



Earnings Release

Third Quarter 2023

November 8, 2023



btgpactual.com



Net New Money
(R\$)

59bn

3Q 23
231bn LTM 3Q 23

AuM/WuM
(R\$)

1.5tn

3Q 23
25% y-o-y growth

Adjusted Net Income
(R\$)

2.7bn

3Q 23
19% y-o-y growth

Total Revenues
(R\$)

5.7bn

3Q 23
19% y-o-y growth

Credit and SME
Portfolio (R\$)

161bn

24% y-o-y growth
SME: 18bn

Unsecured Funding
(R\$)

193bn

14% y-o-y growth

Basel Ratio

17.4%

3Q 23

ROAE Adj

23.2%

3Q 23

Highlights

Banco BTG Pactual S.A. reported total revenues of R\$5,659.8 million and adjusted net income of R\$2,734.3 million for the quarter ended September 2023.

BTG Pactual's adjusted net income per unit and annualized adjusted return on average shareholders' equity ("Annualized Adj. ROAE") were R\$0.72 and 23.2%, respectively.

As of September 30, 2023, total assets of BTG Pactual were R\$496.4 billion, a 4.6% increase compared to June 30, 2023. Our BIS capital ratio was 17.4%.

Banco BTG Pactual Financial Summary and Key Performance Indicators

Highlights and KPIs (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			Year to Date	
	3Q 2022	2Q 2023	3Q 2023	9M 2022	9M 2023
Total adjusted revenues	4,756	5,443	5,660	13,621	15,905
Accounting net income	2,188	2,441	2,623	6,198	7,197
Adjusted net income ⁽¹⁾	2,302	2,575	2,734	6,539	7,572
Adjusted net income per unit (R\$)	0.60	0.68	0.72	1.71	1.99
Annualized ROAE	22.0%	22.7%	23.2%	21.9%	22.4%
Adjusted cost to income ratio	38.1%	39.3%	38.2%	38.6%	38.9%
Adjusted shareholder's equity	42,262	46,708	47,772		
Total Number of Shares (# in '000)	11,492,477	11,433,761	11,433,761		
Number of Units (# in '000)	3,830,826	3,811,254	3,811,254		
Book Value per unit (R\$)	11.0	12.3	12.5		
BIS Capital Ratio	15.2%	15.4%	17.4%		
Total assets (in R\$ Billion)	439.9	474.6	496.4		
Total of WuM and AuM	1,174.1	1,398.1	1,473.4		

Note: Number of shares ex-treasury

BTG Pactual Performance

BTG Pactual has once again outperformed its previous records, demonstrating robust capital metrics and all-time high revenues and net income during the quarter of R\$5.7 billion and R\$2.7 billion, respectively. We continued to deliver outstanding performance with a 23.2% ROAE, driven by higher revenues across all business lines, especially in our client franchises, and continued operational leverage. We reached the impressive milestone of R\$1.5 trillion in assets under management on the back of sequentially strong net inflows, totaling R\$59.3 billion in the quarter.

Reinforcing our balance sheet strength, BIS ratio increased to 17.4% at the end of the quarter, LCR ended the quarter at of 196% and our funding base expanded to R\$193.1 billion. It's worth noting that we have successfully concluded another issuance of subordinated securities adding R\$3.5 billion of Tier II capital.

Total revenues reached R\$5.7 billion in the quarter, a 4.0% increase q-o-q and 19.0% y-o-y. As mentioned above, we posted another quarter of record revenues driven mostly by our client franchises that continue to grow at a fast pace.

Investment Banking recorded the best result of the year, reaching R\$590.1 million supported by record contribution from DCM.

Wealth Management & Consumer Banking posted another quarter of revenue growth, recording its 19th consecutive record result, reaching R\$791.7 million, 8.9% above the 2Q 2023. WuM reached R\$665.8 billion on the back of the strong net new money of R\$31.3 billion and stable ROAs.

Asset Management also posted record revenues of R\$467.4 million, an 8.5% increase when compared to the previous quarter, due to higher management fees. Net inflows reached R\$28.0 billion, the highest level of the year, focused on Fixed Income and Alternative products.

Corporate & SME Lending revenues hit another record of R\$1,322.0 million, 3.5% increase when compared with the previous quarter and in line with the 4.4% expansion of our credit portfolio. Total credit book achieved R\$160.6 billion, with SME portfolio of R\$17.7 billion, an 18.3% increase.

Sales & Trading posted strong performance, despite the 22.9% decrease in revenues compared to the outstanding 2Q 2023 results. Revenues reached R\$1,455.6 million driven mostly by client activity, with significant decrease in VaR allocation to 0.33%.

Finally, Principal Investments and Participations recorded revenues of R\$48.0 million and R\$108.9 million, respectively. Participations performance was impacted by the accounting effects of Banco Pan's credit portfolio acquired during the quarter and also by the equity pick up of our remaining stake in EFG.

Operating expenses in 3Q 2023 were R\$2,367.7 million, 0.8% below 2Q 2023. The decrease in total expenses was mainly due to a decrease in goodwill amortization, as some of our past acquisitions were already fully amortized. This movement was partially offset by higher bonus expenses, which grew in line with higher revenue generation. Reinforcing our operational leverage, adjusted cost-to-income ratio declined to 38.2% from 39.3% in the previous quarter.

Accounting net income also reached a quarterly record of R\$2,622.5 million, 7.4% above 2Q 2023 and 19.9% higher than the same period last year. Shareholders' equity ended the period at R\$47.8 billion, a 2.3% q-o-q increase and 13.0% y-o-y increase, already impacted by the R\$1.53 billion of interest on capital (JCP) distributed.

In addition to the record-breaking quarter, we posted record results for the 9-month period of 2023 with R\$15.9 billion revenues and R\$7.6 billion net income, delivering 22.4% ROAE in the period.

We are glad to announce that we were voted "Best SME Bank in the World" for the second consecutive year, by Global Finance. We want to thank our clients for such important recognition.

As for our ESG & Impacting Investing accomplishments, during the quarter we (a) structured and distributed US\$1.3 billion in green and sustainable bonds, (b) joined the Round Table for Responsible Soy (RTRS), which aims to promote the production, trade, and use of responsible soy, and (c) published the Principles for Responsible Investment (PRI) report, reinforcing our sustainability commitment in the Asset Management business.

Adjusted Net Income and ROAE (unaudited)

Adjusted Net Income and ROAE (unaudited)	3Q 2023 Accounting	Non Recurring Items & Goodwill	3Q 2023 Adjusted	9M 2023 Adjusted
Investment Banking	590.1		590.1	1,155.9
Corporate & SME Lending	1,322.0		1,322.0	3,791.3
Sales and Trading	1,455.6		1,455.6	4,828.1
Asset Management	467.4		467.4	1,340.7
Wealth Management & Consumer Banking	791.7		791.7	2,212.7
Principal Investments	48.0		48.0	173.6
Participations	108.9		108.9	(15.3)
Interest and Other	876.1		876.1	2,418.5
Total revenues	5,659.8	-	5,659.8	15,905.4
Bonus	(717.8)		(717.8)	(1,923.6)
Salaries and benefits	(539.3)		(539.3)	(1,604.7)
Administrative and other	(625.3)		(625.3)	(1,849.7)
Goodwill amortization	(203.1)	203.1	-	-
Tax charges, other than income tax	(282.1)		(282.1)	(816.4)
Total operating expenses	(2,367.7)	203.1	(2,164.6)	(6,194.4)
Income before taxes	3,292.1	203.1	3,495.3	9,711.0
Income tax and social contribution	(669.6)	(91.4)	(761.0)	(2,139.2)
Net Income	2,622.5	111.7	2,734.3	7,571.8
Annualized ROAE	22.2%		23.2%	22.4%

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

Non-Recurring Items & Goodwill

Goodwill: mainly attributable to some of our most recent acquisitions, such as Empiricus/Vitreo, Necton, BTG Pactual Advisors, Fator and Banco Pan

Income tax and social contribution: due to goodwill amortization

Consolidated Revenues

Another quarter of record revenues reaching R\$5,659.8 million, a 19.0% y-o-y growth and 4.0% quarterly increase. We were able to outperform 2Q 2023, our previous record, with significant contribution from our client franchises, demonstrating the resilience and diversification of our business model.

Revenues (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			3Q 2023 % change to		Year to Date		9M 2023 % change to
	3Q 2022	2Q 2023	3Q 2023	3Q 2022	2Q 2023	9M 2022	9M 2023	9M 2022
Investment Banking	525	306	590	12%	93%	1,361	1,156	-15%
Corporate & SME Lending	937	1,277	1,322	41%	3%	2,631	3,791	44%
Sales & Trading	1,384	1,887	1,456	5%	-23%	4,175	5,002	20%
Asset Management	407	431	467	15%	9%	1,125	1,341	19%
Wealth Management & Consumer Banking	655	727	792	21%	9%	1,847	2,213	20%
Principal Investments	41	72	48	16%	-33%	307	174	-43%
Participations	100	(54)	109	9%	n.a.	321	(15)	n.a.
Interest & Others	707	797	876	24%	10%	1,854	2,419	30%
Total revenues	4,756	5,443	5,660	19%	4%	13,621	15,905	17%

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)		
	3Q 2022	2Q 2023	3Q 2023	3Q 2022	2Q 2023	3Q 2023
Financial Advisory (M&A) ⁽⁴⁾	18	15	11	3,537	624	2,240
Equity Underwriting (ECM)	84	5	9	236	2,676	573
Debt Underwriting (DCM)	37	16	25	1,989	1,296	3,256

BTG Pactual Announced Transactions (unaudited)	Number of Transactions ^{(1),(3)}		Value ^{(2),(3)} (US\$ mln)	
	9M 2022	9M 2023	9M 2022	9M 2023
Financial Advisory (M&A) ⁽⁴⁾	58	36	13,689	4,489
Equity Underwriting (ECM)	17	7	1,736	3,579
Debt Underwriting (DCM)	85	54	5,128	5,845

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

Notes:

- (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).

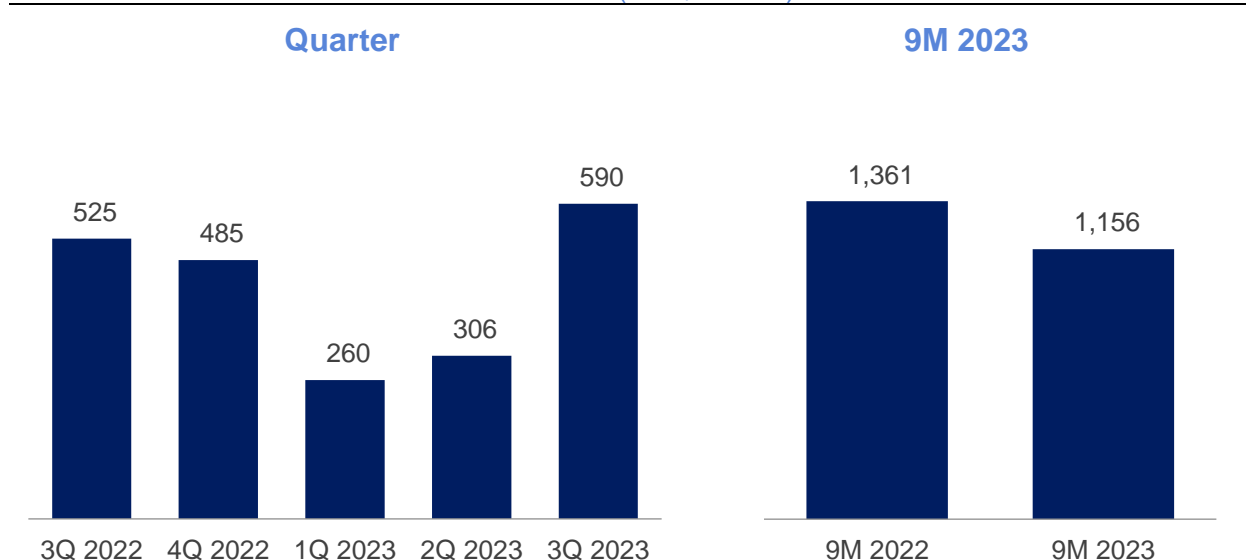
Investment Banking 3Q 2023 market share highlights

DCM: #1 in volume of transaction in the local market

ECM: #1 in volume and number of transactions in LatAm and #2 in volume and number of transactions in Brazil

M&A: #2 in number of transactions in both Brazil and LatAm

Revenues (in R\$ million)



3Q 2023 vs. 2Q 2023

Investment Banking revenues reached R\$590.1 million, a 93.1% increase compared to previous quarter. The strong performance was mainly attributable to record DCM revenues as market volumes increased and M&A revenues started to improve backed by our strong pipeline. In ECM, even with low market activity we maintained our leading position in industry rankings.

3Q 2023 vs. 3Q 2022

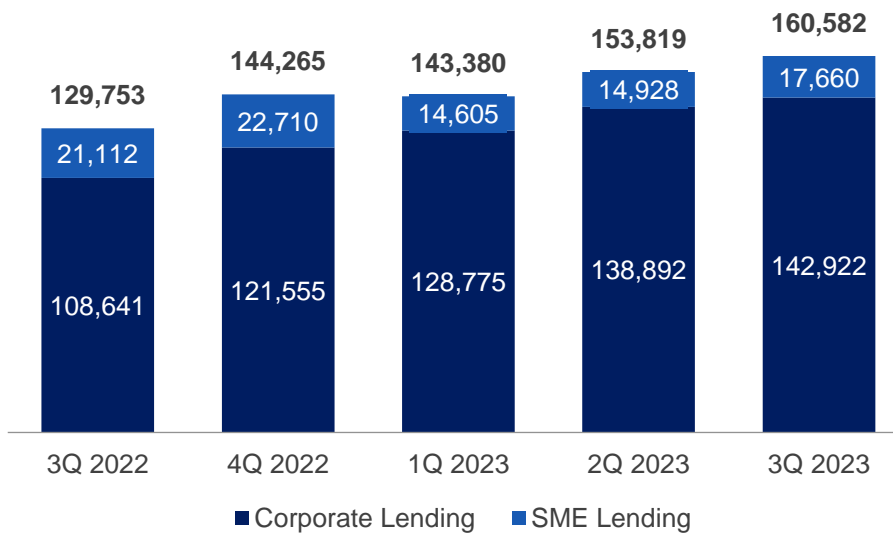
Investment Banking revenues increased 12.4% compared to R\$524.8 million in the 3Q 2022. The better performance was due to greater contribution from DCM this quarter.

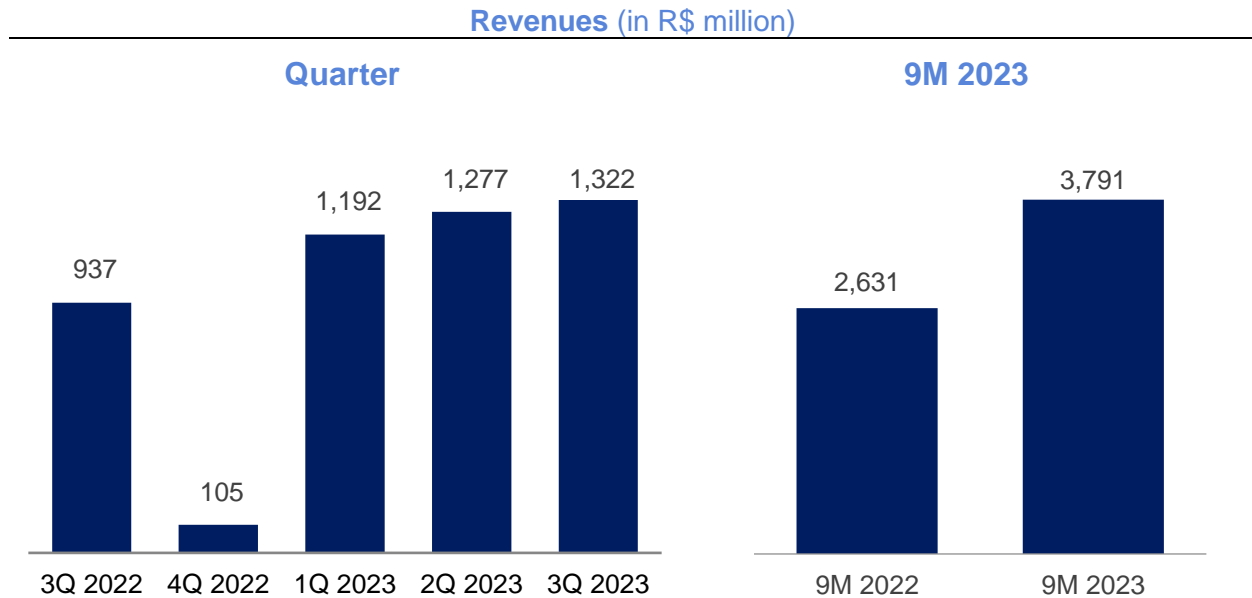
Corporate and SME Lending

Corporate and SME Lending portfolio increased 4.4% during the quarter, from R\$153.8 billion to R\$160.6 billion and more than R\$30 billion year-over-year. The continuous portfolio increase is backed by high-quality counterparts at attractive spreads and low delinquency ratios. Our SME portfolio grew by 18.3% compared to previous quarter, reaching R\$17.7 billion.

We are also glad to announce that, for the second consecutive year, we were voted “Best SME Bank in the world” by Global Finance.

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





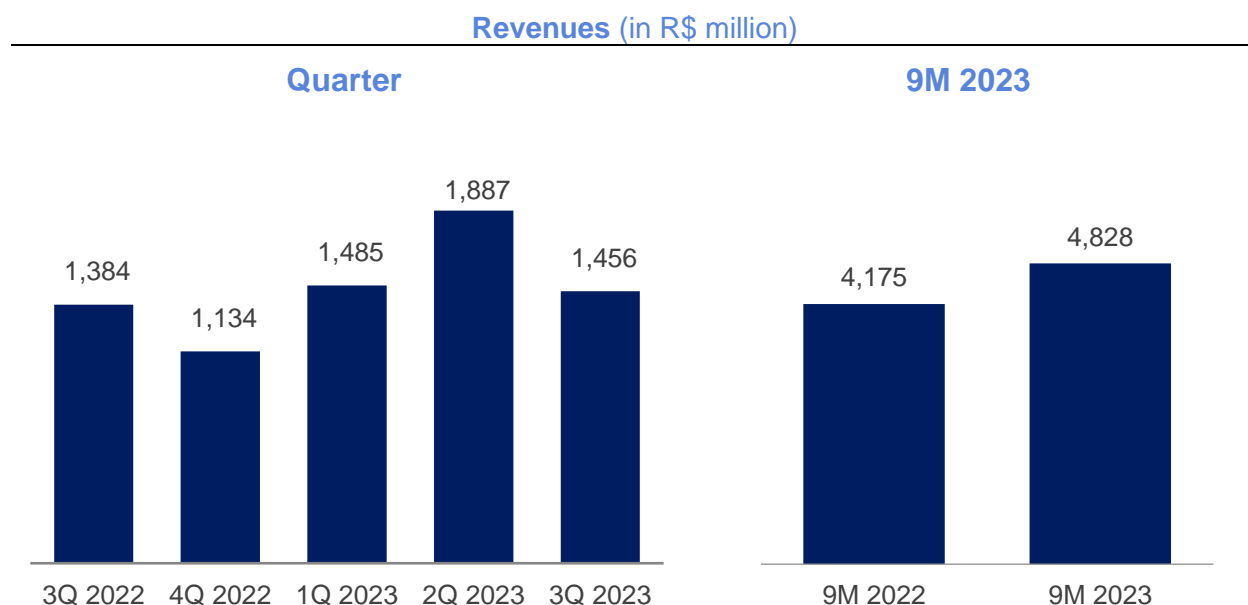
3Q 2023 vs. 2Q 2023

Corporate and SME Lending posted another record revenues on the back of a high-quality portfolio growth. Revenues reached R\$1,322.0 million, 3.5% increase when compared to 2Q 2023, in line with the 4.4% portfolio expansion in the period. We were able to further increase the credit book with stable spreads and adequate provisioning levels.

3Q 2023 vs. 3Q 2022

Revenues increased 41.1% compared to R\$936.9 million registered on 3Q 2022, while our Corporate & SME book grew 23.8% in the same period. Revenues outpaced our credit book growth as spreads increased in light of a challenging credit scenario throughout most of the year.

Sales & Trading



3Q 2023 vs. 2Q 2023

Sales & Trading posted revenues of R\$1,455.6 million, a 22.9% decrease compared to the all-time high performance in 2Q 2023. Results consisted mainly by strong client flows, even in a challenging scenario especially on international markets. Average VaR significantly decreased to 0.33% as we executed our dynamic risk allocation approach.

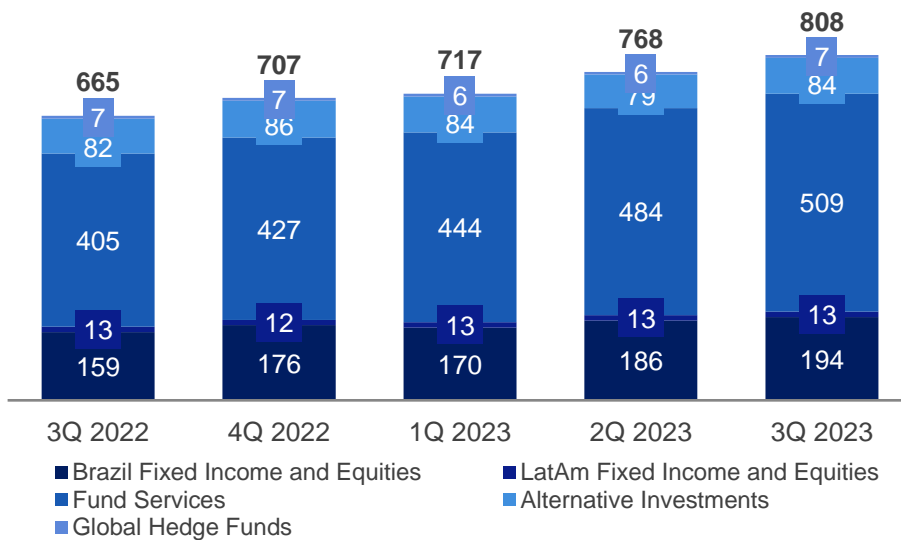
3Q 2023 vs. 3Q 2022

Sales & Trading revenues increased 5.2% compared to a strong 3Q 2022 of R\$1,384.0 million. Despite the challenging scenario, revenues consistently grew throughout the year fostered by the increase in our client franchises.

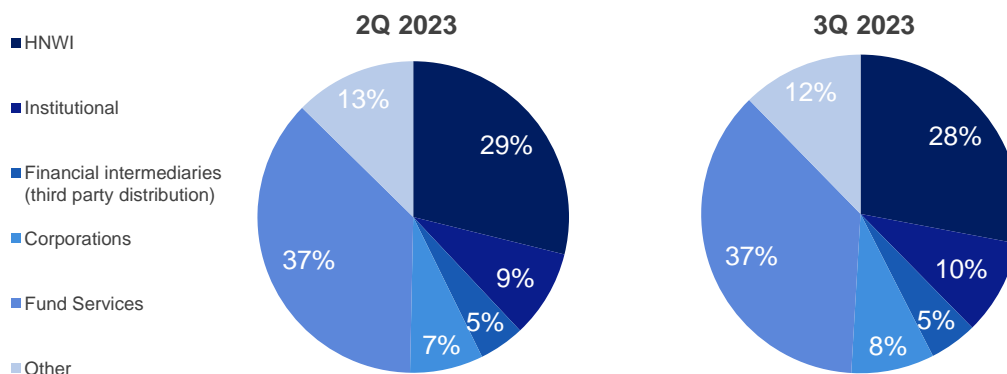
Asset Management

Asset Management continues to present consistent growth, with both Assets under Management (AuM) and Assets under Administration (AuA) significantly growing year-over-year, reaching R\$807.5 billion, a 5.2% quarterly growth and a 21.3% increase compared to 3Q 2022. Net New Money (NNM) was R\$28.0 billion in the quarter, with higher contribution from our managed funds, especially in alternative and Brazil Fixed Income strategies.

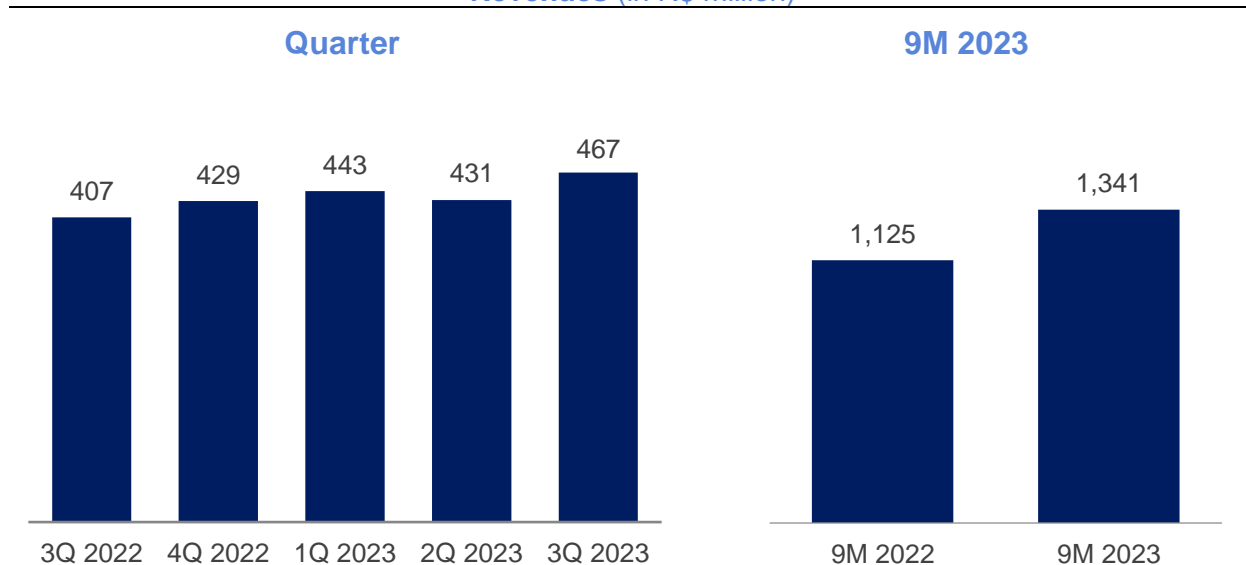
AuM & AuA by Asset Class (in R\$ billion)



AuM and AuA by Type of Client



Revenues (in R\$ million)



3Q 2023 vs. 2Q 2023

Asset Management revenues increased 8.5% in the period from R\$430.7 million to R\$467.4 million. The record performance during the quarter was due to the increase in management fees as AuM/AuA grew by 5.2%. RoA's remained stable during the quarter.

3Q 2023 vs. 3Q 2022

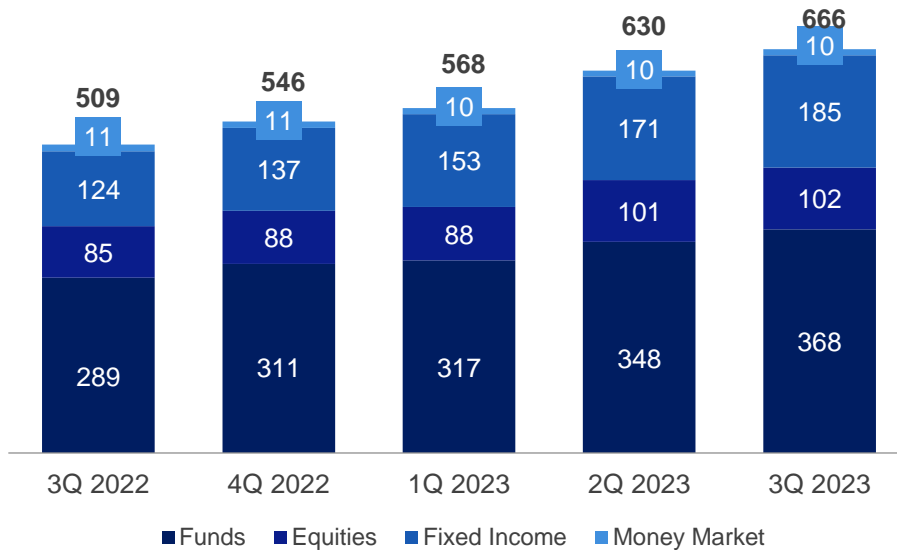
Year-over-year revenues grew 14.7%, compared to R\$407.4 million in the 3Q 2023, following the 14.5% growth in total AuM and 25.8% expansion in total AuA. The decrease in RoAs is explained by the higher growth in assets under administration, which have lower fees. Returns by asset class remained stable.

Wealth Management & Consumer Banking

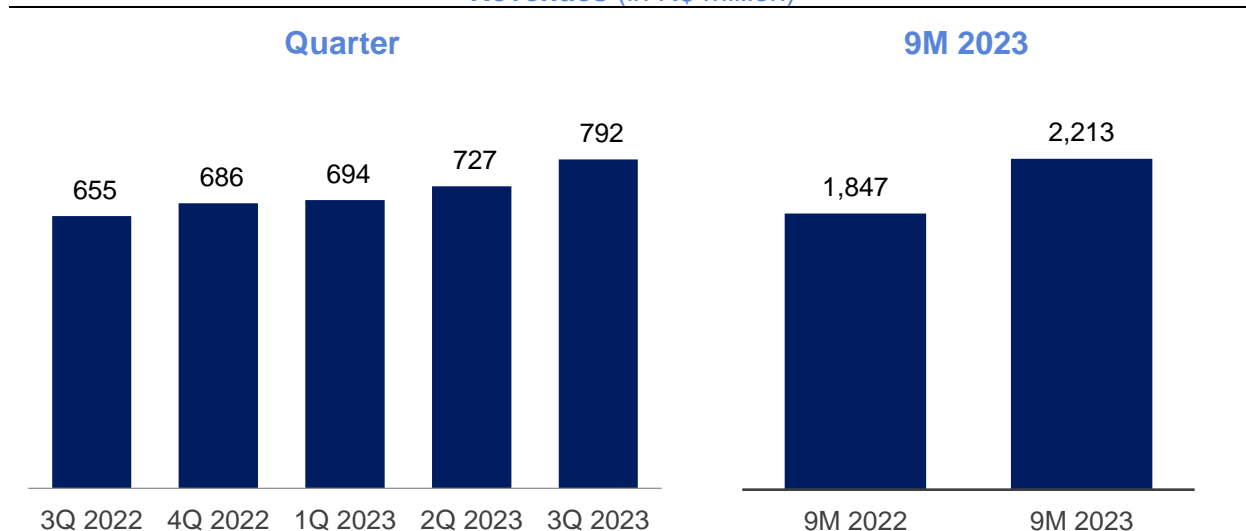
Wealth under Management (WuM) reached R\$665.8 billion, a 5.7% quarterly growth and a 30.9% y-o-y growth. Our sophisticated network allowed us to keep attracting strong inflows in any scenario. NNM reached R\$31.3 billion during the quarter with higher contribution from our high-income retail initiatives.

It's worth mentioning that in October we announced the acquisition of Órama Investimentos, a digital platform that will further increase our distribution capacity, adding R\$18 billion in assets under custody. The conclusion of this transaction remains subject to regulatory approvals

WuM Breakdown (in R\$ billion)



Revenues (in R\$ million)



3Q 2023 vs. 2Q 2023

Wealth Management & Consumer Banking reported strong performance during the quarter, marking nineteenth consecutive quarters registering revenue growth. Revenues reached R\$791.7 million, 8.9% above the previous quarter due to the 5.7% WuM expansion in the period and stable RoAs.

3Q 2023 vs. 3Q 2022

Revenues in Wealth Management & Consumer Banking increased 20.8% compared to R\$655.4 million in 3Q 2022, while total WuM grew 30.9% throughout this period. We continue to see most of the inflows towards more fixed income products, which have smaller RoAs, explaining the decrease in returns during the period.

Principal Investments

3Q 2023 vs. 2Q 2023

Principal Investments revenues decreased 33.2% q-o-q, from R\$71.9 million to R\$48.0 million. Revenues consisted of positive equity pick up from investments and were partially offset by internal funding costs.

3Q 2023 vs. 3Q 2022

Principal Investments revenues increased 15.9% compared to 3Q 2022, when we posted gains of R\$41.4million. The increase was mainly driven by better contribution from investments this quarter.

Participations

3Q 2023 vs. 2Q 2023

Participations reported gains of R\$108.9 million, compared to losses of R\$54.2 million in the 2Q 2023. Results in 3Q 2023 consisted of (i) R\$132mn: equity pick up in Banco Pan, (ii) R\$52mn: gains from Too Seguros and Pan Corretora, (iii) R\$69mn: accrual of Banco Pan's credit portfolio acquired in the previous quarters; (iv) -R\$235mn: accounting effects of Banco Pan's credit portfolio acquired during this quarter (elimination) and (v) R\$91.3mn: equity pick up of our remaining stake in EFG.

3Q 2023 vs.3Q 2022

Participations results were R\$108.9 million in 3Q 2023, compared to R\$99.7 million the same period one year ago. The increase in revenues y-o-y was attributed to the better performance of EFG and partially offset by the Banco Pan's portfolio acquisition mentioned above.

Interest & Others

3Q 2023 vs. 2Q 2023

Revenues from Interest & Others were R\$876.1 million in 3Q 2023, compared to R\$797.2 million in 2Q 2023. The increase was mainly due the expansion of our tangible equity. Interest & Others' revenues correspond mainly to interest rates of the Central Bank of Brazil applied over our tangible equity (i.e. internal cost of funding).

3Q 2023 vs. 3Q 2022

Revenues from Interest & Others increased 23.9% y-o-y, mainly due to the 13.0% growth in shareholder's equity from R\$42.3 billion to R\$47.8 billion.

Operating Expenses

Operating Expenses (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			3Q 2023 % change to		Year to Date		9M 2023 % change to
	3Q 2022	2Q 2023	3Q 2023	3Q 2022	2Q 2023	9M 2022	9M 2023	9M 2022
Bonus	(570)	(681)	(718)	26%	5%	(1,651)	(1,924)	17%
Salaries and benefits	(445)	(536)	(539)	21%	1%	(1,323)	(1,605)	21%
Administrative and other	(554)	(625)	(625)	13%	0%	(1,570)	(1,850)	18%
Goodwill amortization	(207.8)	(245.5)	(203)	-2%	-17%	(618)	(682)	10%
Tax charges, other than income tax	(244)	(299)	(282)	16%	-6%	(713)	(816)	14%
Total operating expenses	(2,020)	(2,386)	(2,368)	17%	-1%	(5,874)	(6,876)	17%
Adjusted cost to income ratio	38%	39%	38%	0%	-3%	39%	39%	1%
Compensation ratio	21%	22%	22%	4%	-1%	22%	22%	2%
Total number of employees	6,695	7,122	7,162	7%	1%	6,695	7,162	7%
Partners and associate partners	283	344	343	21%	0%	283	343	21%
Employees	6,412	6,778	6,819	6%	1%	6,412	6,819	6%

Bonus

Total bonus expenses were R\$717.8 million in 3Q 2023, a 5.4% quarterly growth and a 26.0% year-over-year growth. The increase is mostly attributed to higher revenues (especially from our client franchises). Bonuses are determined in accordance with our profit-sharing program and are calculated as a percentage of our operating revenues (which exclude Interest & Other and Participations revenues), reduced by our operating expenses.

Salaries and benefits

Staff costs remained stable in the quarter and grew 21.2% compared to 3Q 2022. During the quarter our total headcount remained almost unchanged and in line with our strategy to increase operational leverage, as revenues will expand in a faster pace. Expenses related to salaries and benefits were R\$539.3 million in 3Q 2023 and R\$535.7 million in 2Q 2023, compared to R\$445.0 million in 3Q 2022.

Administrative and other

Total administrative and other expenses also remained stable during quarter, from R\$624.5 million in 2Q 2023 to R\$625.3 million in 3Q 2023. Year-over-year A&O expenses grew by 12.9%.

Goodwill amortization

In 3Q 2023, we recorded goodwill amortization expenses totaling R\$203.1 million, 17.3% below the previous quarter with some acquisitions already 100% amortized. Goodwill amortizations consider our recent acquisitions, such as Empiricus/Vitreo, Necton, Fator and BTG Pactual Advisors, as well as Banco Pan.

Tax charges, other than income tax

Tax charges, other than income tax, were R\$282.1 million or 5.0% of total revenues compared to R\$298.9 million in 2Q 2023, or 5.5% of total revenues.

Income Taxes

Income Tax (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			Year to Date	
	3Q 2022	2Q 2023	3Q 2023	9M 2022	9M 2023
Income before taxes	2,736	3,057	3,292	7,746	9,030
Income tax and social contribution	(549)	(615)	(670)	(1,549)	(1,833)
Effective income tax rate	20.1%	20.1%	20.3%	20.0%	20.3%

Our effective income tax rate for the quarter was 20.3% (representing an income tax expense of R\$669.6 million), compared to a rate of 20.1% in 2Q 2023. Our effective income tax rate this quarter was mostly impacted by the JCP (interest on capital) distribution.

Balance Sheet

Total assets increased 4.6%, from R\$474.6 billion at the end of 2Q 2023 to R\$496.4 billion at the end of 3Q 2023, mainly due: (i) an increase of 8.0% in Trading Portfolio from R\$106.5 billion to R\$115.0 billion, (ii) an increase of 6.7% in Credit from R\$109.1 billion to R\$116.3 billion at the end of 3Q 2023 and, (iii) an increase of 4.0% in Assets Financed Through REPO, from R\$89.9 billion to R\$93.5 billion. Our leverage ratio increased to 10.0x from 9.7x at 2Q 2023.

On the liability side, our Unsecured Funding increased 6.4% from R\$181.5 billion to R\$193.1 billion at the end of 3Q 2023 and Repo Financing increased in line with the movements in our assets.

Shareholders' equity increased from R\$46.7 billion at the end of 2Q2023 to R\$47.8 billion at the end of 2Q 2023, mostly impacted by the net income of R\$2,623 million in the quarter and the distribution of R\$1.53 billion of interest on equity (JCP).

Risk and Capital Management

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

Market Risk – Value-at-risk

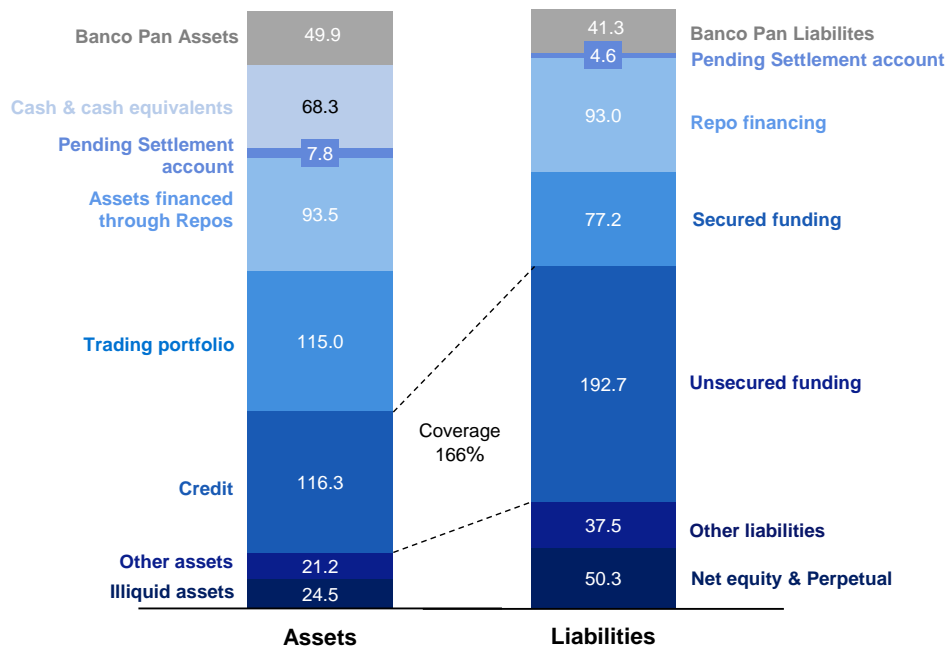
Value-at-risk (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter		
	3Q 2022	2Q 2023	3Q 2023
Total average daily VaR	158.6	209.1	157.5
Average daily VaR as a % of average equity	0.38%	0.46%	0.33%

Total average daily VaR decreased to 0.33% when compared to 0.46% in 2Q 2023 as we executed our dynamic risk allocation approach.

Liquidity Risk Analysis

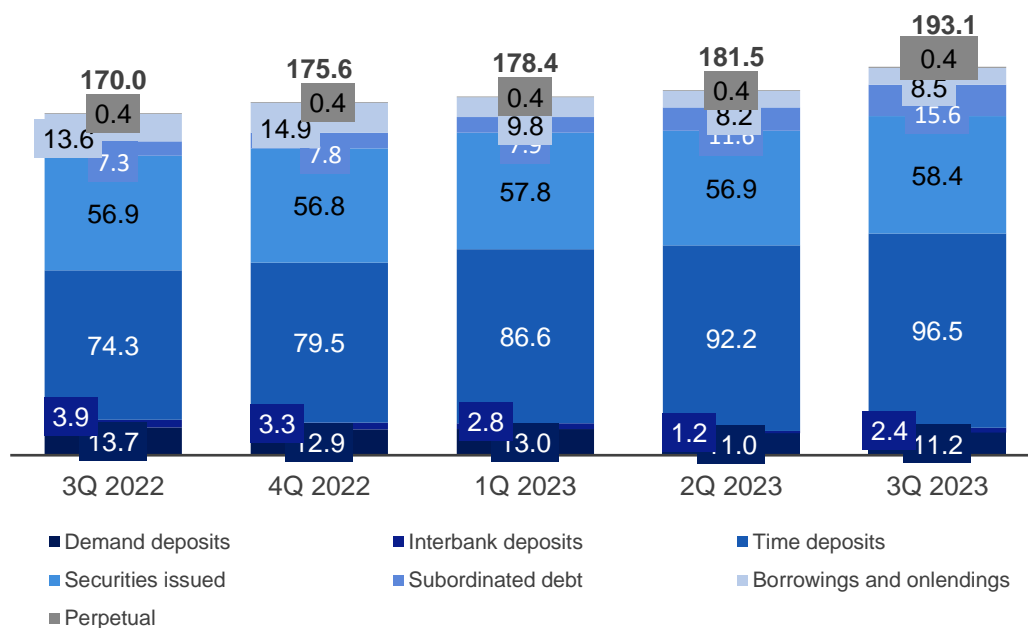
The chart below summarizes the composition of assets and liabilities as of September 30th, 2023:

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



Unsecured Funding Analysis

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



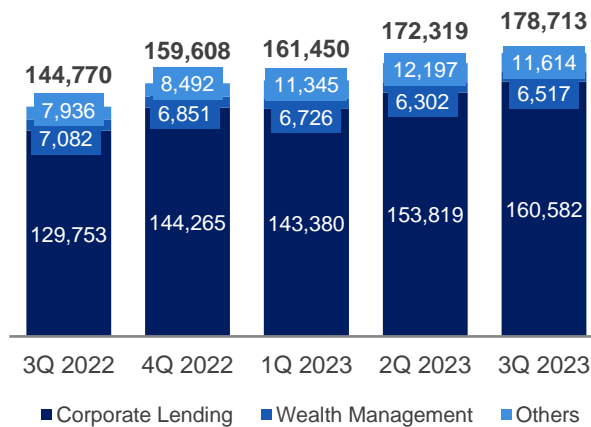
Total unsecured funding increased from R\$181.5 billion at the end of 2Q 2023 to R\$193.1 billion at the end of 3Q 2023, mainly due to the issuance of subordinated securities and an increase in time deposits. The share of our retail funding remained stable at 32% (considering Banco Pan's funding base).

BTG Pactual Broader Credit Portfolio

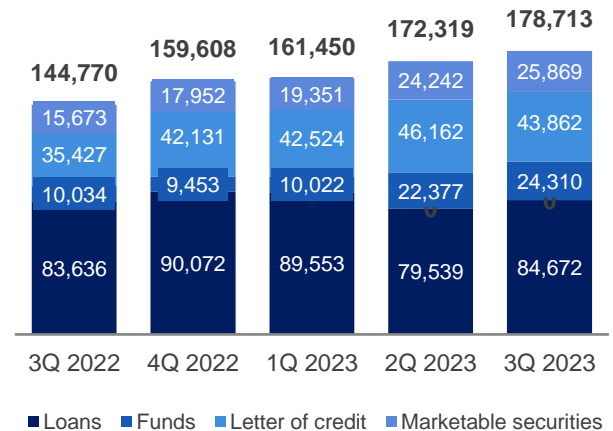
Our broader credit portfolio is comprised of loans, receivables, advances on foreign exchange contracts, letters of credit and marketable securities bearing credit exposures (including debentures, promissory notes, real estate bonds, and investments in credit receivable funds – FIDCs).

The balance of our broader credit portfolio increased 3.7% compared to the previous quarter, from R\$172.3 billion to R\$178.7 billion, and 23.4% compared to 2Q 2023.

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



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

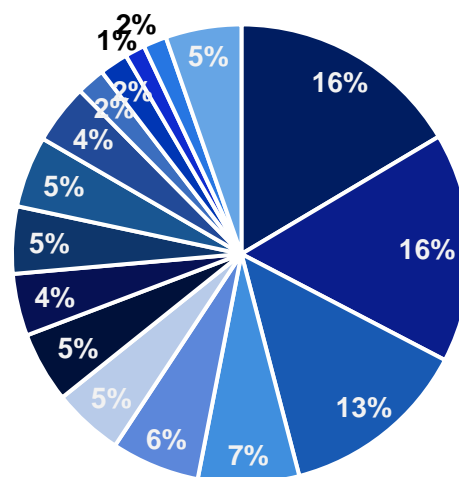


Notes:

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

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

- Utilities
- WM, Payroll and Consumer
- Financial
- Agribusiness
- Retail
- Real Estate
- Oil & Gas
- Food & Beverage
- Metals & Mining
- Water & Sewage
- Infra-Structure
- Telecom
- Government
- Forest Products & Paper
- Auto-Parts
- Other



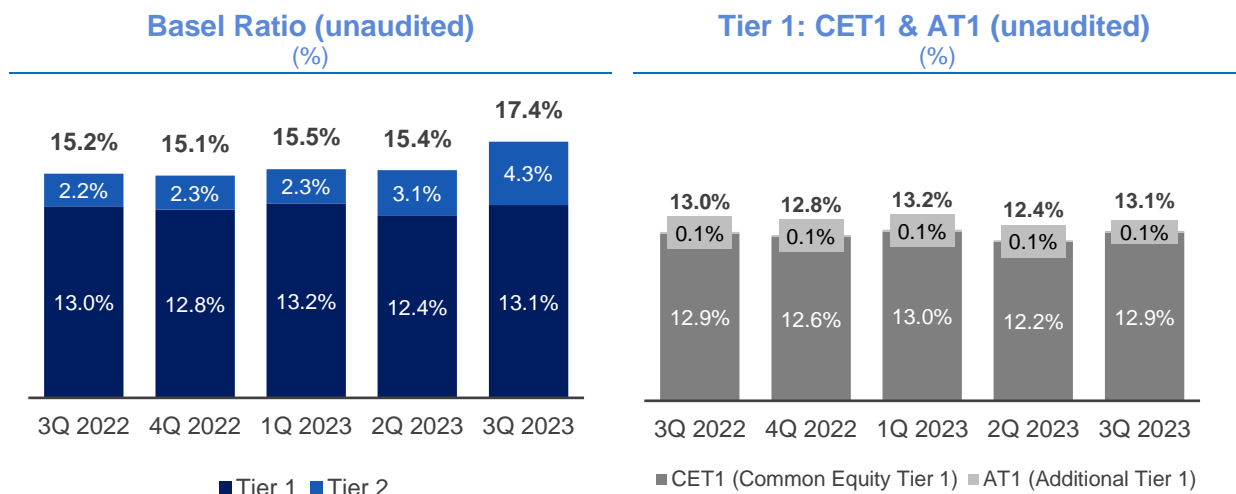
Credit Risk

The following table shows the distribution of our credit exposures as of September 30th, 2023, 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)	3Q 2023
AA	84,729
A	58,364
B	26,691
C	3,643
D	1,715
E	302
F	2,298
G	566
H	405
Total	178,713

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 17.4% at the end of 3Q 2023. Our liquidity coverage ratio (LCR) ended the quarter at 196%.



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			3Q 2023 % change to	
	3Q 2022	2Q 2023	3Q 2023	3Q 2022	2Q 2023
Assets					
Cash and bank deposits	2,819	3,813	2,283	-19%	-40%
Interbank investments	58,238	60,411	72,736	25%	20%
Marketable securities and derivatives	164,982	197,870	208,632	26%	5%
Interbank transactions	33,468	22,280	25,155	-25%	13%
Loans	108,808	107,931	112,799	4%	5%
Other receivables	57,026	67,475	60,432	6%	-10%
Other assets	1,731	1,857	1,874	8%	1%
Permanent assets	12,833	12,915	12,528	-2%	-3%
Total assets	439,905	474,552	496,439	13%	5%
Liabilities					
Deposits	115,491	124,030	129,491	12%	4%
Open market funding	98,401	98,021	103,660	5%	6%
Funds from securities issued and accepted	69,648	68,167	71,190	2%	4%
Interbank transactions	3,914	3,650	3,135	-20%	-14%
Loans and onlendings	14,830	12,660	12,892	-13%	2%
Derivatives	22,647	29,785	38,669	71%	30%
Subordinated liabilities	534	560	536	0%	-4%
Other liabilities	67,408	86,238	85,170	26%	-1%
Deferred income	-	-	-	n.a.	n.a.
Shareholders' equity	42,262	46,708	47,772	13%	2%
Non-controlling interest	4,770	4,731	3,924	-18%	-17%
Total liabilities	439,905	474,552	496,439	13%	5%

Adjusted Income Statement (unaudited)	Quarter			3Q 2023 % change to		Year to Date		9M 2023 % change to
	3Q 2022	2Q 2023	3Q 2023	3Q 2022	2Q 2023	9M 2022	9M 2023	9M 2022
<i>(in R\$ million, unless otherwise stated)</i>								
Investment Banking	525	306	590	12%	93%	1,361	1,156	-15%
Corporate and SME Lending	937	1,277	1,322	41%	3%	2,631	3,791	44%
Sales & Trading	1,384	1,887	1,456	5%	-23%	4,175	4,828	16%
Asset Management	407	431	467	15%	9%	1,125	1,341	19%
Wealth Management & Consumer Banking	655	727	792	21%	9%	1,847	2,213	20%
Principal Investments	41	72	48	16%	-33%	307	174	-43%
Participations	100	(54)	109	9%	n.a.	321	(15)	n.a.
Interest & Others	707	797	876	24%	10%	1,854	2,419	30%
Total revenues	4,756	5,443	5,660	19%	4%	13,621	15,905	17%
Bonus	(570)	(681)	(718)	26%	5%	(1,651)	(1,924)	17%
Salaries and benefits	(445)	(536)	(539)	21%	1%	(1,323)	(1,605)	21%
Administrative and other	(554)	(625)	(625)	13%	0%	(1,570)	(1,850)	18%
Goodwill amortization	(208)	(246)	(203)	-2%	-17%	(618)	(682)	10%
Tax charges, other than income tax	(244)	(299)	(282)	16%	-6%	(713)	(816.4)	14%
Total operating expenses	(2,020)	(2,386)	(2,368)	17%	-1%	(5,874)	(6,876)	17%
Income before taxes	2,736	3,057	3,292	20%	8%	7,746	9,030	17%
Income tax and social contribution	(549)	(615)	(670)	22%	9%	(1,549)	(1,833)	18%
Net Income	2,188	2,441	2,623	20%	7%	6,198	7,197	16%

Income Statement (unaudited)	Banco BTG Pactual S.A.	
	2Q 2023	3Q 2023
<i>(in R\$ million, unless otherwise stated)</i>		
Financial income	20,679	17,258
Financial expenses	(14,884)	(12,410)
Gross financial income	5,795	4,848
Other operating income (expenses)	(2,086)	(829)
Operating income (expenses)	3,710	4,020
Non-operating income/(expenses)	7	(188)
Income before taxes and profit sharing	3,717	3,831
Income and social contribution taxes	(468)	(434)
Statutory profit sharing	(681)	(747)
Non-controlling interest	(127)	(28)
Net income	2,441	2,623

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 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 – Third Quarter 2023

November 8th, 2023 (before trading hours)

English Conference Call

(With simultaneous translation)

November 8th, 2023 (Wednesday)

9:00 AM (New York) / 11:00 AM (Brasília)

Phone 1: +55 (11) 3181-8565

Phone 2: +1 412 717 9627

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.

Investor Relations

Email: ri@btgpactual.com

Phone: +55 (11) 3383-2000

Fax: +55 (11) 3383-2001

