



IBOV FUT 101295.000 -0.81 BIT 11849.510 -1.23 VIX 22.100 2.74 BPAC11 84.160 1.80 BPAN4 8.800 1.90  
...EVA ANOVA QUARENTENA NO FIM DE 2020 ...FED ATA EM CENARIO PESSIMISTA ...

# Conference Call Presentation

## 1st Quarter 2022

For additional information, please read carefully the notice at the end of this presentation



# Earnings Release

## First Quarter 2022

### ENGLISH CONFERENCE CALL



- May 09, 2022 (Monday)
- 12pm (New York) / 1pm (Brasília)
- Phone 1: +55 11 4210-1803
- Phone 2: +55 11 4090-1621
- Code: BTG

### PORTUGUESE CONFERENCE CALL



- May 09, 2022 (Monday)
- 10am (New York) / 11am (Brasília)
- Phone 1: +55 11 4210-1803
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- Code: BTG

**Webcast:** The conference call audio will be broadcast live via a webcast system available on our website [www.btgpactual.com/ir](http://www.btgpactual.com/ir)

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



# All-weather equity story evidenced by the most profitable quarter in our history

## Total Revenues

(R\$)

# 56%

y-o-y growth

1Q 22	4.4bn
4Q 21	3.5bn
1Q 21	2.8bn
LTM 1Q22	15.4bn

## Adj. Net Income<sup>1</sup>

(R\$)

# 72%

y-o-y growth

1Q 22	2.1bn
4Q 21	1.8bn
1Q 21	1.2bn
LTM 1Q22	7.4bn

## Annualized Adj. ROAE

# 21.5%

1Q 22

4Q 21	19.4%
1Q 21	16.8%
LTM 1Q22	21.1%

# We reached record revenues in WM and crossed the unprecedented mark of R\$1 trillion AuM/WuM

## Net New Money

(R\$)

**52bn**

1Q 22

4Q 21	64bn
1Q 21	76bn
LTM 1Q22	302bn

## WuM

(R\$)

**44%**

y-o-y growth

1Q 22	458bn
4Q 21	428bn
1Q 21	317bn

## AuM / AuA

(R\$)

**30%**

y-o-y growth

1Q 22	586bn
4Q 21	553bn
1Q 21	450bn

# Strong funding inflows and consistent credit revenue and portfolio growth, while keeping solid capital ratios

## Unsecured Funding

(R\$)

# 28%

y-o-y growth

1Q 22	155bn
4Q 21	154bn
1Q 21	121bn

## Corporate and SME Portfolio (R\$)

# 39%

y-o-y growth

	Total	SME
1Q 22	111bn	19bn
4Q 21	107bn	17bn
1Q 21	80bn	10bn

## Basel Ratio

# 15.0%

1Q 22

### Total Net Equity

1Q 22	39bn
4Q 21	37bn
1Q 21	30bn

# Performance Summary

## 1Q 2022

Record revenues and net income for a single quarter, with a 21.5% adjusted ROAE

1

Total revenues and adj. net income of R\$4,351mn and R\$2,062mn, respectively

- Annualized adj. ROAE<sup>1,2</sup>: 21.5%
- Adj. net income / unit<sup>1</sup>: R\$0.54
- Acc. net income: R\$1,943mn

2

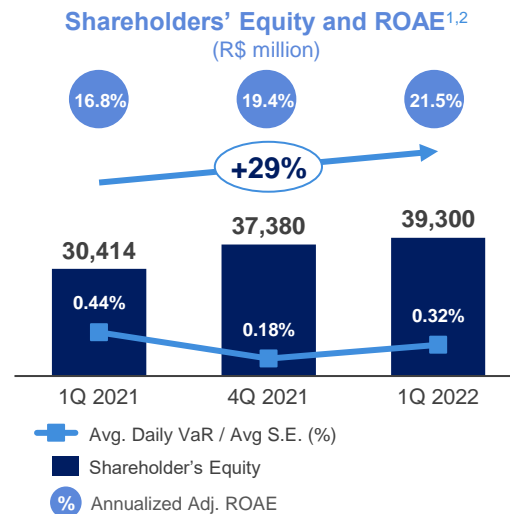
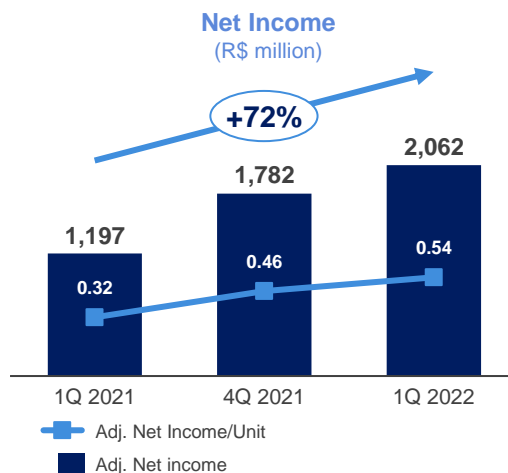
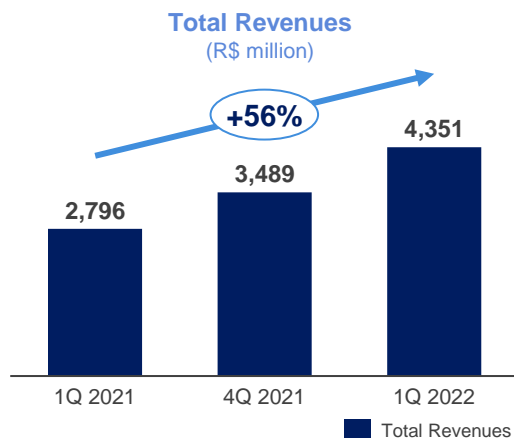
Adjusted cost-to-income<sup>3</sup> at lower bound of historical range

- Adjusted cost-to-income ratio<sup>3</sup>: 39.0%
- Compensation ratio: 22.6%

3

Total assets were R\$391.3bn, BIS ratio was 15.0% and shareholders' equity reached R\$39.3bn

- Average VaR was 0.32% of average shareholders' equity

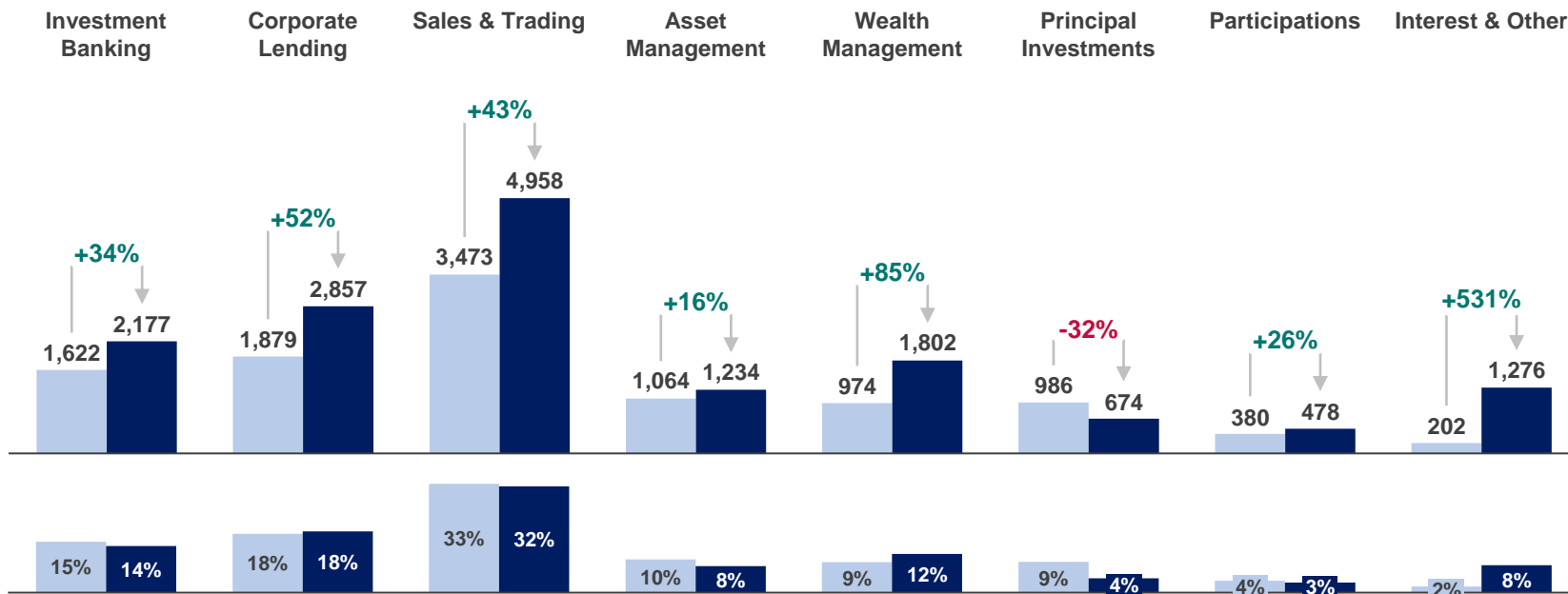


# Revenue breakdown by business unit

Integrated business model and expansion into new client segments fosters growth across all units

LTM 1Q22 x LTM 1Q21

Total Revenues LTM 1Q22 = R\$15.5 billion



# ESG & Impact Investing Accomplishments

1Q 2022

## Sustainable deposits' initiative

We have raised more than R\$780 million in the second phase of BTG Pactual's innovative sustainable deposits initiative

## Strong quarter for ESG-labeled DCM issuances

We have structured and distributed four green labeled issuances, totaling US\$940 million. BTG Pactual became a member of the Green and Social Bonds Principles of ICMA, the industry standard



**2021 Annual Report<sup>1</sup>**

## Launch of Venture Debt Fund in Chile

The fund focuses on SMEs and aims to promote positive social and environmental impact. The investment process will follow our ESG & Impact Investing framework

## BTG Pactual is a constituent of I-CDPR70

For the third consecutive year, BTG Pactual is listed in the Brazil Climate Resilience Index, the gold standard of environmental reporting





# BTG Pactual Business Units

Section 1



# Investment Banking

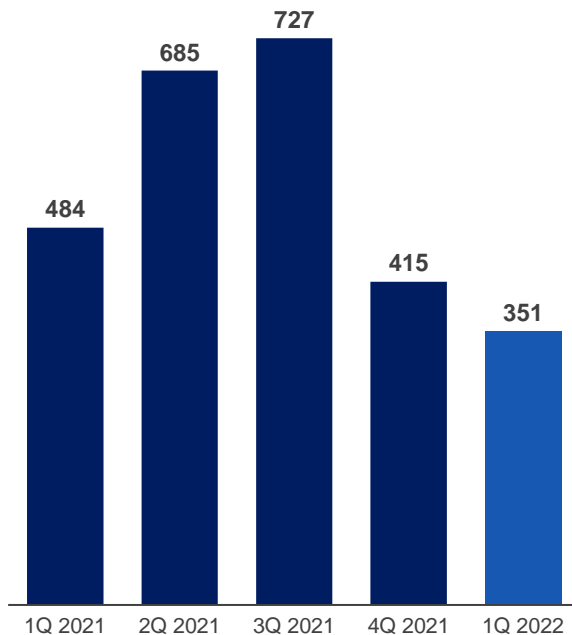
## Maintenance of leading position in industry rankings despite weaker market activity

### Highlights of 1Q 2022

- Financial Advisory revenues have picked up with stronger pipeline
- ECM posted subpar performance due to expected cyclicality – nonetheless, we continue ranked as #1 player in all industry rankings
- DCM had smaller contribution to revenues in the quarter, although we continue to foresee a strong pipeline for the year

### Revenues

(R\$ million)



### Market Position Highlights<sup>1</sup>

(1Q 2022)

#### ECM

- #1 number of transactions in Brazil
- #1 volume of transactions in Brazil

#### M&A

- #1 number of transactions in Brazil and LatAm
- #2 volume of transactions in Brazil and LatAm

# Corporate & SME Lending

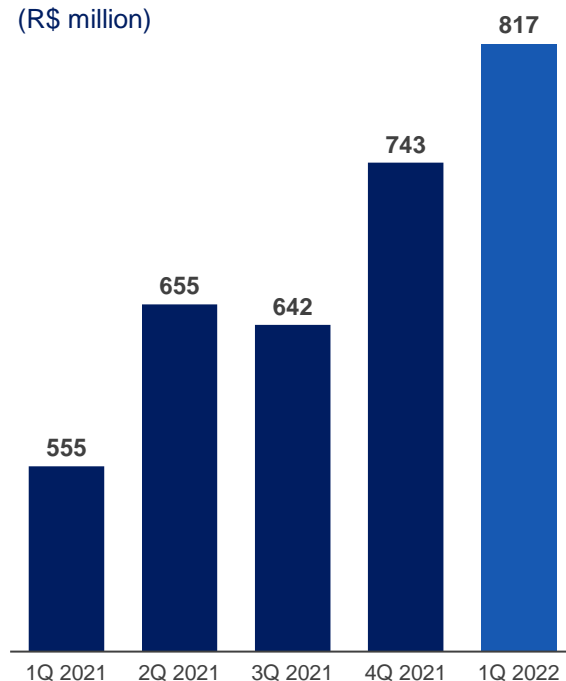
Another quarter of record revenues as we maintain a high-quality credit portfolio growth

## Highlights of 1Q 2022

- Corporate & SME Lending revenues grew 9.9% q-o-q and 47.2% y-o-y, as portfolio continues to increase
- Corporate & SME Lending portfolio grew 4.6% q-o-q and 38.5% y-o-y, with stable spreads, and adequate provision levels
- SME Lending portfolio grew 10.4% q-o-q and 81.6% y-o-y

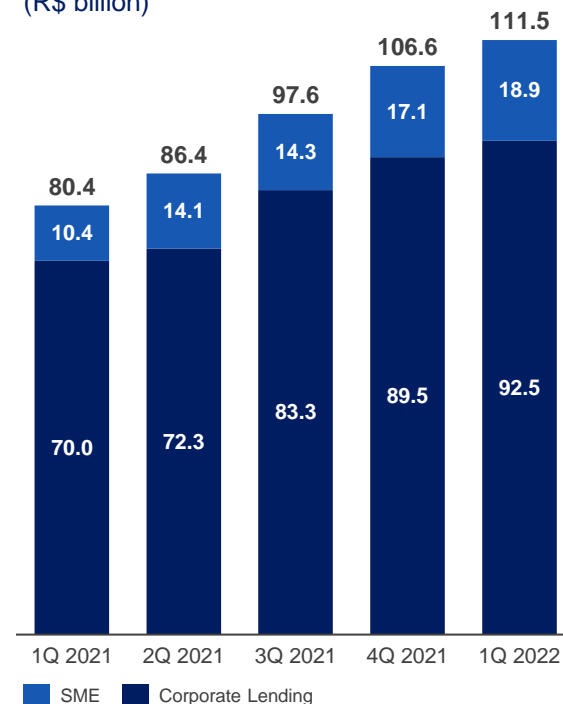
## Revenues

(R\$ million)



## Corporate and SME Lending Portfolio

(R\$ billion)



# Sales & Trading

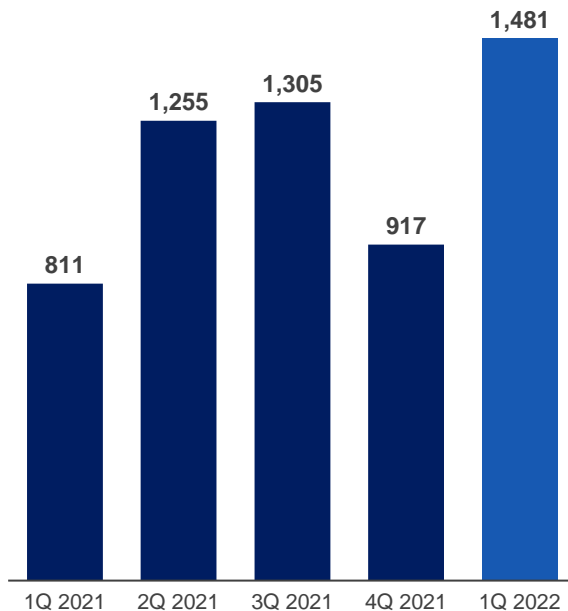
Record contribution from client activities, higher market volatility and efficient VaR allocation

## Highlights of 1Q 2022

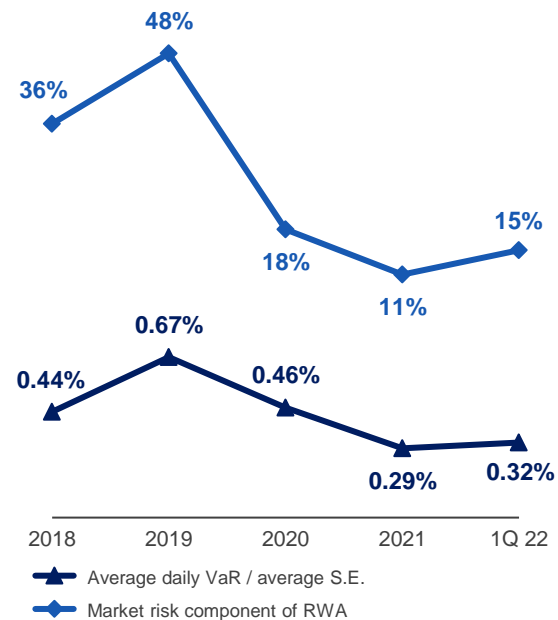
- Record contribution from fee and flow-based revenues
- Average VaR slightly increased to 0.32% in the quarter, still below historical levels
- Additional revenues from the newly incorporated G&O commodities desk

## Revenues

(R\$ million)



## VaR and market risk metrics



# Asset Management

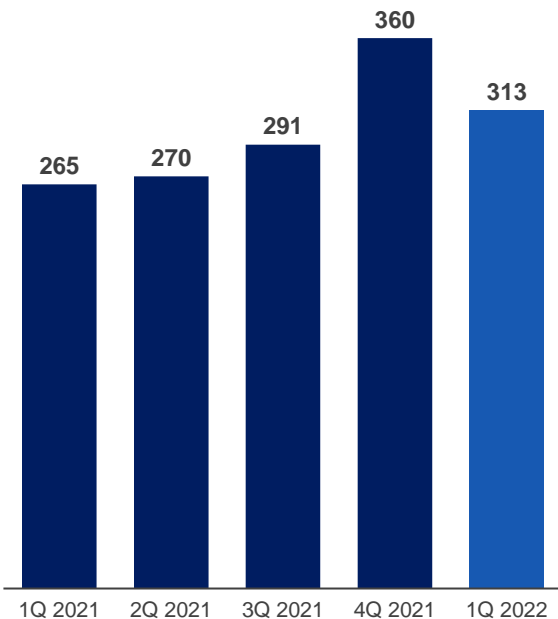
## Solid net inflows and growing management fee revenues

### Highlights of 1Q 2022

- Consistent revenues of R\$313.1 million, a 13.1% q-o-q decline due to natural seasonality of performance fees being accrued in the last quarter of the year
- Revenues increased 18.3% y-o-y, consistent with a 10.9% AuM growth and a 47.6% AuA growth
- Net inflows were R\$23.6 billion in the quarter and R\$140.7 billion over the last 12 months
- Our managed funds continue to attract client inflows, especially in Brazil Fixed Income and Alternative Investments strategies

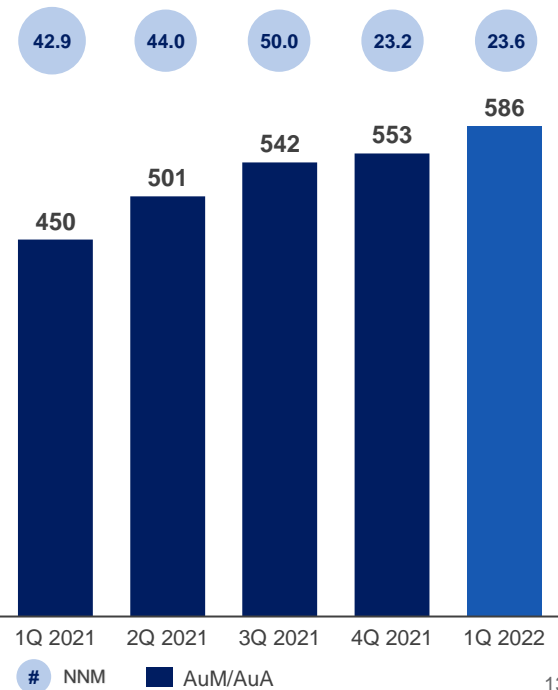
### Revenues

(R\$ million)



### AuM, AuA and NNM

(R\$ billion)



# Wealth Management & Consumer Banking

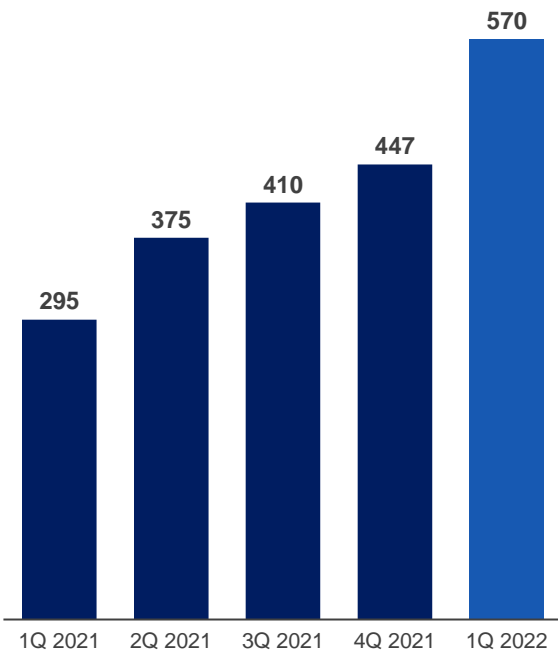
Another quarter of record revenues given changes in client mix and increased product offering

## Highlights of 1Q 2022

- Record revenues of R\$570.4mn, up 27.6% q-o-q and 93.5% y-o-y, mostly due to the consistent growth of our retail platform, including the positive impacts of the *Empiricus* consolidation
- Solid net inflows of R\$28.3 billion, totaling an impressive mark of R\$161.2bn in the last twelve months
- Successful brand consolidation focused on integrating our digital platforms and improving customer experience

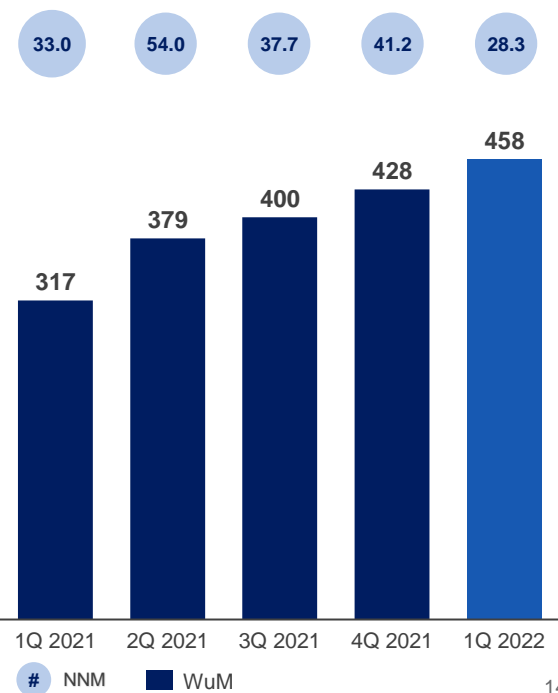
## Revenues

(R\$ million)



## WuM and NNM

(R\$ billion)



# Principal Investments & Participations

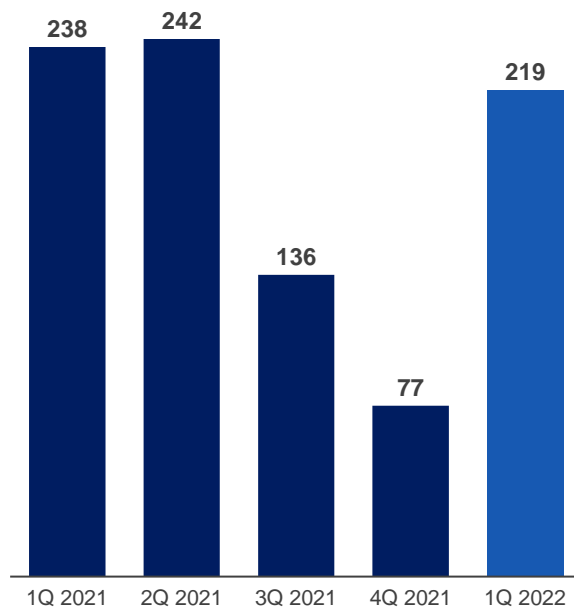
## Solid performance in both segments

### Highlights of 1Q 2022

- Principal Investments posted revenues of R\$218.8 million, driven by higher contribution from our Global Markets strategy (seed investments)
- Participations Earnings consists of equity pick up in:
  - Banco Pan: R\$81.5mn, net of R\$57mn goodwill amortization expense
  - Too Seguros: R\$20.2mn
  - EFG: R\$20.8mn

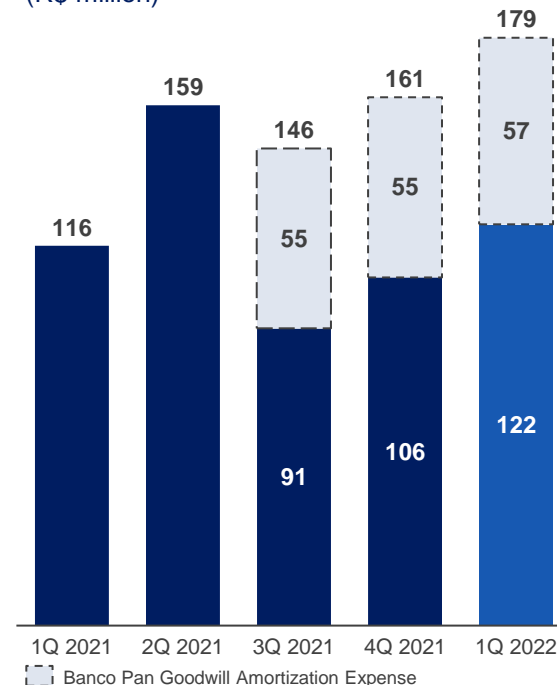
### Principal Investments Revenues

(R\$ million)



### Participations Earnings<sup>1</sup>

(R\$ million)





# Expenses

Section 2





# Expenses and Main Ratios

## Expenses under control and cost to income at lower bound of historical range

### Highlights of 1Q 2022

- Salaries and benefits expenses grew 24.0% q-o-q, due to organic and inorganic personnel increase and year-end promotions
- Goodwill amortization increased as we started to amortize the *Empiricus* acquisition
- Effective income tax rate was 20.4%, positively impacted by higher interest on equity (JCP) charges

### Adjusted cost-to-income<sup>1</sup> ratio at 39.0% and compensation ratio of 22.6%

(R\$ million)

(in R\$ mm, unless stated)	Quarter			1Q 2022 % change to	
	1Q 2021	4Q 2021	1Q 2022	1Q 2021	4Q 2021
Bonus	(462)	(258)	(546)	18%	111%
Salaries and benefits	(266)	(353)	(437)	65%	24%
Administrative and other	(288)	(485)	(476)	65%	-2%
Goodwill amortization	(31)	(67)	(213)	598%	219%
Tax charges, other than income tax	(153)	(177)	(239)	56%	35%
<b>Total operating expenses</b>	<b>(1,199)</b>	<b>(1,340)</b>	<b>(1,911)</b>	<b>59%</b>	<b>43%</b>
Adjusted cost to income ratio	42%	36%	39%		
Compensation ratio	26%	18%	23%		
<b>Income tax and social contribution</b>	<b>(421)</b>	<b>(405)</b>	<b>(498)</b>		
Effective income tax rate	26.3%	18.8%	20.4%		



# Balance Sheet

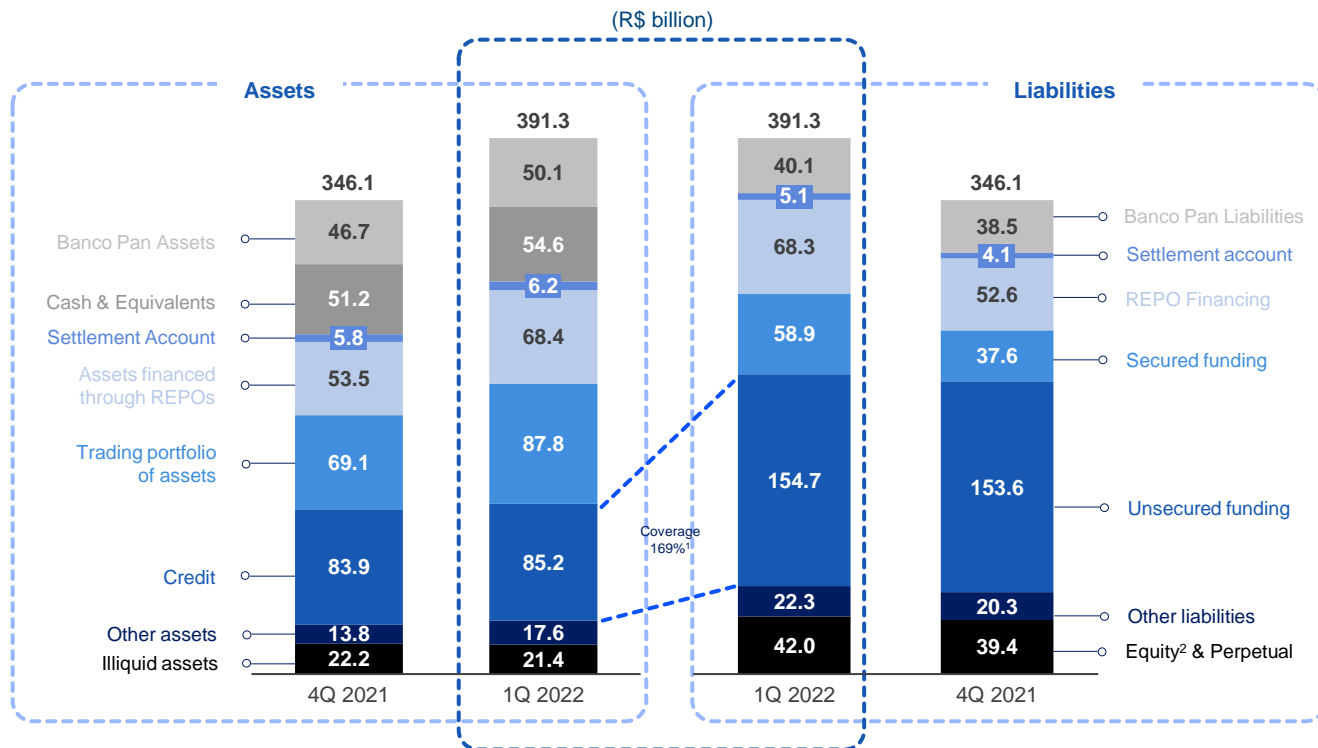
## Section 3



# Balance Sheet Analysis

## Highlights of 1Q 2022

- Total assets (10.0x equity) increased 13% q-o-q
- Solid liquidity levels, with R\$54.6bn of cash and cash equivalents, (1.4x our Net Equity), resulting in a LCR of 166%
- On balance sheet credit portfolio grew in line with our unsecured funding base expansion, resulting in a comfortable coverage ratio of 169%
- Corporate Lending Portfolio represents 2.8x Net Equity



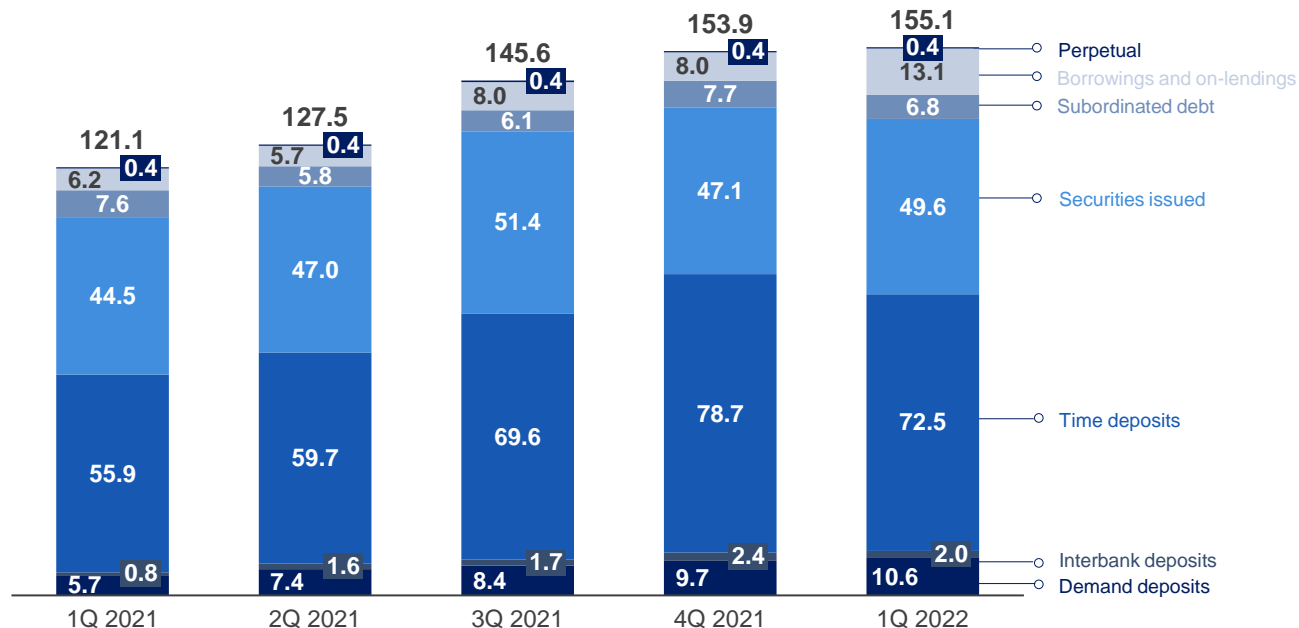
# Unsecured Funding Base

## Highlights of 1Q 2022

- Share of our retail funding continues to expand, reaching 23% of total base and 28% considering Banco Pan's funding base
- Consistent growth of funding base in the quarter despite strong US dollar depreciation versus the Brazilian real (16.3% q-o-q)
- Demand deposits reached R\$10.6bn, an 8.5% q-o-q growth, representing 6.8% of total base

## Unsecured funding base grew R\$34bn y-o-y (+28.1%)

(R\$ billion)



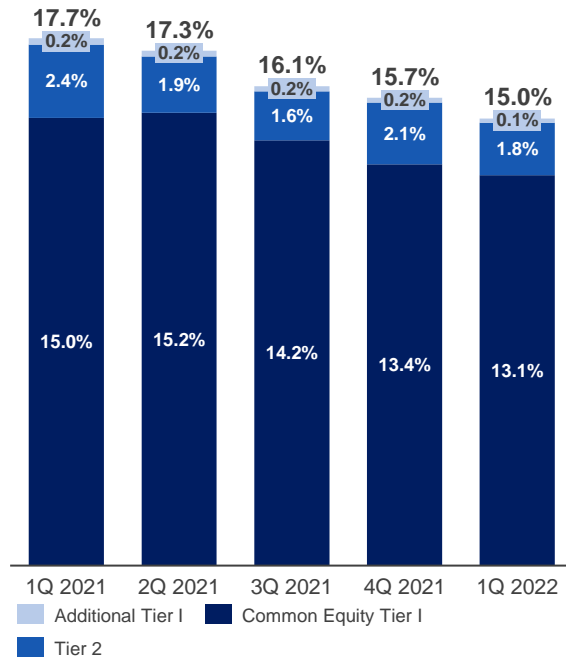
# BIS Ratio and VaR

## Highlights of 1Q 2022

- BIS capital ratio reached 15.0% at the end of 1Q 2022, with CET1 at 13.1%
- As a % of average net equity, our total average daily VaR reached 0.32% - despite quarterly growth, VaR is still below historical levels

## BIS Ratio

(%)



## Average daily trading VaR

(% of average shareholders equity)

