



Earnings Release

First Quarter 2021

May 11, 2021



btgpactual.com



Net New Money
(R\$)

+76bn

1Q 21
+182bn LTM

Total AuC
(R\$)

767bn

1Q 21

Total Revenues
(R\$)

+84%

y-o-y
2.8bn in 1Q 21

Adjusted Net Income
(R\$)

+52%

y-o-y
1.2bn in 1Q 21

Credit and SME
Portfolio (R\$)

80bn

+69% y-o-y
SME: 10.4bn

Unsecured Funding
(R\$)

+98%

y-o-y
121bn in 1Q 21

Basel Ratio

17.7%

1Q 21

ROAE Adj

17%

1Q 21

Highlights

Banco BTG Pactual S.A. reported total revenues of R\$2,795.8 million and adjusted net income of R\$1,197.4 million for the quarter ended March 2021.

BTG Pactual's adjusted net income per unit and annualized adjusted return on average shareholders' equity ("Annualized ROAE") were R\$1.28 and 16.8%, respectively, for the quarter.

As of March 31, 2020, total assets of BTG Pactual were R\$279.8 billion, a 14.2% increase when compared to December 31, 2020. Our BIS capital ratio was 17.7%.

Banco BTG Pactual Financial Summary and Key Performance Indicators

Highlights and KPIs (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter		
	1Q 2020	4Q 2020	1Q 2021
Total revenues	1,518	2,825	2,796
Net income	768	1,229	1,176
Adjusted Net income	789	1,258	1,197
Adjusted Net income per unit (R\$)	0.91	1.39	1.28
Annualized ROAE	14.5%	19.1%	16.8%
Cost to income ratio	42.9%	36.5%	42.9%
Shareholders' equity	22,053	26,681	30,414
Total Number of Shares (# in '000)	2,607,390	2,712,707	2,796,040
Number of Units (# in '000)	869,130	904,236	932,013
Book Value per unit (R\$)	25.4	29.5	32.6
BIS Capital Ratio	19.4%	16.7%	17.7%
Total assets (in R\$ Billion)	200.4	244.9	279.8
Total of WuM and AuM	429.4	635.4	767.3

BTG Pactual Performance

We continue to adopt all necessary measures to ensure the health and safety of our employees and our community, as Brazil experiences its worst phase of the Covid-19 pandemic. In this context, we have released our Social Responsibility Report where we provide more details of our ongoing initiatives. Alongside with the social agenda, we maintain our commitment to improve the transparency of our environmental & impact investing strategies. During the quarter, we have also released our first ESG research report (“Inside ESG”) and our “Annual and Sustainability Report” of 2020. These reports are available in our website.

Following the strategy to expand further our revenues and distribution capabilities while keeping a robust balance sheet, we successfully concluded a follow-on offering of R\$2.57 billion (27.8 million of units) on January 13, 2021. As a result, we ended the quarter with a Basel ratio of 17.7% and very comfortable liquidity levels. Our annualized adjusted ROAE and adjusted net income were 16.8% and R\$1,197.4 million, respectively.

We have reported revenues of R\$2,795.8 million, which remained flat when compared to a very strong 4Q 2020 and increased 84.2% compared to the same period one year ago. Operating revenues (i.e. total revenues excluding interest and other, participations and principal investments) reached R\$2,408.7 million, also flat compared to previous quarter, but increasing 86.1% when compared to 1Q20.

The 1Q 2021 performance was very strong across all our business units: (i) Investment Banking reported revenues of R\$483.6 million, 6.0% below 4Q 2020 (the best quarter since our IPO) and over two times larger than 1Q 2020, maintaining a leading position in industry rankings; (ii) Corporate and SME Lending also posted very strong revenues of R\$554.8 million, while we continued to grow our portfolio to R\$80.4 billion, focusing on good asset quality in high grade credit, and rapid expansion of our SME business – which just passed the R\$10 billion threshold in only two years; (iii) we had solid contribution as well from Sales & Trading, 7.9% above the previous quarter (and an increase of 78.2% compared to a weak 1Q20), with record contribution from client activities; (iv) Asset Management continues to deliver very strong inflows and growing management fees, with record net new money in a quarter, posted R\$264.7 million in revenues, 24.3% below last quarter due to natural seasonality of performance fees accrued in the 4Q 2020, and (v) Wealth Management & Consumer Banking revenues were up 19.2% QoQ (and 73.5% compared to 1Q20), establishing record revenues in a single quarter of R\$294.7 million, with WuM growing 22.8% during the quarter – also with record net inflows. In our non-core business units, Principal Investments and Participations reported solid performance, with revenues of R\$238.4 million and R\$115.9 million, respectively.

Our operating expenses were R\$1,198.6 million in 1Q 2021 (a 16.2% increase when compared to 4Q 2020). The increase was mostly due to higher bonus following the strong operating performance, and higher salaries and benefits expenses, as we increased our headcount by 9%. Cost-to-income ratio was slightly above historical levels, reaching 42.9% for the 1Q 2021. Compensation ratio was 26.0% in the quarter.

Our accounting net income was R\$1,176.5 million in 1Q 2021, 4.3% down when compared to 4Q 2020 and 53.2%, up when compared to 1Q 2020. Shareholders' equity was R\$30.4 billion, a 14.0% increase when compared to the previous quarter, considering R\$2.57 billion of the proceeds from our follow on. Our liquidity coverage ratio ("LCR") was 238%.

Assets under management/custody achieved R\$767.3 billion in the end of the quarter, leveraging our product distribution capacity. This is comprised of: AuM/AuA at R\$449.9 billion, a 19.3% increase when compared to 4Q 2020, and WuM of R\$317.4 billion, a 22.8% increase. Both businesses units combined are growing significantly and have established, for the second quarter in a row, a record NNM of R\$75.9 billion.

Adjusted Net Income and ROAE (unaudited)

Adjusted Net Income and ROAE (unaudited)	1Q 2021 Accounting	Non Recurring Items & Goodwill	1Q 2021 Adjusted
Investment Banking	483.6		483.6
Corporate & SME Lending	554.8		554.8
Sales and Trading	810.9		810.9
Asset Management	264.7		264.7
Wealth Management & Consumer Banking	294.7		294.7
Principal Investments	238.4		238.4
Participations	115.9		115.9
Interest and Other	32.8		32.8
Total revenues	2,795.8	-	2,795.8
Bonus	(461.5)		(461.5)
Salaries and benefits	(265.8)		(265.8)
Administrative and other	(287.6)	5.2	(282.4)
Goodwill amortization	(30.6)	30.6	-
Tax charges, other than income tax	(153.1)		(153.1)
Total operating expenses	(1,198.6)	35.8	(1,162.8)
Income before taxes	1,597.2	35.8	1,633.0
Income tax and social contribution	(420.7)	(14.9)	(435.6)
Net Income	1,176.5	20.9	1,197.4
Annualized ROAE	16.5%		16.8%

Results excluding non-recurring items and goodwill provide a more meaningful information of the underlying profitability of our businesses

Non-Recurring Items & Goodwill

Administrative and Others: Related to projects to fight the Covid-19 pandemic

Goodwill: Mainly attributable to BTG Pactual Advisors, as well as other acquisitions

Relevant Events

Stock Split

As the Board approved BTG's Share Split on April 9th, 2021, we have filed it with the Brazilian Central Bank. Under the terms of the split, each unit will be split into four. The same proportion will hold: each unit issued corresponds to 1 common share and 2 class A preferred shares of the Bank. The Share Split will not change the rights of shareholders and will not change a shareholder's proportionate ownership in BTG. All future dividends declared by BTG will reflect the Share Split and total share capital will not be modified.

Necton Investimentos | Closing

We have concluded the acquisition of 100% of the shares of Necton Investimentos S.A on April 5th 2021, after we obtained the approval of both the Brazilian Central Bank and Conselho Administrativo de Defesa Econômica (CADE).

Banco Pan

On April 5th, 2021, Banco Sistema (BTG's affiliate) signed the purchase agreement of 100% of CaixaPar's ordinary equity stake in Banco Pan, which represents 49.2% of Banco Pan's voting share capital and 26.8% of Banco Pan's total share capital. Banco Sistema will pay R\$3.7 billion to CaixaPar, which corresponds to R\$11.42 per share. The completion and closure of the transaction are subject to verification of certain precedent conditions as well as regulatory approval.

EFG Sale

BTG Pactual (Cayman) International Holding Limited sold its entire participation of BTG Pactual Holding EFG Ltda ("Holding EFG") to BTG Pactual Holding S.A. for R\$3.8 billion. Holding EFG owned approximately 89.51% of BTGP BSI Ltd – which represents approximately 22.25% of EFG. After the transaction, Banco BTG Pactual will own 2.64% of EFG's total share capital.

Kinvo Tecnologia da Informação Ltda

On March 16th, 2021, BTG Pactual Corretora de Títulos e Valores Mobiliários S.A. signed the acquisition of 100% of the share capital of Kinvo Tecnologia da Informação Ltda for R\$72 million. This acquisition aims to expand BTG's digital ecosystem and complements our product range. The completion and closure of the transaction are subject to verification of certain precedent conditions as well as regulatory approval.

Consolidated Adjusted Revenues

Revenues in 1Q 2021 increased 84.2% year-on-year, totaling R\$2,795.8 million. Compared to a very solid 4Q 20, revenues decreased 1.0%, which is normal given our business' year-end seasonality. We continue to deliver a strong performance, particularly on our client franchises, resulting on a growing trend in our operating revenues.

Adjusted Revenues (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			1Q 2021 % change to	
	1Q 2020	4Q 2020	1Q 2021	1Q 2020	4Q 2020
Investment Banking	189	515	484	156%	-6%
Corporate & SME Lending	267	596	555	108%	-7%
Sales & Trading	455	752	811	78%	8%
Asset Management	214	350	265	24%	-24%
Wealth Management & Consumer Banking	170	247	295	74%	19%
Principal Investments	(18)	221	238	n.a.	8%
Participations	98	101	116	19%	15%
Interest & Others	144	44	33	-77%	-25%
Total revenues	1,518	2,825	2,796	84%	-1%

Investment Banking

The tables below include details related to announced transactions in which BTG Pactual participated:

BTG Pactual Announced Transactions (unaudited)	Number of Transactions ^{(1),(3)}			Value ^{(2),(3)} (US\$ mln)		
	1Q 2020	4Q 2020	1Q 2021	1Q 2020	4Q 2020	1Q 2021
Financial Advisory (M&A) ⁽⁴⁾	5	12	13	133	16,251	16,934
Equity Underwriting (ECM)	84	5	10	300	616	1,190
Debt Underwriting (DCM)	14	22	25	987	724	1,704

BTG Pactual Announced Transactions (unaudited)	Number of Transactions ^{(1),(4)}		Value ^{(2),(3)} (US\$ mln)	
	3M 2020	3M 2021	3M 2020	3M 2021
Financial Advisory (M&A) ⁽⁴⁾	5	13	133	16,934
Equity Underwriting (ECM)	5	4	300	1,190
Debt Underwriting (DCM)	14	25	987	1,704

Source: Dealogic for ECM, M&A and International Brazilian DCM and Anbima for Local Brazilian DCM

Note

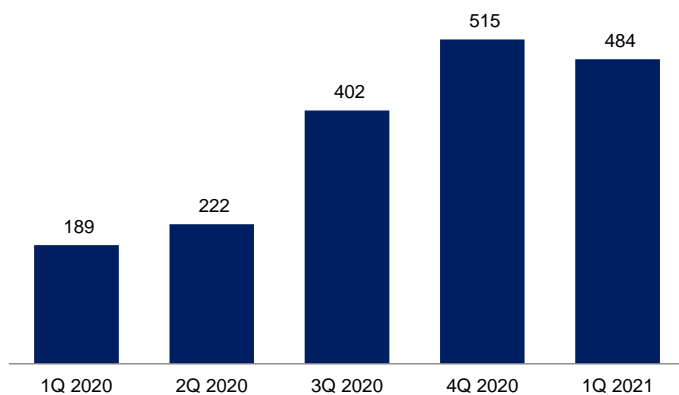
- (1) *Equity underwriting and debt underwriting represent closed transactions. Financial advisory represents announced M&A deals, which typically generate fees upon their subsequent closing.*
- (2) *Local DCM transactions were converted to U.S. Dollars using the end of quarter exchange rates reported by the Brazilian Central Bank.*
- (3) *Market data from previous quarters might vary in all products, due to potential inclusions and exclusions.*
- (4) *M&A market data for previous quarters may vary because: (i) deal inclusions might be delayed at any moment, (ii) canceled transactions will be withdrawn from the rankings, (iii) transaction value might be revised and (iv) transaction enterprise values might change due to debt inclusion, which usually occurs some weeks after the transaction is announced (mainly for non-listed targets).*

Investment Banking 1Q 2021 market share highlights

M&A: #1 in number of transactions in Brazil and Latin America.

ECM: #1 in Brazil and Latin America in number of transactions. #1 in Latin America and #2 in Brazil in volume of transactions.

Revenues (in R\$ million)



1Q 2021 vs. 4Q 2020

Investment Banking reached total revenues of R\$483.6 million, a 6.0% decrease when compared to 4Q 2020 - the best quarter since our IPO. Despite the marginal decrease, 1Q 21 had a strong performance, driven mainly by DCM and ECM due to the continued solid local market activity and our superior distribution capacity. In Financial Advisory, even with a lower market activity than expected, we foresee a solid pipeline for the year.

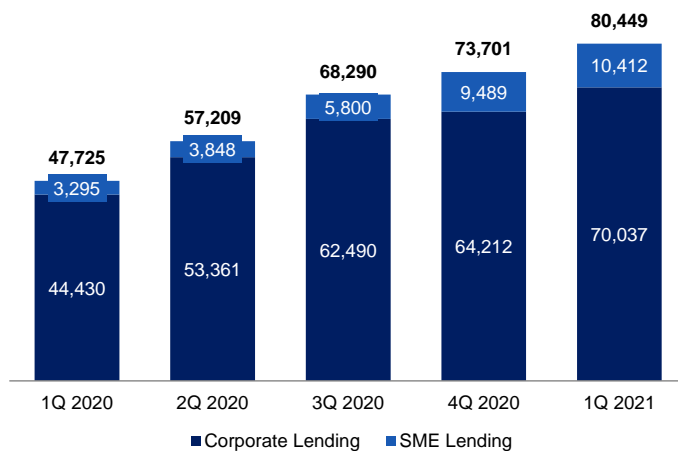
1Q 2021 vs. 1Q 2020

Investment banking revenues increased 156.5% compared to 1Q 2020. Strong performances of both DCM and ECM drove the YoY revenue increase, as mentioned above.

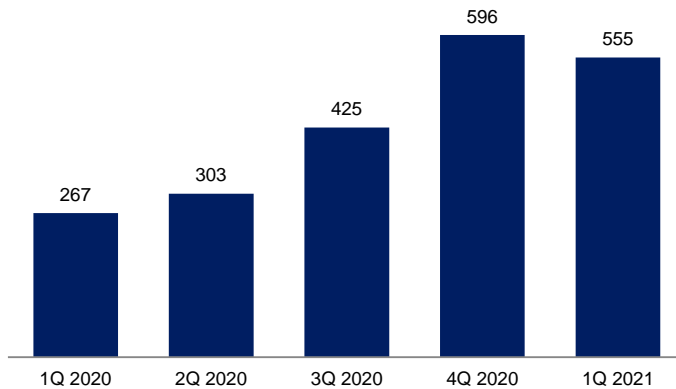
Corporate & SME Lending

During the quarter, our Corporate & SME Lending portfolio grew 9.2% reaching R\$80.4 billion, compared to R\$73.7 billion in 4Q 2020. We had a 68.6% year-over-year growth focused on high quality counterparties, and we maintained competitive spreads as well as adequate levels of provisions. In the period, our SME portfolio (BTG+ business) achieved R\$10.4 billion, a 9.5% growth QoQ or 39% if adjusted for year-end seasonality.

Corporate and SME Lending Portfolio (in R\$ million)



Revenues (in R\$ million)



1Q 2021 vs. 4Q 2020

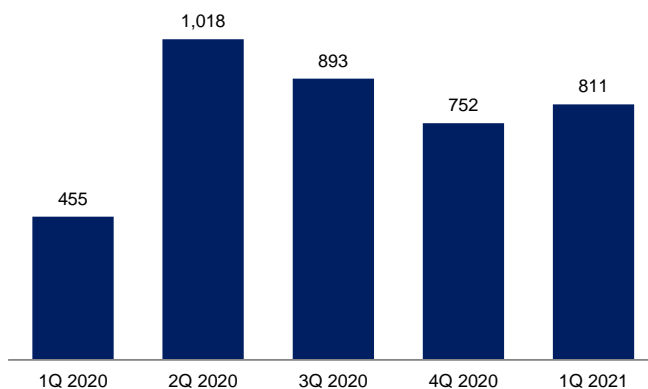
Corporate and SME Lending reported very strong revenues of R\$554.8 million. Compared to 4Q 2020, when we had our best quarter since our IPO, revenues decreased 7.0% due to lower contribution from our non-performing loans strategies, partially offset by the 9.2% portfolio growth in the period.

1Q 2021 vs. 1Q 2020

Revenues from Corporate and SME Lending more than doubled year-over-year, from R\$266.6 million in 1Q 2020 to R\$554.8 million in 1Q 2021. The increase was due to the 68.6% portfolio growth in the period and higher contribution from our NPL portfolio when compared to the same period one year ago. The credit book continues to maintain good asset quality with comfortable provisioning levels and competitive spreads.

Sales & Trading

Revenues (in R\$ million)



1Q 2021 vs. 4Q 2020

Sales & Trading revenues were R\$810.9 million in 1Q 2021 compared to R\$751.6 million in 4Q 2020, a 7.9% increase, mostly driven by a strong performance in our Credit, Equities and Energy desks, combined with record levels of client activities. This strong performance was partially offset by lower contribution from our FX desks, which suffered from the recent increase in the country's risk perception.

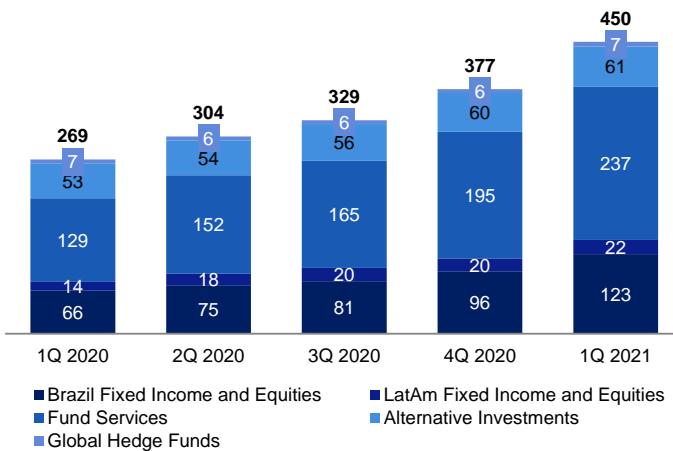
1Q 2021 vs. 1Q 2020

Sales & Trading revenues increased 78.2% and reached R\$810.9 million, compared to R\$455.0 million in 1Q 2020, when we kept a conservative risk allocation in the beginning of the COVID crisis. The increase was mostly due to better contribution from our Credit and Equities desk, partially offset by lower revenues from FX desk, as mentioned above.

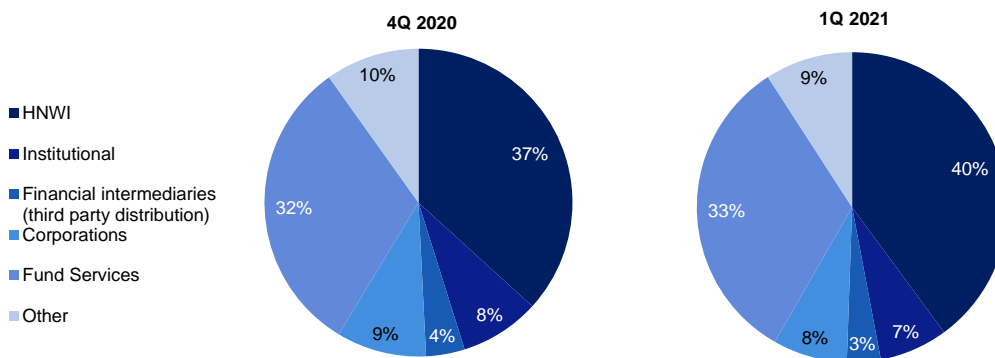
Asset Management

In 1Q 2021, total Assets under Management (AuM and AuA) rose to R\$449.9 billion, a 19.3% quarterly increase and a 67.4% increase compared to 1Q 2020. AuM benefited from all time high inflows and appreciation in assets prices. Net New Money (NNM) was R\$42.9 billion in the quarter, coming mostly from Fund Services and, Brazil Fixed Income and Equities. Over the last 12 months, NNM reached the all-time-high level of R\$97.3 billion.

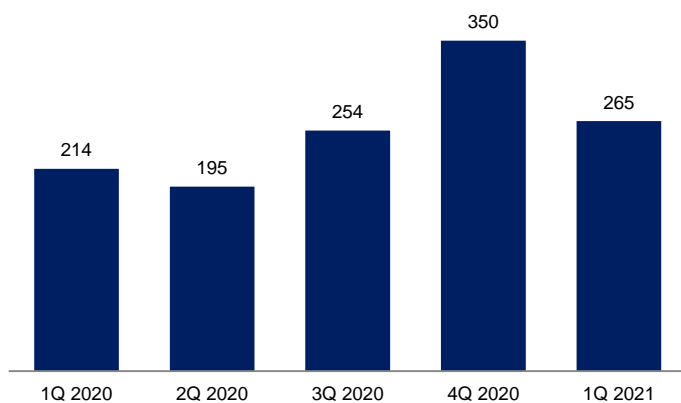
AuM & AuA by Asset Class



AuM and AuA by Type of Client



Revenues (in R\$ million)



1Q 2021 vs. 4Q 2020

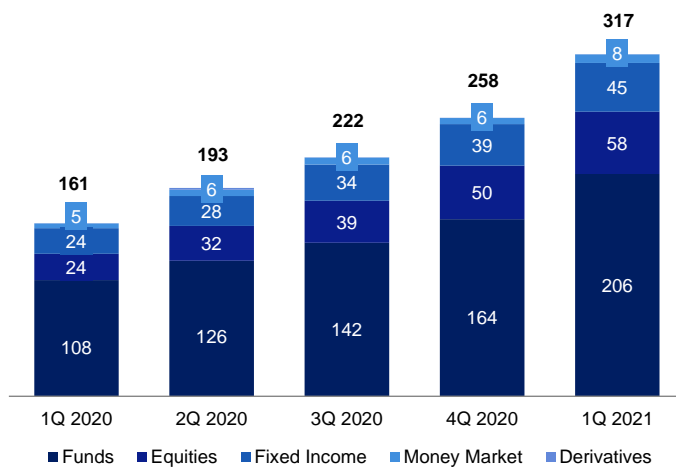
Asset management revenues decreased 24.3% in the period compared to 4Q 2020. The decrease is attributable to business seasonality, as performance fees are recorded at the end of each fund's fiscal year, most of which take place in June and December. Management fees continue to grow in the quarter, in line with the 19.3% growth of AuM/AuA.

1Q 2021 vs. 1Q 2020

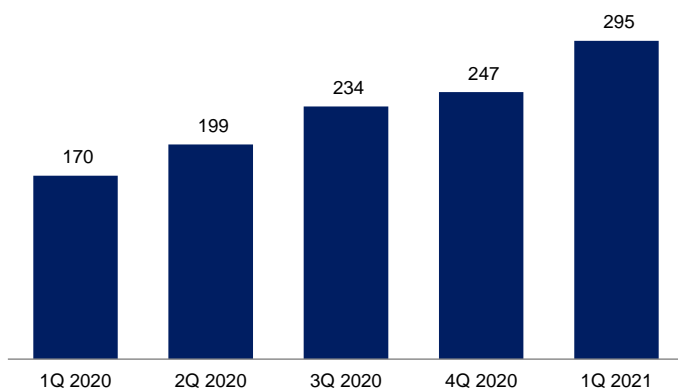
Asset Management revenues increased 23.7% from R\$214.0 million in 1Q 2020 to R\$264.7 million in 1Q 2021. The increase was mainly attributable to a 68.6% growth of AuM/AuA, which impacted all business lines.

Wealth Management & Consumer Banking

During the quarter, our Wealth under Management (WuM) increased 22.8%, from R\$258.4 billion in 4Q 2020 to R\$317.4 billion in 1Q 2021. Year-over-year, WuM almost doubled as we increased our market share especially in the upper income retail segment through BTG Pactual Digital. Once again, we posted record Net New Money (NNM) of R\$33.0 billion with strong contribution from all our business lines. For the last 12 months, we reached impressive NNM of R\$84.3 billion.



Revenues (in R\$ million)



1Q 2021 vs. 4Q 2020

Wealth Management & Consumer Banking revenues increased 19.2% if compared to 4Q 2020, reaching R\$294.7 million and renewing our record. The increase was mainly due to WuM expansion and higher levels of brokerage and trading revenues.

1Q 2021 vs. 1Q 2020

Revenues from Wealth Management & Consumer Banking increased 73.5%, from R\$169.8 million to R\$294.7 million, mostly due to the 97.6% increase in WuM compared to the same period a year ago. Also, revenues from brokerage and trading more than doubled over this period.

Principal Investments

1Q 2021 vs. 4Q 2020

Principal Investments revenues increased 7.7% compared to 4Q 2020, from R\$221.4 million to R\$238.4 million. During the quarter, we had positive equity pick up from investments, mainly from Prime and Eneva, which is now recorded under “investments in associates and jointly controlled entities” on our balance sheet.

1Q 2021 vs. 1Q 2020

Principal Investments revenues had gains of R\$238.4 million in 1Q 2021 compared to losses of R\$17.8 million in 1Q 2020, when we had negative contribution from global markets and real estate due to depreciation in value in the beginning of the COVID crisis.

Participations

1Q 2021 vs. 4Q 2020

In Participations, we posted gains of R\$115.9 million, with positive results from all our investments. Revenues in 1Q 2021 consisted of (i) R\$85.3 million equity pick-up gains from Banco Pan, (ii) R\$17.4 million gains from Too Seguros and Pan Corretora and, (iii) R\$13.2 million gains from our remaining 5% stake in EFG. In 4Q 2020, earned R\$100.7 million, mostly driven by Banco Pan.

1Q 2021 vs. 1Q 2020

Participations gains were R\$115.9 million in 1Q 21, as noted above, compared to gains of R\$97.7 million in 1Q 2020. The increase was mostly related to a stronger performance of Banco Pan.

Interest & Others

1Q 2021 vs. 4Q 2020

Revenues from Interest & Others were R\$32.8 million in 1Q 2021, compared to R\$43.7 million in 4Q 2020. Revenues correspond mainly to interest rates of the Central Bank of Brazil applied over our tangible equity (i.e. internal cost of funding).

1Q 2021 vs. 1Q 2020

Revenues from Interest & Others decreased 77.2%, mainly due to lower interest rates from 3.75% to 2.75%, partially compensated by the increase in shareholder's equity.

Adjusted Operating Expenses

Adjusted Operating Expenses (unaudited)	Quarter			1Q 2021 % change to	
	1Q 2020	4Q 2020	1Q 2021	1Q 2020	4Q 2020
<i>(in R\$ million, unless otherwise stated)</i>					
Bonus	(89)	(363)	(462)	420%	27%
Salaries and benefits	(205)	(249)	(266)	29.5%	6.9%
Administrative and other	(273)	(309)	(288)	5.5%	-6.9%
Goodwill amortization	(11.9)	(26.6)	(31)	156.5%	15.1%
Tax charges, other than income tax	(72)	(84)	(153)	113.2%	82.2%
Total operating expenses	(650)	(1,031)	(1,199)	84%	16%
Cost to income ratio	43%	37%	43%	0%	17%
Compensation ratio	19%	22%	26%	34%	20%
Total number of employees	2,773	3,515	3,824	38%	9%
Partners and associate partners	241	259	260	8%	0%
Employees	2,532	3,256	3,564	41%	9%

Bonus

In 1Q 2021, bonus expenses were R\$461.5 million, a 27.1% increase compared to 4Q 2020, and four times higher than 1Q 2020. The increase was mostly attributed to an increase on our client's franchises revenues. Our bonuses are determined in accordance with our profit-sharing program, and are calculated as a percentage of our adjusted, or operating, revenues (which exclude Interest & other revenues), subtracted by our operating expenses.

Salaries and benefits

Staff costs increased 6.9% in the quarter and 29.5% when compared to 4Q 2020, mostly due to personnel increase of 309 headcounts during the quarter especially at the Digital Retail Unit (DRU) and IT. Salaries and benefits costs also increased as a result of the Brazilian Real depreciation. Expenses related to salaries and benefits were R\$248.7 million in 4Q 2020 and R\$205.3 million in 1Q 2020, compared to R\$265.8 million in 1Q 2021.

Administrative and other

Total administrative and other expenses decreased 6.9%, from R\$309.1 million in 4Q 2020 to R\$287.6 million in 1Q 2021, mainly related to a reduction in legal and consulting fees, which were unusually high in the last quarter of 2020. When compared to 1Q 2020, expenses increased 5.5% mostly related to the expansion of our digital retail platform.

Goodwill amortization

In 1Q 2021, goodwill amortization expenses totaled R\$30.6 million, mostly due to our investment in Ourinvest, which we rebranded to BTG Pactual Advisors, and other minor acquisitions related to our Digital Retail Unit. Goodwill amortization increased 15.1% when compared to 4Q 2020 and 156.5% compared to 1Q 2020, mostly due to inorganic growth.

Tax charges, other than income tax

Tax charges, other than income tax, were R\$153.1 million or 5.5% of total revenues compared to R\$84.0 million in 4Q 2020 or 3.0% of total revenues and R\$71.8 million in 1Q 2020 or 4.7%

Adjusted Income Taxes

Adjusted Income Tax (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter		
	1Q 2020	4Q 2020	1Q 2021
Income before taxes	867	1,794	1,597
Income tax and social contribution	(99)	(565)	(421)
Effective income tax rate	11.4%	31.5%	26.3%

Our effective income tax rate for the quarter was 26.3% (representing an income tax expense of R\$420.7 million), compared to a rate of 31.5% in the 4Q 2020 and 11.4% in 1Q 2020. The decrease was mainly due to a more favorable revenues mix, with proportionally less revenues subject to high corporate tax rates in the period.

Balance Sheet

Our total assets increased 14.2%, from R\$244.9 billion at the end of 4Q2020 to R\$279.8 billion at the end of 1Q 2021, mainly due to a 47.1% increase in our trading portfolio, from R\$54.3 billion to R\$79.9 billion and an increase of 13.3% in our cash and cash equivalents, from R\$ 41.3 billion to R\$46.8 billion at the end of 1Q 2021, partially offset by a 10.4% decrease in assets financed through repos from R\$54.6 billion to R\$48.9 billion. Our leverage ratio remained stable at 9.2x.

On the liability side, our Trading Portfolio liabilities increased, and our repo financing decreased, in line with the movements in our assets, mentioned above. The unsecured funding increased 13.0% to R\$121.1 billion at the end of 1Q2021.

Shareholders' equity increased from R\$26.7 billion at the end of 4Q 2020 to R\$30.4 billion at the end of 1Q 2021, mostly impacted by the net income of R\$1,176.5 million in the quarter and by the follow on proceeds, net of its costs, of R\$2.5 billion.

Risk and Capital Management

There were no significant changes in the risk and capital management framework in the quarter.

Market Risk – Value-at-risk

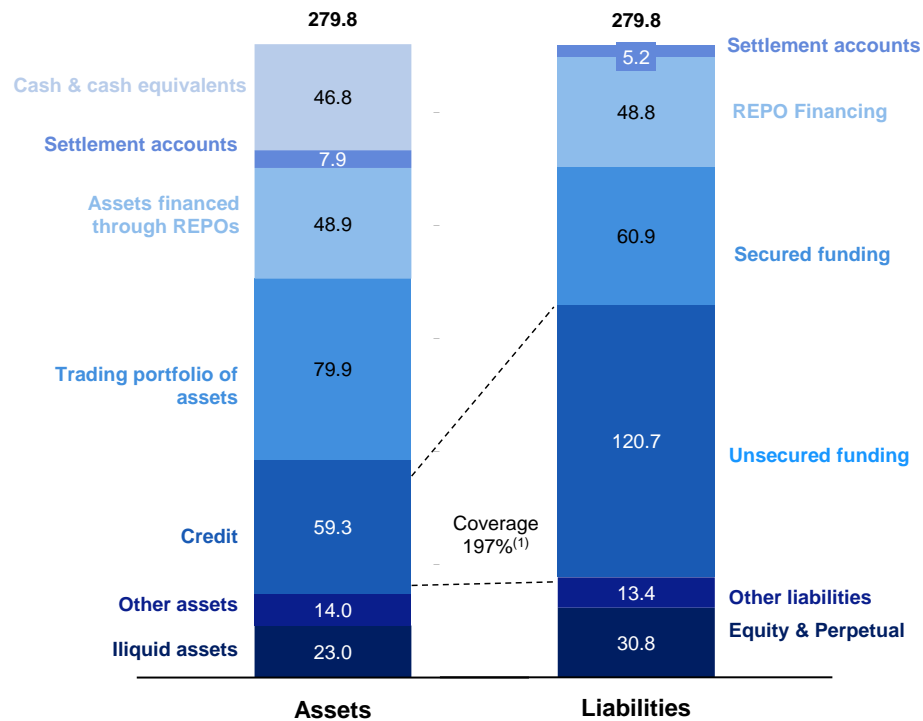
Value-at-risk (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter		
	1Q 2020	4Q 2020	1Q 2021
Total average daily VaR	81.1	87.6	126.7
Average daily VaR as a % of average equity	0.37%	0.33%	0.44%

Our total average daily VaR increased 44.6% when compared to 4Q 2020. The increase was mainly driven by Brazilian Rates and Equities desks.

Liquidity Risk Analysis

The chart below summarizes the composition of assets and liabilities as of March 31, 2021:

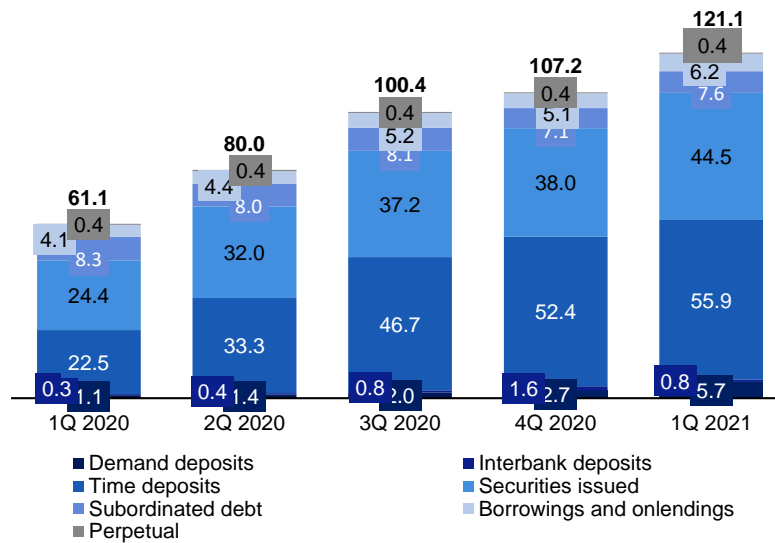
Summarized Balance Sheet (unaudited) (in R\$ billion)



Note:
1. Excludes demand deposits

Unsecured Funding Analysis

The chart below summarizes the composition of our unsecured funding base evolution:



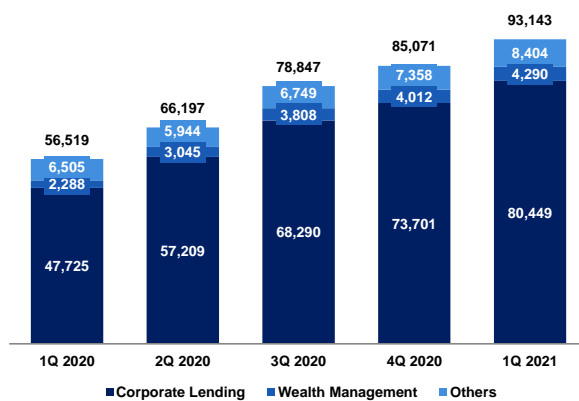
Our total unsecured funding (including perpetual) increased from R\$107.2 billion at the end of 4Q 2020 to R\$121.1 billion at the end of 1Q 2021, mainly due to an increase in time deposits, demand deposits and securities issued.

BTG Pactual Broader Credit Portfolio

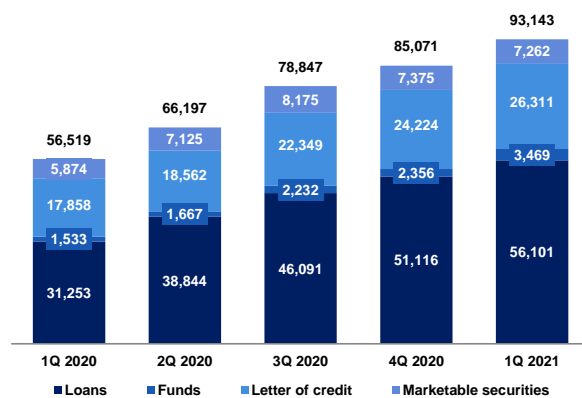
Our broader credit portfolio is comprised of loans, receivables, advances on foreign exchange contracts, letters of credit and marketable securities bearing credit exposures (including debentures, promissory notes, real estate bonds, and investments in credit receivable funds – FIDCs).

The balance of our broader credit portfolio increased 9.5% when compared to the previous quarter, from R\$85.1 billion to R\$93.1 billion and 64.8% compared to 1Q 2020.

Broader Credit Portfolio Breakdown by Area (in R\$ million)



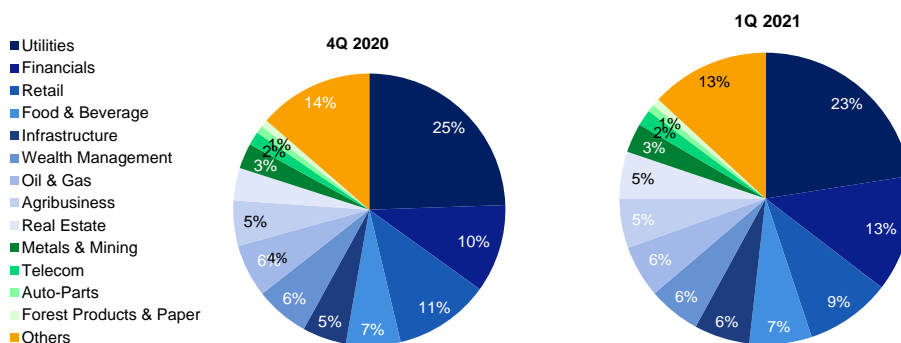
Broader Credit Portfolio Breakdown by Product (in R\$ million)



Notes:

Others: includes interbank deposits, Merchant Banking structured transactions and others
Wealth Management impacts WM results, others impact Sales & Trading and Merchant Banking results

Corporate Lending & Others Portfolio by Industry (% of total)



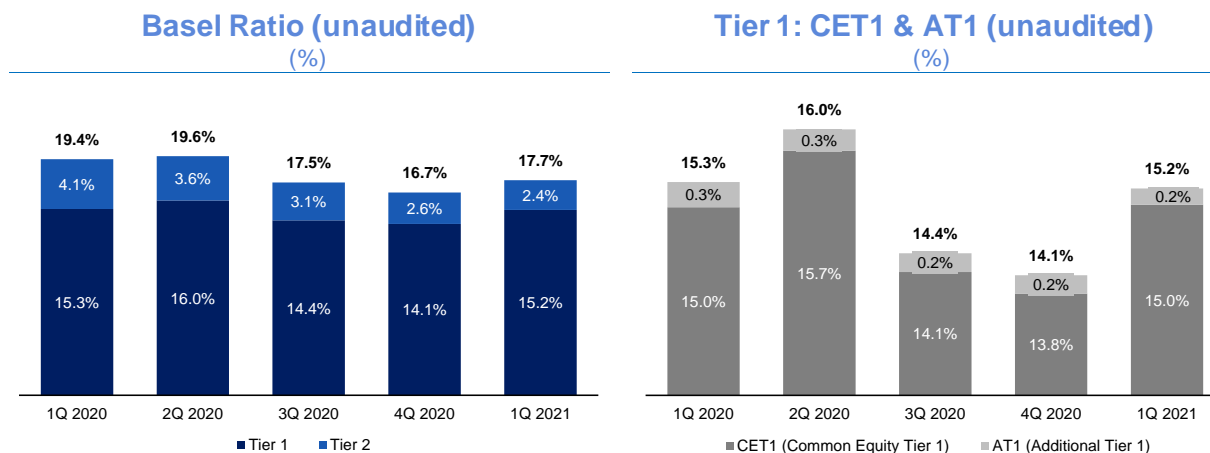
Credit Risk

The following table shows the distribution of our credit exposures as of March 31, 2021 by credit rating. The ratings below reflect our internal assessment, consistently applied in accordance with the Brazilian Central Bank standard ratings scale:

Rating (unaudited) (in R\$ million)	1Q 2021
AA	43,572
A	26,249
B	17,139
C	2,628
D	1,953
E	789
F	258
G	257
H	299
Total	93,143

Capital Management

BTG Pactual complies with standards of capital requirements established by the Brazilian Central Bank that are consistent with those proposed by the Basel Committee on Banking Supervision, under the Basel Capital Accord. Our BIS capital ratios, calculated in accordance with the Brazilian Central Bank standards and regulations, are applicable only to BTG Pactual. The BIS capital ratio was 17.7% at the end of 1Q 2021. Our liquidity coverage ratio (LCR) ended the quarter at 238%.



Exhibits

Basis for Presentation

Except where otherwise noted, the information concerning our financial condition presented in this document is based on our Balance Sheet, which is prepared in accordance with Brazilian GAAP for Banco BTG Pactual S.A. and its subsidiaries. Except where otherwise noted, the information concerning our results of operations presented in this document is based on our Adjusted Income Statement, which represents a revenue breakdown by business unit net of funding costs and financial expenses allocated to such unit, and a reclassification of certain other expenses and costs.

Our Adjusted Income Statement is derived from the same accounting information used for preparing our Income Statement in accordance with Brazilian GAAP and IFRS. The classification of the line items in our Adjusted Income Statement is unaudited and materially differs from the classification and presentation of the corresponding line items in our Income Statement. As explained in the notes to the Financial Statements of BTG Pactual, our financial statements are presented with the exclusive purpose of providing, in a single set of financial statements and in one GAAP, information related to the operations of BTG Pactual and represents the consolidation of transactions of Banco BTG Pactual S.A. and its subsidiaries.

Key Performance Indicators (“KPIs”) and Ratios

The key performance indicators (“KPIs”) and ratios are monitored by BTG Pactual’s management and pursued to be achieved across financial periods. Consequently, key indicators calculated based on annual results across financial periods may be more meaningful than quarterly results and results of any specific date. KPIs are calculated annually and adjusted, when necessary, as part of the strategic planning process and to reflect regulatory environment or materially adverse market conditions.

This section contains the basis for presentation and the calculation of selected KPIs and ratios presented in this report.

KPIs and Ratios	Description
AuM and AuA	Assets under management and assets under administration consist of proprietary assets, third party assets, wealth management funds and/or joint investments managed or administrated among a variety of assets classes, including fixed income, equities, money market accounts, multi-market funds and private equity funds.
Cost to income ratio	It is computed by dividing the adjusted total operating expenses by adjusted total revenues.
Compensation ratio	It is computed by dividing the sum of adjusted bonus and salaries and benefits expenses by adjusted total revenues.
Effective income tax rate	It is computed by dividing the adjusted income tax and social contribution or (expense) by the adjusted income before taxes.
Net income per unit	Net income per unit presents the results of each pro-forma unit formed by 3 different classes of shares of Banco and it considers the outstanding units as of the date of this report. This item is a non-GAAP measurement and may not be comparable to similar non-GAAP measures used by other companies.
ROAE	Annualized ROE is computed by dividing annualized net income by the average shareholders’ equity. We determine the average shareholders’ equity based on the initial and final net equity for the quarter.

KPIs and Ratios	Description
VaR	<p>The VaR numbers reported are calculated on a one-day time horizon, a 95.0% confidence level and a one-year look-back window. A 95.0% confidence level means that there is a 1 in 20 chance that daily trading net revenues will fall below the VaR estimated. Thus, shortfalls from expected trading net revenues on a single trading day greater than the reported VaR would be anticipated to occur, on average, about once a month. Shortfalls on a single day can exceed reported VaR by significant amounts and they can also occur more frequently or accumulate over a longer time horizon, such as a number of consecutive trading days. Given its reliance on historical data, the accuracy of VaR is limited in its ability to predict unprecedented market changes, as historical distributions in market risk factors may not produce accurate predictions of future market risk. Different VaR methodologies and distributional assumptions can produce materially different VaR. Moreover, VaR calculated for a one-day time horizon does not fully capture the market risk of positions that cannot be liquidated or offset with hedges within one day. "Stress Test" modeling is used as a complement of VaR in the daily risk management activities.</p>
WuM	<p>Wealth under management consists of private wealth clients' assets that we manage across a variety of asset classes, including fixed income, money market, multi-asset funds and merchant banking funds. A portion of our WuM is also allocated to our AuM to the extent that our wealth management clients invest in our asset management products.</p>
Leverage Ratio	<p>Leverage Ratio is computed by dividing the total assets by the shareholders' equity.</p>

Selected Financial Data

Balance Sheet (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			1Q 2021 % change to	
	1Q 2020	4Q 2020	1Q 2021	1Q 2020	4Q 2020
Assets					
Cash and bank deposits	2,258	1,794	2,607	15%	45%
Interbank investments	57,780	51,690	47,931	-17%	-7%
Marketable securities and derivatives	39,365	83,343	87,902	123%	5%
Interbank transactions	569	5,189	5,945	944%	15%
Loans	30,343	48,784	54,398	79%	12%
Other receivables	60,174	40,126	66,787	11%	66%
Other assets	326	1,070	1,210	271%	13%
Permanent assets	9,542	12,929	13,024	36%	1%
Total assets	200,357	244,925	279,804	40%	14%
Liabilities					
Deposits	24,912	56,964	62,794	152%	10%
Open market funding	55,036	60,162	54,066	-2%	-10%
Funds from securities issued and accepted	24,940	42,314	49,174	97%	16%
Interbank transactions	44	433	386	783%	-11%
Loans and onlendings	4,890	6,643	6,811	39%	3%
Derivatives	8,135	7,723	6,683	-18%	-13%
Subordinated liabilities	2,658	3,431	3,689	39%	8%
Other liabilities	57,244	39,853	64,984	14%	63%
Deferred income	155	275	244	57%	-11%
Shareholders' equity	22,053	26,681	30,414	38%	14%
Non-controlling interest	290	445	558	93%	25%
Total liabilities	200,357	244,925	279,804	40%	14%

Adjusted Income Statement (unaudited)	Quarter			1Q 2021 % change to	
	(in R\$ million, unless otherwise stated)			1Q 2020	4Q 2020
	1Q 2020	4Q 2020	1Q 2021	1Q 2020	4Q 2020
Investment Banking	189	515	484	156%	-6%
Corporate and SME Lending	267	596	555	108%	-7%
Sales & Trading	455	752	811	78%	8%
Asset Management	214	350	265	24%	-24%
Wealth Management & Consumer Banking	170	247	295	74%	19%
Principal Investments	(18)	221	238	n.a.	8%
Participations	98	101	116	19%	15%
Interest & Others	144	44	33	-77%	-25%
Total revenues	1,518	2,825	2,796	84%	-1%
Bonus	(89)	(363)	(462)	420%	27%
Salaries and benefits	(205)	(249)	(266)	29%	7%
Administrative and other	(273)	(309)	(288)	5%	-7%
Goodwill amortization	(12)	(27)	(31)	156%	15%
Tax charges, other than income tax	(72)	(84)	(153)	113%	82%
Total operating expenses	(650)	(1,031)	(1,199)	84%	16%
Income before taxes	867	1,794	1,597	84%	-11%
Income tax and social contribution	(99)	(565)	(421)	324%	-26%
Net Income	768	1,229	1,176	53%	-4%

Income Statement (unaudited)	Banco BTG Pactual S.A.	
	4Q 2020	1Q 2021
(in R\$ million, unless otherwise stated)		
Financial income	2,712	4,100
Financial expenses	(64)	(3,575)
Gross financial income	2,648	525
Other operating income (expenses)	(149)	1,395
Operating income (expenses)	2,499	1,920
Non-operating income/(expenses)	45	15
Income before taxes and profit sharing	2,544	1,935
Income and social contribution taxes	(896)	(334)
Statutory profit sharing	(342)	(431)
Non-controlling interest	(78)	7
Net income	1,229	1,176

Selected Presentation Differences

The table presents a summary of certain material differences between the Adjusted Income Statement and the Income Statement prepared in accordance to the BR GAAP:

	Adjusted Income Statement	Income Statement
Revenues	<ul style="list-style-type: none"> Revenues segregated by business unit, which is the functional view used by our management to monitor our performance Each transaction allocated to a business unit, and the associated revenue, net of transaction and funding costs (when applicable), is reported as generated by such business unit 	<ul style="list-style-type: none"> Revenues are presented in accordance with BRGAAP and standards established by COSIF and IFRS Segregation of revenues follows the contractual nature of the transactions and is aligned with the classification of the assets and liabilities - from which such revenues are derived Revenues are presented without deduction of corresponding financial or transaction costs
Expenses	<ul style="list-style-type: none"> Revenues are net of certain expenses, such as trading losses, as well as transaction costs and funding costs Revenues are net of cost of funding of our net equity (recorded at "interest & others") SG&A expenses incurred to support our operations are presented separately 	<ul style="list-style-type: none"> Breakdown of expenses in accordance with COSIF Financial expenses and trading losses presented as separate line items and not deducted from the financial revenues with which they are associated Transactions costs are capitalized as part of the acquisition cost of assets and liabilities in our inventory SG&A expenses incurred to support our operations are presented separately in our income statement
Principal Investments Revenues	<ul style="list-style-type: none"> Revenues net of funding costs (including cost of net equity) and of trading losses, including losses from derivatives and from foreign exchange variations Revenues are reduced by associated transaction costs and by management and performance fees paid 	<ul style="list-style-type: none"> Revenues included in different revenue line items (marketable securities, derivative financial income and equity pick-up from subsidiaries) Losses, including trading losses and derivative expenses, presented as financial expenses
Sales & Trading Revenues	<ul style="list-style-type: none"> Revenues net of funding costs (including cost of net equity) and of trading losses, including losses from derivatives and from foreign exchange variations Revenues deducted from transaction costs 	<ul style="list-style-type: none"> Revenues included in numerous revenue line items (marketable securities, derivative financial income, foreign exchange and compulsory investments) Losses, including trading losses, derivative expenses and funding and borrowings costs, presented as financial expenses
Corporate Lending Revenues	<ul style="list-style-type: none"> Revenues net of funding costs (including cost of net equity) 	<ul style="list-style-type: none"> Revenues included in certain revenue line items (credit operations, marketable securities and derivative financial income) Losses, including derivative expenses, presented as financial expenses
Banco Pan Revenues	<ul style="list-style-type: none"> Revenues consist of the equity pick-up from our investment, presented net of funding costs (including cost of net equity) 	<ul style="list-style-type: none"> Revenues from equity pick-up recorded as equity pickup from subsidiaries
Salaries and Benefits	<ul style="list-style-type: none"> Salaries and benefits include compensation expenses and social security contributions 	<ul style="list-style-type: none"> Generally recorded as personnel expenses
Bonus	<ul style="list-style-type: none"> Bonus include cash profit-sharing plan expenses (% of our net revenues) 	<ul style="list-style-type: none"> Generally recorded as employees' statutory profit-sharing
Administrative and Other	<ul style="list-style-type: none"> Administrative and Others are consulting fees, offices, IT, travel and entertainment expenses, as well as other general expenses 	<ul style="list-style-type: none"> Generally recorded as other administrative expenses, and other operating expenses
Goodwill amortization	<ul style="list-style-type: none"> Goodwill amortization of investments in operating subsidiaries other than merchant banking investments 	<ul style="list-style-type: none"> Generally recorded as other operating expenses
Tax charges, other than income tax	<ul style="list-style-type: none"> Tax expenses are comprised of taxes applicable to our revenues not considered by us as transaction costs due to their nature (PIS, Cofins and ISS) 	<ul style="list-style-type: none"> Generally recorded as tax charges other than income taxes
Income tax and social contribution	<ul style="list-style-type: none"> Income tax and other taxes applicable to net profits 	<ul style="list-style-type: none"> Generally recorded as income tax and social contribution

The differences discussed above are not exhaustive and should not be construed as a reconciliation of the Adjusted income statement to the income statement or financial statements. The business units presented in the Adjusted income statement should not be presumed to be operating segments under IFRS because our management does not solely rely on such information for decision making purposes. Accordingly, the Adjusted Income Statement contains data about the business, operating and financial results that are not directly comparable to the income statement or the financial statements and should not be considered in isolation or as an alternative to such income statement or financial statements. In addition, although our management believes that the Adjusted Income Statement is useful for evaluating our performance; the Adjusted Income Statement is not based on Brazilian GAAP, IFRS, U.S. GAAP or any other generally recognized accounting principles.

Forward-looking statements

This document may contain estimates and forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act. These statements may appear throughout this document. These estimates and forward-looking statements are mainly based on the current expectations and estimates of future events and trends that affect or may affect the business, financial condition, and results of operations, cash flow, liquidity, prospects and the trading price of the units. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to many significant risks, uncertainties and assumptions and are made considering information currently available to us. Forward-looking statements speak only as of the date they were made, and we do not undertake the obligation to update publicly or to revise any forward-looking statements after we distribute this document as a result of new information, future events or other factors. In light of the risks and uncertainties described above, the forward-looking events and circumstances discussed in this document might not occur and future results may differ materially from those expressed in or suggested by these forward-looking statements. Forward-looking statements involve risks and uncertainties and are not a guaranty of future results. As a result, you should not make any investment decision on the basis of the forward-looking statements contained herein.

Rounding

Certain percentages and other amounts included in this document have been rounded to facilitate their presentation. Accordingly, figures shown as totals in certain tables may not be an arithmetical aggregation of the figures that precede them and may differ from the financial statements.

Glossary

Alternext	Alternext Amsterdam
BM&FBOVESPA	The São Paulo Stock Exchange (BM&FBOVESPA S.A. – <i>Bolsa de Valores, Mercadorias e Futuros</i>).
BR Properties	BR Properties S.A.
CMN	The Brazilian National Monetary Council (Conselho Monetário Nacional).
ECB LTRO	European central Bank Long-term repo operation.
ECM	Equity Capital Markets.
Euronext	NYSE Euronext Amsterdam
HNWI	High net worth individuals
IPCA	The inflation rate is the Consumer Price Index, as calculated by the IBGE.
M&A	Mergers and Acquisitions.
NNM	Net New Money
GDP	Gross Domestic Product.
Selic	The benchmark interest rate payable to holders of some securities issued by the Brazilian government.
SG&A	Selling, General & Administrative



Earnings Release - First Quarter 2021

May 11th, 2021 (before trading hours)

English Conference Call

May 11th, 2021 (Tuesday)

12:00 PM (New York) / 01:00 PM (Brasília)

Phne: +55 (11) 3193-8000

Code: BTG Pactual

Replay until 17/05: +55 (11) 2188-0400

Code: BTG Pactual

Portuguese Conference Call

May 11th, 2021 (Tuesday)

10:00 AM (New York) / 11:00 AM (Brasília)

Phone: +55 (11) 2188-0155

Code: BTG Pactual

Replay until 17/05: +55 (11) 2188-0400

Code: BTG Pactual

Webcast: The conference calls audio will be live broadcasted, through a webcast system available on our website www.btgpactual.com/ir

Participants are requested to connect 15 minutes prior to the time set for the conference calls.

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