) Liabilities	(6,225)	(10,970)	(744,773)	(692,076)

Realization estimate	Consolidated											Total
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033-2041	
Negative goodwill/surplus in business combination	17,566	10,095	8,587	7,564	6,838	6,298	5,812	5,407	5,098	4,860	34,826	112,951
Temporary differences	246,066	-	-	-	-	-	-	-	-	-	-	246,066
Tax losses	(376,959)	(44,851)	(34,873)	(30,066)	(25,879)	(22,744)	(19,936)	(17,579)	(15,754)	(14,690)	(66,063)	(669,394)

* Changes in the exchange rate gave rise to temporary differences that resulted in a deferred tax asset, which was credited to income (loss) as per item 38 of CPC 32.

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17. Provision for abandonment (ARO)

Changes in the balance of provision for abandonment of wells in the Polvo, Tubarão Martelo, Manati and Frade Field are shown below:

	Polvo	Manati	Tubarão Martelo	Frade	Albacora Leste	Tubarão Azul	Total
Balance at December 31, 2021	175,180	54,582	189,617	513,339	-	-	932,718
Decrease	(38,015)	(8,661)	(40,177)	(358,776)	-	-	(445,629)
Currency adjustment	-	(2,819)	-	-	-	-	(2,819)
Price-level restatement	17,856	4,981	14,120	32,522	-	-	69,479
Translation adjustment	(11,777)	-	(12,824)	(29,533)	-	-	(54,134)
Balance at December 31, 2022	143,244	48,083	150,736	157,552	-	-	499,615
Acquisition - Albacora Leste	-	-	-	-	1,244,001	-	1,244,001
Constitution - Tubarão Azul (Acquisition of Forte)	-	-	-	-	-	86,092	86,092
Increase	-	-	-	20,776	-	-	20,776
Currency adjustment	-	(3,183)	-	-	-	-	(3,183)
Price-level restatement	8,086	2,891	7,682	9,820	56,131	-	84,610
Translation adjustment	(11,343)	-	(11,862)	(3,029)	(70,663)	(6,575)	(103,472)
Balance at June 30, 2023	139,987	47,791	146,556	185,119	1,229,469	79,517	1,828,439
(-) Maersk's guarantee / Manati's abandonment fund	(166,702)	(65,988)	-	-	-	-	(232,690)
Transfer to liabilities directly linked to non-current assets classified as held for sale	-	18,197	-	-	-	-	18,197
Net balance of liabilities	(26,715)	-	146,556	185,119	1,229,469	79,517	1,613,946

With the acquisition of Albacora Leste Field, a provision for abandonment of the field was recorded, at the transaction date, in the amount of R\$ 1,244,001.

Additionally, with the acquisition of Forte's shares, the Company started consolidating the values for the conclusion of the abandonment foreseen for Tubarão Azul Field, in the amount of R\$ 86,092.

As highlighted in 1Q23, there was a non-relevant change in the present values of the provision for abandonment of the Frade Field, with a decrease in the useful life and restatement of discount and inflation rate, with an increase of R\$ 20,776 that directly affected the income (loss).

Polvo and Tubarão Martelo fields, with abandonment forecast in 2032, the abandonment estimates, both in dollars, are discounted to present value at the rate of 10.81% per annum. The Frade Field, with the abandonment forecast extended to 2039 and estimated in dollars, uses the rate of 10.95% per annum. Albacora Leste, with the abandonment forecast for 2031 and estimated in dollars, while Manati Field uses 11.15% per annum for the estimated portion in Dollars and 12.38% per annum for the amount in Reais. The inflation rates used, when necessary, are an average of 2.0% per annum for amounts in dollars and 3.87% per annum for the portion in reais.

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18. Advances to/from partners in oil and gas operations

	Consolidated	
	06/30/2023	12/31/2022
Operated blocks		
Forte (formerly Dommo Energia S.A. – TBMT)	-	(29,303)
Total - Wahoo/Itaipu	(1,395)	(1,088)
IBV – Wahoo	(358)	(916)
Ecopetrol – Ceará	(71)	(85)
Repsol – Albacora Leste	14	-
Total operated blocks	(1,810)	(31,392)
Petrobras – Coral/Cavalo Marinho/Manati	(6,919)	(2,012)
Total non-operated blocks	(8,729)	(33,404)
Liabilities associated with non-current assets held for sale	6,919	2,068
Total advances to/from partners	(1,810)	(31,336)
Total current assets	(1,810)	(31,336)

Forte started to be consolidated in the Company's financial statements as of the merger of shares, where balances between group companies are eliminated for presentation purposes.

19. Impairment

The Company periodically monitors changes in economic and operating expectations that may indicate impairment loss of assets. If such evidence is identified, calculations are performed to verify whether the net book value exceeds the recoverable value and, in such case, a provision for devaluation is recorded adjusting the book value to the recoverable value.

With the current scenario of the oil market, with prices above those practiced in recent years, the Company assessed that there were no indications of impairment that would result in the need to carry out calculations to verify the recoverable value of the assets against the amounts recorded in the period.

20. Shareholders' equity

20.1 Share capital

As of June 30, 2023, the Company's subscribed and paid-in capital totaling R\$ 5,576,158 is composed of 887,229,147 nominative, book-entry shares with no par value.

The Company has a balance of R\$ 223,365 referring to share issuance costs in a share capital reducing account and which comprise the balance shown of R\$ 5,352,792.

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Shareholder	Number of common shares *	% of Interest
Aventti Strategic Partners LLP	52,703,398	6%
Blackrock, INC.	44,484,371	5%
Other shareholders	790,041,378	89%
Total	887,229,147	100%

*According to information disclosed in reference form.

The Company's Share Capital underwent changes in January 2023, with an increase of R\$ 33,118 through the issuance of shares upon the exercise of stock options granted to employees.

The Company maintains the balance of Petro Rio S.A. common shares in Treasury Shares account, rectifying Shareholders' Equity, in the amount of 50,898,338 shares at transaction cost of R\$ 466,836.

20.2 Share-based remuneration plan

The Board of Director, within the scope of its duties and in accordance with the stock option plan, approved the grant of preferred stock option to Company's employees. Stock options fair value was estimated on concession date, using the Black-Scholes pricing model. The dates of Board of Directors' meetings and the assumptions used in the pricing model are listed below:

	Program VII	Program IX	Program X	Program XI	Program XII
Grant date by Board of Directors	02/28/2019	03/20/2020	04/30/2021	04/30/2021	08/03/2022
Total stock options granted	64,220	995,235	260,711	632,569	988,059
Share price on granting date	150.98	12.40	91.86	91.86	23.76
Strike Price	97.06	19.53	35.27	39.68	16.7
Weighted fair value on concession date	81.97	4.49	61.85	65.91	9.68
Estimated volatility of share price	69.46%	66.17%	92.13%	73.64%	52.67%
Risk-free rate of return	8.25%	7.65%	6.41%	7.86%	13.28%
Option validity (in years)	4	4	2	4	2

	Program XIII	Program XIV	Program XV	Program XVI
Grant date by Board of Directors	08/03/2022	02/07/2023	02/07/2023	02/07/2023
Total stock options granted	3,671,976	1,068,826	3,838,250	480,000
Share price on granting date	23.76	41.63	41.63	41.63
Strike Price	18.79	28.33	31.87	31.87
Weighted fair value on concession date	13.45	19.34	26.20	16.13
Estimated volatility of share price	74.19%	49.47%	68.93%	47.09%
Risk-free rate of return	12.40%	13.11%	13.17%	13.56%
Option validity (in years)	4	2	5	1

The Company has a balance recorded in shareholders' equity under Capital reserve, share-based remuneration, the amount of R\$ 359,852, and the counterparty is in the statement of income as personnel cost since the grant.

Out of the options granted, 4,582,762 options were exercised on January 2, 2023, with the full payment of R\$ 33,118 in the Company's share capital.

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20.3 Earnings per share

The tables below show data of income and shares used in calculating basic and diluted earnings per share during the periods:

Basic and diluted earnings per share	04/01/2023– 06/30/2023	04/01/2022– 06/30/2022	01/01/2023– 06/30/2023	01/01/2022– 06/30/2022
Numerator (R\$)				
Income (loss) for the period attributable to Group's shareholders	840,969	626,008	2,003,034	1,694,978
Denominator (in thousands of shares)				
Weighted average of number of common shares for basic earnings per share	841,707	843,989	844,631	843,652
Basic earnings per share	0.999	0.742	2.371	2.009
Diluted earnings per share	0.992	0.736	2.355	1.994
Potentially dilutive shares in future periods with profit	5,870	6,262	6,032	6,227

* Number of shares weighted average considers the effect of treasury share changes' weighted average during the period.

21. Related party transactions (Parent company)

	Parent Company	
	06/30/2023	12/31/2022
Accounts receivable - Petrorio S.A x Petrorio O&G (i)	44,550	62,805
Accounts receivable Petrorio S.A. x Petrorio Jaguar (v)	30,712	-
Apportionment of Brasoil's administrative expenses (ii)	302	3,357
Apportionment of Frade's administrative expenses (ii)	14,557	22,392
Apportionment of Bravo's administrative expenses (ii)	2,060	-
Loan payable Petrorio S.A. x Bravo (v)	(253,512)	-
Loan payable Petrorio Luxembourg Sarl x Petrorio S.A. (iii)	(199,062)	(212,317)
Loan payable - Petrorio S.A vs. Coral (iv)	(92,179)	-
Loan payable Petrorio S.A. x O&G (vi)	(34,000)	-
	(486,572)	(123,763)
Total non-current assets	108,909	96,881
Total non-current liabilities	(595,481)	(220,644)

- (i) Balance of share-based remuneration plan of the Company with Petro Rio O&G and Jaguar.
- (ii) Balance referring to the sharing of expenses between the Company and Petro Rio Coral, Jaguar and Bravo.
- (iii) Balance referring to loan contracts executed into since the second semester of 2019 by Prio and Lux Trading, with indefinite period and Libor interest rate + 2.9% p.a., which will be settled upon distribution of dividends by Lux Trading itself.
- (iv) Balance referring to a loan agreement in the amount of R\$ 150 million signed in March 2023 between Prio and Petro Rio Coral, with an indefinite term and an interest rate of 3% pa that will be used for the cash composition for the share buyback program.
- (v) Balance referring to a loan agreement in the amount of R\$ 150 million signed in April 2023 between Prio and Petro Rio Bravo, with an indefinite term and an interest rate of 3% pa that will be used for the cash composition for the share buyback program.
- (vi) Balance referring to a loan agreement in the amount of R\$ 150 million signed in June 2023 between Prio and Petro Rio O&G, with an indefinite term and no interest that will be used for the cash composition.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

Management remuneration

The Company's management remuneration in the six-month period ended June 30, 2023 was R\$ 1,244 (R\$ 16,287 on June 30, 2022), as detailed below:

Management remuneration	06/30/2023	06/30/2022
Short-term employee benefits	1,200	906
Share-based payment	44	15,381
Total	1,244	16,287

22. Net revenue

Net revenue for the respective periods is broken down as follows:

	01/01/2023–06/30/2023				
	Polvo/TBMT	Manati	Frade	Albacora Leste	Total
Gross revenue	1,135,351	44,975	3,211,577	1,079,722	5,471,625
Deduction*	(47,083)	(7,516)	(206,184)	(84,681)	(345,464)
Net revenue	1,088,268	37,459	3,005,393	995,041	5,126,161

	04/01/2023–06/30/2023				
	Polvo/TBMT	Manati	Frade	Albacora Leste	Total
Gross revenue	523,141	24,565	1,482,438	515,712	2,545,856
Deductions	(47,083)	(4,092)	(98,794)	(84,681)	(234,650)
Net revenue	476,058	20,473	1,383,644	431,031	2,311,206

	01/01/2022–06/30/2022			
	Polvo/TBMT	Manati	Frade	Total
Gross revenue	1,639,241	69,812	1,707,119	3,416,172
Deductions	-	(12,192)	-	(12,192)
Net revenue	1,639,241	57,620	1,707,119	3,403,980

	04/01/2022–06/30/2022			
	Polvo/TBMT	Manati	Frade	Total
Gross revenue	995,819	33,871	849,459	1,879,149
Deductions	-	(5,164)	-	(5,164)
Net revenue	995,819	28,707	849,459	1,873,985

* It includes the amount of R\$ 274,727 referring to export tax on sales from April to June of Polvo/TBMT, Frade and Albacora Leste, as well as taxes on sales in the domestic market.

In 2023, the Company strengthened its trading area in order to improve sales prices and reduce associated costs. In this way, it began to make sales directly to refineries and to contract services related to sales (freight, insurance, among others) directly. In the first half of 2023, the Company recorded sales expenses of R\$ 261,808.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

23. Costs of products sold and services rendered

	Consolidated			
	04/01/2023– 06/30/2023	04/01/2022– 06/30/2022	01/01/2023– 06/30/2023	01/01/2022– 06/30/2022
Logistics	24,666	14,188	40,285	47,054
Consumables	61,407	50,250	176,734	70,211
Operation and maintenance	12,954	44,103	121,876	96,938
Personnel	67,340	41,619	132,291	75,992
Purchase of oil for resale	(17,407)	105,607	38,958	164,564
Other costs	(10,526)	56,831	47,644	47,648
Royalties and special interest	225,599	157,418	463,850	277,427
Amortization CPC 06 (R2)	21,441	22,494	59,719	37,935
Depreciation and amortization	457,598	164,826	743,601	301,662
Total	843,072	657,336	1,824,958	1,119,431

Oil stock (unaudited quantity by independent auditors)

	06/30/2023		12/31/2022	
	Amount	Quantity	Amount	Quantity
Polvo	53,171	539	9,134	52
Tubarão Martelo	34,440	276	63,253	387
Forte (formerly Dommo Energia S.A.)	5,078	49	-	-
Frade	256,976	1,360	44,570	675
Lux Sarl	13,536	50	227,770	1,995
Total	363,201	2,274	344,727	3,109

24. Other revenues and expenses

	Parent Company			
	04/01/2023– 06/30/2023	04/01/2022– 06/30/2022	01/01/2023– 06/30/2023	01/01/2022– 06/30/2022
Administrators' bonus	(6,790)	-	(6,819)	-
Addition/Reversal of employee bonuses	(102)	-	(5,409)	-
Tax credits (PIS and COFINS/INSS/ICMS)	(16)	-	(53)	-
Other revenues (expenses)	(18)	(177)	(77)	(288)
Total	(6,926)	(177)	(12,358)	(288)

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

	Consolidated			
	04/01/2023– 06/30/2023	04/01/2022– 06/30/2022	01/01/2023– 06/30/2023	01/01/2022– 06/30/2022
Increase/decrease in the provision for abandonment (rate/curve change)	-	-	(32,735)	1,216
Reversal (Provision) for labor contingencies	1,277	(3,630)	(4,866)	(3,550)
Reversal (Provision) for tax contingencies	(1,907)	-	(3,417)	(720)
Reversal (Provision) for civil contingencies	(29,739)	(95)	(52,322)	(100)
Acquisition of Albacora Leste	(27,753)	-	(11,075)	-
Addition/Reversal of employee bonuses	5,067	-	(58,272)	-
Sales of scrap	903	-	907	-
Reversal of operational provision in prior years	1,493	-	6,952	-
Extemporaneous tax credits (PIS and COFINS/INSS/ICMS)	60,090	2,236	65,712	4,109
Expenses with taxes	(337)	-	(3,517)	-
Decommissioning - Tubarão Azul	-	(16,725)	-	(17,203)
Indirect overhead - Partnerships	(247)	(1,129)	(210)	(1,482)
Demobilization of BW/ Arbitration	(7,450)	(9,328)	(7,450)	(53,021)
Administrators' bonus	(1,694)	-	(13,828)	-
Reduction of liabilities - IFRS 16 (CPC 06)	(12,730)	-	(10,625)	19,268
Depreciation expense of Manati (asset held for sale)	-	(75,857)	-	(85,185)
Acquisition of Hunter Queen drilling rig	(8)	-	(19,102)	-
Other revenues (expenses)	(4,243)	(4,664)	(6,380)	473
Total	(17,278)	(109,192)	(150,228)	(136,195)

25. Financial income (loss)

	Parent Company			
	04/01/2023– 06/30/2023	04/01/2022– 06/30/2022	01/01/2023– 06/30/2023	01/01/2022– 06/30/2022
Financial revenues	264	19	692	56
Revenue from realized financial investment	219	11	337	40
Other financial revenues	45	8	355	16
Financial expenses	(3,418)	(3,255)	(4,515)	(2,263)
Other financial expenses	(3,418)	(3,255)	(4,515)	(2,263)
Net exchange-rate changes	(4,919)	(8,307)	(4,646)	1,545
Revenue from exchange-rate change	8,903	(10,382)	13,528	5,689
Expense on foreign exchange rate (*)	(13,822)	2,075	(18,174)	(4,144)

	Consolidated			
	04/01/2023– 06/30/2023	04/01/2022– 06/30/2022	01/01/2023– 06/30/2023	01/01/2022– 06/30/2022
Financial revenues	(5,940)	45,512	20,869	68,617
Revenue from realized financial investment	20,106	38,776	2,388	60,403
Marked at fair value of derivatives	(40,237)	-	597	-
Gain in realization of derivatives	16,986	-	16,986	-
Other financial revenues	(2,795)	6,736	898	8,214
Financial expenses	(223,995)	(118,583)	(419,857)	(261,060)
Loss on realized financial investment	(12,550)	(6,371)	(25,784)	(37,612)
Interest on loans and debentures	(129,498)	(75,744)	(263,378)	(123,127)
Commission on bank guarantees	(73)	-	(73)	-
Marked at fair value - Derivatives	(43,650)	-	(43,650)	14,490
Loss in realization of derivatives	-	(8)	-	(55,343)
Fair value loss - Bond	-	(1,364)	-	(5,402)
Expenses with interest on leases	(31,566)	(12,906)	(61,052)	(22,328)
Other financial expenses	(6,658)	(22,190)	(25,920)	(31,738)
Net exchange-rate changes	(111,119)	(118,827)	(206,357)	(44,925)
Revenue from exchange-rate change	776,638	(185,428)	1,041,834	103,975
Expense on foreign exchange rate (*)	(887,757)	66,601	(1,248,191)	(148,900)

(*) With the change in the functional currency to the US dollar, foreign exchange variation revenues and expenses refer to amounts recorded in currencies other than the US dollar, which vary with the change in the rate, such as, mainly bank balances, recoverable taxes, suppliers, leases, labor obligations and taxes payable.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

26. Income tax and social contribution

Taxes on income of the Company differ from the theoretical value that would be obtained using the applicable tax rate, as shown below:

Income before income tax and social contribution

Tax rate according to the current legislation

Income tax and social contribution based on the current rate

Non-deductible expenses/non-taxable revenue, net:

Permanent differences

Temporary differences

Equity in income of subsidiaries

(Use of) tax loss

Difference in tax base – Functional Currency

Total

Income tax and social contribution

Deferred income tax

Net expense (revenue) from income tax and social contribution in income (loss)

Effective rate on pre-tax profit

Parent Company			
04/01/2023– 06/30/2023	04/01/2022– 06/30/2022	01/01/2023– 06/30/2023	01/01/2022– 06/30/2022
843,930	633,768	2,007,779	1,715,610
34%	34%	34%	34%
286,936	215,481	682,645	583,307
3,325	499	5,220	536
(2,961)	12,872	(4,745)	-
(292,558)	(226,397)	(691,144)	(592,004)
(1,556)	4,672	(2,864)	3,783
9,775	(12,439)	15,633	11,938
2,961	(5,312)	4,745	7,560
2,961	-	4,745	-
-	(5,312)	-	7,560
2,961	(5,312)	4,745	7,560
0.35%	-0.84%	0.24%	0.44%

Income before income tax and social contribution

Tax rate according to the current legislation

Income tax and social contribution based on the current rate

Non-deductible expenses/non-taxable revenue, net:

Permanent differences

Temporary differences

Deduction / Tax benefits

(Use of) tax loss

Effect of reduced tax rates in the USA and Luxembourg

Difference in tax base – Functional Currency

Adjustment related to prior-year taxes

Total

Income tax and social contribution

Deferred income tax

Net expense (revenue) from income tax and social contribution in income (loss)

Effective rate on pre-tax profit

Consolidated			
04/01/2023– 06/30/2023	04/01/2022– 06/30/2022	01/01/2023– 06/30/2023	01/01/2022– 06/30/2022
840,135	830,745	2,095,688	1,735,988
34%	34%	34%	34%
285,646	282,453	712,534	590,236
(39,375)	5,925	(10,884)	6,683
(383,701)	74,366	(413,479)	(18,924)
(459)	(5,693)	(1,772)	(8,688)
68,844	(344,297)	(301,602)	(456,543)
(70,157)	(20,796)	(156,550)	(43,347)
138,731	199,706	264,407	(41,493)
-	-	-	14
(831)	191,665	92,654	27,938
111,527	197,982	233,000	313,233
(112,358)	(6,317)	(140,346)	(285,295)
(831)	191,665	92,654	27,938
-0.10%	23.07%	4.42%	1.61%

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

27. Segment reporting (Consolidated)

The Group is active in one sole operating segment, i.e. oil and gas exploration and production (E&P) in Brazil and overseas.

Segment reporting for continued operations:

	06/30/2023	12/31/2022
Current assets		
Brazil	2,429,355	3,348,944
Abroad	1,234,668	7,188,369
Non-current assets		
Brazil	21,556,118	9,303,666
Abroad	331,157	396,227
Revenue	06/30/2023	06/30/2022
Brazil	37,459	57,620
Abroad	5,088,702	3,346,360

28. Objectives and policies for financial risk management

The main financial liabilities of Prio refer to trade accounts payable to suppliers for goods and services to be used in its hydrocarbon exploration and production operations, debentures convertible into shares, and the financial security agreements. On the other hand, the Company maintains cash and cash equivalents are recorded in assets, as described in “Cash and cash equivalents” note.

The Company is exposed to market (interest and exchange rates), credit and liquidity risks, and its strategy is to make a portion of its investments in fixed and variable income assets, foreign exchange transactions, interest, swaps, derivatives, sundry commodities and other financial instruments for speculative purposes in various industries in Brazil and abroad in the short, medium and/or long term, to maximize the profitability and seek a higher return to its shareholder. By adopting this strategy, the Company is exposed to the risks inherent to such investments, and to fluctuations in the prices of these assets, which may negatively impact the Company's cash position.

The Board of Directors reviews and establishes policies for the management of each of these risks, which are summarized below.

Market risk

Market risk is the possibility of losses arising from the effect of the fluctuation of market values of financial instruments and commodities. The company constantly monitors the market and, when necessary, contracts derivative transactions to neutralize the impacts of these commodity price oscillations.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

Derivative financial instruments – Hedge

In the second quarter of 2023, the Company did not have outstanding derivative agreements for hedging against the risk of volatility in oil sales prices.

Furthermore, in that same year, the Company, through its subsidiaries responsible for selling oil in the international market, started operating in a modality different from that usually practiced, starting to hire boats or ships so that the cargo was taken from the FPSO to the final destination, aiming to reduce the discounts practiced by the market.

Considering that the freight price is volatile, the Company contracted derivatives to hedge itself from possible fluctuations in the market that could impact the total cost of sale and, consequently, its income.

On May 10, 2023, PRIO contracted a derivative of the TD3C contract (Middle East Gulf to China route) to guarantee the minimum freight price for a cargo that will be delivered to China throughout July 2023. The Company contracted 200,000.00 mt (metric tons) at a price of US\$ 10,775 per m and the verification period will be the average for the month of June 2023.

As the price of the TD3C contract rose during the month of June 2023, PRIO will receive the positive change in the derivative in the contracted volume, while it will pay more to the vessel's owner, thus being hedged against market changes.

After pricing the freight with the vessel's owner, the Company sold derivatives of the TD3C contract (Middle East Gulf to China route) in June, aiming to neutralize its previously purchased exposure in derivatives. Such operation proved to be necessary so that the Company would not be left with directional exposure to freight prices.

New similar operations may be contracted in the future, should the Company wish to reduce or neutralize its exposure to freight costs.

Changes in swap operations for the period are presented below:

Institution	Contract	Operation	Type	Maturity	Quantity	Price		Discount	MTM	
						Assets	Liabilities		US\$	R\$
Citibank	TD3C	Purchase	Swap	06/30/2023	200,000	14.97	10.78	99.86%	839	4,042
Citibank	TD3C	Sale	Swap	06/30/2023	(40,000)	11.60	14.97	99.86%	(135)	(650)
Citibank	TD3C	Sale	Swap	06/30/2023	(40,000)	11.60	15.16	99.86%	(142)	(686)
Citibank	TD3C	Sale	Swap	06/30/2023	(40,000)	10.80	15.36	99.86%	(182)	(879)
Citibank	TD3C	Sale	Swap	06/30/2023	(40,000)	11.45	15.58	99.86%	(165)	(796)
Citibank	TD3C	Sale	Swap	06/30/2023	(22,743)	11.80	15.83	99.86%	(92)	(441)
					17,257				123	590

Interest rate risk

Available funds are invested in securities issued by first-tier financial institutions at variable rates, mostly with daily liquidity, in compliance with prudential concentration limits.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

Interest rate sensitivity

The table below shows the sensitivity to a possible change in interest rates, income and Company's equity before taxation, where all other variables are kept constant.

Operation	Risk	Probable scenario	Scenario (I) 25%	Scenario (II) 50%
Impact on the securities	CDI decrease	(38)	(363)	(687)

For the earnings from financial investments and securities the CDI projections disclosed by BM&FBOVESPA for the six-month period as from June 30, 2023 were taken into account under the probable scenario (CDI 13.27%), a 25% reduction in the projected CDI was taken into account under scenario I and a 50% reduction was taken into account under scenario II, both in relation to the probable scenario.

Exchange risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities and net investments in foreign subsidiaries. The table below shows the sensitivity to a change that may occur in the exchange rate and the impact on the Company's income and equity, before taxation.

Operation	Risk	Probable scenario	Scenario (I) 25%	Scenario (II) 50%
Impact on financial investments	USD decrease	1,435	(36,265)	(72,531)
Provision for abandonment (ARO)	USD increase	(2,218)	(56,038)	(112,075)

For calculation of the amounts included in the above scenarios the average exchange rate projection disclosed by BM&FBOVESPA for the six-month period as from June 30, 2023 (US\$ 1/R\$ 4.8669). Under scenario I, this projection was increased by 25% and under scenario II, the curve was increased by 50%, both against the probable scenario.

Credit risk

The Company is exposed to credit risk in its operating activities and bank and/or financial institution deposits, foreign exchange transactions and other financial instruments. In order to mitigate such risks, the Group adopts a conservative management by investing short-term funds with day-to-day liquidity and post -fixed rates in first-class banks, bearing in mind ratings by the key risk agencies and respecting prudential concentration limits.

As for the credit risk of its sales transactions, the Company is analyzing the financial and equity position of its customers together with the service provider (trader), which also intermediates the oil sale transactions. During the six-month period ended on June 30, 2023 oil net sales were decentralized, with sales to clients Petrobras, Petrochina, Repsol and Phillips 66, and gas sales in other client (Petrobras); however, they present an irrelevant credit risk, considering that its background does not show any delays or defaults.

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

Liquidity risk

Prudent management of risk implies maintaining cash consistent with the disbursement needs to cover its obligations, in accordance with the Company's business plan.

Consolidated

Year ended June 30, 2023

Liabilities

	≤12 months	01–05 years	Total
Loans and financing	(2,206,310)	(4,389,772)	(6,596,082)
Suppliers	(757,359)	-	(757,359)
Labor obligations	(180,905)	-	(180,905)
Taxes and social contributions	(433,332)	-	(433,332)
Mark-to-market of debenture swaps	-	107,909	107,909
Local debentures (includes conversion swaps)	(38,857)	(1,808,793)	(1,847,650)
Provision for abandonment	-	(1,613,946)	(1,613,946)
Provision for contingencies	-	(671,389)	(671,389)
Contractual charges (Leases - IFRS 16)	(177,407)	(1,628,705)	(1,806,112)
Other liabilities	(289,861)	(729,561)	(1,019,422)
	(4,084,031)	(10,734,257)	(14,818,288)

Year ended December 31, 2022

Liabilities

	≤12 months	01–05 years	Total
Loans and financing	(393,258)	(5,248,108)	(5,641,366)
Suppliers	(565,926)	(1,503)	(567,429)
Labor obligations	(138,003)	-	(138,003)
Taxes and social contributions	(158,712)	-	(158,712)
Mark-to-market of debenture swaps	-	(89,310)	(89,310)
Local debentures (includes conversion swaps)	(40,514)	(1,950,208)	(1,990,722)
Provision for abandonment	-	(271,631)	(271,631)
Provision for contingencies	-	(23,350)	(23,350)
Contractual charges (Leases - IFRS 16)	(64,547)	(1,436,811)	(1,501,358)
Accounts payable – acquisition of Wahoo	(43,433)	(1,843)	(45,276)
	(1,404,393)	(9,022,764)	(10,427,157)

Parent Company

Year ended June 30, 2023

Liabilities

	≤12 months	01–05 years	Total
Suppliers and other	(474)	-	(474)
Labor obligations	(12,006)	-	(12,006)
Taxes and social contributions	(638)	-	(638)
Provision for contingencies	-	(500)	(500)
Other liabilities	-	(184)	(184)
	(13,118)	(684)	(13,802)

Year ended December 31, 2022

Liabilities

	≤12 months	01–05 years	Total
Suppliers and other	(218)	-	(218)
Labor obligations	(18,755)	-	(18,755)
Taxes and social contributions	(635)	-	(635)
Provision for contingencies	-	(500)	(500)
	(19,608)	(500)	(20,108)

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

Fair value of financial assets and liabilities

The "fair value" concept provides for the valuation of assets and liabilities based on market prices in the case of liquid assets or based on mathematical pricing models otherwise. The level in the fair value hierarchy gives priority to unadjusted quoted prices in an active market. These financial instruments are grouped in levels from 1 to 3, based on the grade that their fair value is quoted:

- a) Level 1: fair value measurement uses prices quoted (not corrected) in active markets, based on equal assets and liabilities.
- b) Level 2: fair value measurement is derived from other inputs quoted included in Level 1, which are quoted through an asset or liability directly (i.e. as the prices) or indirectly (i.e. derivative of prices).
- c) Level 3: fair value measurement is derived from valuation techniques that include and asset or liability that are not included in an active market.

Market values ("fair value") estimated by management were determined by level 1 for those financial instruments below, and there were no transfers between measurement levels in the fair value hierarchy for the six-month period ended June 30, 2023.

	06/30/2023				12/31/2022			
	Parent Company		Consolidated		Parent Company		Consolidated	
	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Financial assets								
Amortized cost:								
Accounts receivable (i)	-	-	1,357,896	1,357,896	-	-	166,304	166,304
Related parties	108,909	108,909	-	-	96,881	96,881	-	-
Fair value through profit or loss								
Cash and cash equivalents (ii)	16,642	16,642	1,155,253	1,155,253	17,148	17,148	9,612,961	9,612,961
Financial liabilities								
Amortized cost:								
Suppliers (i)	474	474	757,359	757,359	218	218	567,429	567,429
Loans and financing	-	-	6,596,082	6,596,082	-	-	5,641,366	5,641,366
Debentures and Swap	-	-	1,847,650	1,739,741	-	-	1,990,722	2,080,032
Contractual charges (Leases - IFRS 16)	-	-	1,806,112	1,806,112	-	-	1,501,358	1,501,358
Other liabilities	-	-	24,800	24,800	-	-	43,433	43,433

(i) The amounts related to the balance of accounts receivable and suppliers does not have significant differences in the fair value since receivable/payment turnover of these balances is 60 days on average.

(ii) The fair value measurements are obtained by directly observable variables (as well as prices) or indirectly (derived from prices).

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

29. Insurance

The Company has a policy of taking out insurance plan for the items subject to risks.

The Company adopts insurance policies for assets under risk and, along with companies under the same group, is covered against major risks such as P&I to FPSO Valente, FPSO Bravo, Drilling rig King Maker and Hunter Queen, Energy Package, which includes: Physical damage over offshore assets, Operator's extra expenses (OEE), Offshore Liability (TPL) and Oil inventories, Cargo/equipment coverage related to the Polvo, Manati, Frade, Tubarão Martelo and Albacora Leste field operations and D&O (Directors & Officers Liability) policy for its administrators.

D&O, one of the main insurance policies hired by the company, is able to protect the company against losses due to third party complaints. Additionally, the Company hires insurance for Operator's Extras Expenses, which includes: Control over Well, Extra Expense/Re-drilling and Infiltration and Pollution, Cleaning and Contamination.

The insurance policies in force at June 30, 2023 cover the insured amount of R\$ 39,200,966. The validation of the scope of insurance contracts is out of the scope of the audit.

In addition, the Company also contracts insurance for Operator' Extra Expenses, whose main exposures covered are as follows:

Insurance/Modality	Amount insured
Physical damages (Oil inventories)	891,552
Fixed platform	877,094
Offshore platform	107,468
FPSO Frade	3,570,545
Subsea equipment	1,446,441
Offshore property (Pipeline)	209,635
Onshore properties (Pipeline)	56,385
Onshore Treatment Station	83,854
OEE production (Well control)	942,154
OEE Production ODP-4	1,445,760
Offshore Civil Liability + Surplus	3,710,784
Transportation	4,229,153
D&O	100,000
P&I	13,493,760
General liability	25,000
Equity	17,200
Legal guarantee	287,324
Guarantee insurance	23,828
Travel Insurance Travel Guard	1,755
FPSO OSX-3 Hull and Machine	3,277,056
Drilling rig	313,248
FPSO Forte	4,090,970
Total insured	39,200,966

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

30. Contingencies

Management of the Company and its subsidiaries, based on the opinion of its legal advisors regarding the possibility of success in several lawsuits, believes that the provision recorded in the balance sheet on June 30, 2023 and December 31, 2022 in the amounts of R\$ 504,945 and R\$ 23,350, respectively, is sufficient to cover losses considered probable and reasonably estimated. The relevant variation is mainly due to the probable provisions of a regulatory and tax nature arising from Prio Forte S.A. (formerly Dommo Energia S.A.) balance sheet, acquired in January 2023. The Company also has registered in non-current assets judicial deposits related to ongoing proceedings, in the amount of R\$ 32,493 (R\$ 10,518, mainly related to tax and labor demands).

In addition, the amount of R\$ 542,819 related to the contingent liability assumed, measured on the possible and remote provisions in the acquisition of Forte, was recognized. At the date of this financial statement, Management is completing fair value allocation fine adjustments to acquired assets and assumed liabilities as required by CPC 15 – Business Combination.

Nature of contingencies recorded

Currently, the Company is party to lawsuits with probable risk, which are basically labor claims that add up to R\$ 14,763, tax claims of R\$ 78,199, civil, regulatory claims in the amount of R\$ 411,983 (as of December 31, 2022, R\$ 10,401, R\$ 388 and R\$ 12,561, respectively). Among the probable causes, the most relevant are a regulatory one by Prio Forte in the amount of R\$ 249,544, referring to fines on local content and a fiscal one, also by Prio Forte, in the amount of R\$ 77,416, referring to the requirement of collecting withholding income tax on remittances made in 2013 for settlement of financial intermediation contracts.

Other lawsuits with possible loss

According to the Group's legal advisors, the risk of loss in other lawsuits is classified as "possible" in the amount of R\$ 3,255,085 (R\$ 1,152,417 as of December 31, 2022), of which R\$ 2,553,793 refers to tax claims, R\$ 681,699 is related to civil claims and R\$ 19,593 to labor claims (R\$ 554,398, R\$ 589,446 and R\$ 8,573, respectively, as of December 31, 2022). The lawsuits with the most relevant values are:

- (1) Federal Revenue Service in the amount of R\$ 839,609, referring to the tax assessment notice requiring withholding income tax (IRRF) on remittances abroad as interest arising from the Export Prepayment Agreement ("PPE") of Forte;
- (2) Federal Revenue Service in the amount of R\$ 593,677, referring to the tax assessment notice with disallowance of expenses on non-deductible interest from the calculation of taxable income and the CSLL calculation basis arising from the Export Prepayment Agreement ("PPE") from Forte;
- (3) National Treasury, in the amount of R\$ 85,933, referring to the Ordinary Action filed with the objective of deconstituting Forte's IRRF tax credit;

Notes to the quarterly information

June 30, 2023

(In thousands of reais—R\$, unless otherwise indicated)

- (4) Federal Revenue Service in the amount of R\$ 147,203, referring to the non-recognition of early reimbursement in the amount of 50% of the total PIS and Cofins credit;
- (5) National Treasury, in the amount of R\$ 91,573, referring to the advance payment requirement of the historic amount of R\$ 76,223, arising from PIS and Cofins credits advanced by the Brazilian Federal Revenue Service;
- (6) Federação dos Pescadores do Rio de Janeiro (“FEPERJ”), in the amount of R\$ 411,866, requesting reparation for alleged losses suffered by fishermen as a result of the Oil Spills of Frade Field in 2011/2012, when operated by Chevron, which is currently in the knowledge phase;
- (7) from the Attorney General's Office of the National Treasury in the amount of R\$ 211,687, charging IRPJ and CSLL due to the transfer pricing rules used in Jaguar in 2010, when operated by Chevron, and is awaiting the decision of an Appeal in the higher court. The Company awaits the receipt of the records to close the lawsuit, which has a favorable decision for Prio Jaguar;
- (8) Brazilian Federal Revenue Service, in the amount of R\$ 85,028, referring to the collection of IRPJ and CSLL from Bravo related to taxable events that occurred in the calendar year 2012, related to the exchange rate change, non-deductible operating expenses and unsubstantiated deductions;
- (9) Public Treasury Court in the amount of R\$ 68,244, referring to the collection of ICMS on imports in the temporary admissions at Jaguar, which occurred in October and December 2007, when operated by Chevron;
- (10) Arbitration decision handed down by Tuscany, in the amount of R\$ 80,739, referring to the reimbursement due to the early termination of the lease and operating agreements for helitransportable drilling rigs for O&G; and National Agency of Petroleum, Natural Gas and Biofuels (“ANP”) in the amount of R\$ 54,859 charging a fine on Jaguar’s special interest when it was still operated by Chevron.