



Complete financial statements

Banco BTG Pactual S.A. and subsidiaries

September 2023

(A free translation of the original in Portuguese)

Banco BTG Pactual S.A.
Parent company and consolidated
interim financial statements at
September 30, 2023
and report on review



(A free translation of the original in Portuguese)

Report on review of parent company and consolidated interim financial statements

To the Board of Directors and Stockholders
Banco BTG Pactual S.A.

Introduction

We have reviewed the accompanying interim balance sheet of Banco BTG Pactual S.A. ("Bank") as at September 30, 2023 and the related statements of income, comprehensive income, changes in equity and cash flows for the nine-month period then ended, as well as the accompanying consolidated interim balance sheet of Banco BTG Pactual S.A. and its subsidiaries ("Consolidated") as at September 30, 2023 and the related consolidated statements of income, comprehensive income, changes in shareholder's equity and cash flows for the nine-month period then ended, and notes, comprising significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of these parent company and consolidated interim financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim financial statements referred to above do not present fairly, in all material respects, the financial position of Banco BTG Pactual S.A. and of Banco BTG Pactual S.A. and its subsidiaries as at September 30, 2023, and the parent company financial performance and its cash flows for the nine-month period then ended, as well as the consolidated financial performance and the consolidated cash flows for the nine-month period then ended, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank.



Banco BTG Pactual S.A.

Emphasis of matter

Deferred tax assets in consolidated subsidiary

As mentioned in note 18 to the interim financial statements, the Bank has an investment in the subsidiary Banco Pan S.A., which, on September 30, 2023, recorded deferred tax assets arising from temporary additions in the calculation bases of Corporate Income Tax and Social Contribution, in the amount of approximately R\$ 3.3 billion, recognized based on expected realization of deferred tax assets. This projection of realization of deferred tax assets was reviewed by the management of Banco Pan S.A. based on a study of the current and future scenario and approved by the Board of Directors in August 1, 2023, whose main assumptions used were the macroeconomic, production and funding cost indicators. The realization of these deferred tax assets, in the estimated realization period, depends on the materialization of these projections and the business plan was approved by the management bodies. Our conclusion is not qualified in respect of this matter.

Other matters

Statements of value added

The interim financial statements referred to above include the parent company and consolidated statements of value added for the nine-month period ended September 30, 2023. These statements are the responsibility of the Bank's management and are presented as supplementary information for purposes of the Brazilian Central Bank. These statements have been subjected to review procedures performed together with the review of the interim financial statements for the purpose concluding whether they are reconciled with the interim financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and that they are consistent with the parent company and consolidated interim financial statements taken as a whole.

São Paulo, November 7, 2023

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

Edison Arisa Pereira
Contador CRC 1SP127241/O-0

Complete financial statements

Banco BTG Pactual S.A.



Balance sheet

(In thousands of reais)

Assets	Note	Bank		Consolidated	
		09/30/2023	12/31/2022	09/30/2023	12/31/2022
Cash	6	1,433,991	1,084,210	2,283,264	3,068,946
Financial instruments		345,005,555	269,602,092	419,321,425	351,186,195
Interbank deposits and securities purchased under agreements to resell	7	75,531,992	75,635,337	72,736,395	74,114,273
Securities	8	156,934,511	104,742,199	170,415,684	124,374,033
Derivative financial instruments	9	42,087,120	9,562,657	38,215,922	14,288,216
Interbank relations		17,122,260	14,739,812	25,154,662	23,786,655
Credit operations	10	55,599,378	67,456,322	117,926,007	120,109,049
Expected loss allowances associated with credit risk	10	(2,269,706)	(2,534,235)	(5,127,245)	(5,486,031)
Other receivables		36,856,369	65,743,022	60,432,412	81,814,724
Credits for sureties and guarantees honored		183,736	195,924	184,079	196,267
Foreign exchange portfolio	11	18,990,915	47,294,145	19,319,626	47,101,490
Income receivable	12	1,503,566	584,140	2,554,765	1,574,936
Others	12	12,892,302	13,695,446	30,650,798	24,707,399
Deferred tax assets	18	3,653,905	4,440,686	8,175,827	8,707,089
Provision for impairment of assets		(368,055)	(467,319)	(452,683)	(472,457)
Other assets		1,254,018	1,179,415	1,874,469	1,751,908
Prepaid expenses		1,079,742	1,129,930	1,437,994	1,416,685
Other		174,276	49,485	436,475	335,223
Permanent		41,612,365	31,979,451	12,527,554	12,790,315
Investments		40,908,901	31,165,911	7,731,050	7,578,310
Interest in subsidiaries, affiliates, and jointly controlled companies	13	40,907,671	31,164,681	7,542,319	7,394,235
Other investments		1,230	1,230	188,731	184,075
Fixed assets for use	14	191,960	209,114	518,678	508,618
Property for use		3,089	3,089	25,805	8,904
Other fixed assets for use		462,229	451,707	1,070,198	993,763
Accumulated depreciation		(273,358)	(245,682)	(577,325)	(494,049)
Intangible assets	14	511,504	604,426	4,277,826	4,703,387
Intangible assets		1,083,911	939,321	6,212,260	6,036,529
Accumulated amortizations		(572,407)	(334,895)	(1,934,434)	(1,333,142)
Total assets		426,162,298	369,588,190	496,439,124	450,612,088

The accompanying notes are an integral part of these financial statements.

Complete financial statements

Banco BTG Pactual S.A.



Balance sheet

(In thousands of reais)

Liabilities	Note	Bank		Consolidated	
		09/30/2023	12/31/2022	09/30/2023	12/31/2022
Financial instruments		349,088,034	267,762,954	371,907,964	310,508,050
Deposits	15	120,634,426	101,544,487	129,490,998	115,749,672
Securities sold under repurchase agreements	15	105,461,623	78,555,680	103,659,546	87,139,332
Funds from acceptances and issuance of securities	15	52,684,797	51,220,628	71,190,286	67,944,679
Borrowings and onlendings	15	11,832,118	14,727,150	12,892,453	17,693,933
Derivative financial instruments	9	42,999,033	14,049,057	38,669,105	13,760,429
Subordinated debts and debt instruments eligible to capital	15	15,476,037	7,665,952	16,005,576	8,220,005
Interbank relations		1,100,340	984,378	2,788,370	3,258,247
Interbranch accounts		346,689	239,173	346,689	239,173
Other liabilities		26,256,007	56,784,966	64,334,026	84,667,563
Collection and levy of taxes and alike		11,150	23,955	36,837	42,294
Foreign exchange portfolio	11	19,190,642	47,330,252	19,426,056	46,948,415
Social and statutory	16	1,119,000	2,471,380	2,021,313	3,569,719
Tax and social security	16	529,779	418,085	2,537,578	1,484,157
Deferred tax liabilities	18	2,806	2,528	705,472	694,187
Others	16	5,402,630	6,538,766	39,606,770	31,928,791
Provision		1,598,901	1,444,952	5,365,889	5,325,744
Provision for loss on financial guarantees	10	281,747	210,756	297,929	234,298
Provision for contingent liabilities	17	1,317,154	1,234,196	5,067,960	5,091,446
Equity	19	47,772,327	42,371,767	51,696,186	46,613,311
Capital		15,760,364	15,760,364	15,760,364	15,760,364
Capital reserves		652,515	652,515	652,515	652,515
Other comprehensive income		1,508,453	1,473,736	(291,831)	(326,548)
Revenue reserves		24,945,128	24,716,404	26,745,412	26,516,688
Treasury shares		(532,428)	(231,252)	(532,428)	(231,252)
Retained earnings		5,438,295	-	5,438,295	-
Total equity of controlling shareholders		47,772,327	42,371,767	47,772,327	42,371,767
Non-controlling interest		-	-	3,923,859	4,241,544
Total liabilities and equity		426,162,298	369,588,190	496,439,124	450,612,088

The accompanying notes are an integral part of these financial statements.

Complete financial statements

Banco BTG Pactual S.A.



Statement of income

Periods ended September 30

(In thousands of Reais, except net income per share)

	Note	Bank		Consolidated	
		09/30/2023	09/30/2022	09/30/2023	09/30/2022
Financial intermediation income		33,734,911	39,087,996	52,061,085	55,992,333
Credit operations		5,905,272	6,045,334	23,555,242	21,468,314
Income (loss) from securities and derivative financial instruments		25,270,894	31,070,468	25,786,548	32,339,509
Compulsory investments income (loss)		1,134,157	870,240	1,394,858	1,143,770
Foreign exchange income		1,424,588	1,101,954	1,324,437	1,040,740
Expenses from financial intermediation		(26,125,300)	(31,703,125)	(36,364,056)	(41,310,326)
Repurchase agreements		(24,009,187)	(23,055,428)	(26,809,308)	(26,390,960)
Borrowings and onlendings operations		(2,017,801)	(8,123,183)	(7,802,510)	(12,527,832)
Expected loss allowances associated with credit risk	10	(98,312)	(524,514)	(1,752,238)	(2,391,534)
Gross income from financial operations		7,609,611	7,384,871	15,697,029	14,682,007
Other operating income / (expenses)		1,339,175	937,948	(4,761,769)	(4,558,934)
Revenues from rendering of services	20	2,382,268	2,588,545	6,485,757	6,022,545
Personnel expenses		(881,388)	(698,239)	(2,417,844)	(2,085,382)
Other administrative expenses	22	(2,904,401)	(2,224,525)	(7,255,875)	(6,505,922)
Tax expenses	23	(620,136)	(613,980)	(1,380,870)	(1,160,874)
Income from interest in subsidiaries, affiliates, and jointly controlled subsidiaries	13	3,011,467	2,313,847	1,010,507	667,467
Other operating income (loss)	21	351,365	(427,700)	(1,203,444)	(1,496,768)
Provision expenses		(145,894)	(103,639)	(404,628)	(289,581)
Provision for contingent liabilities	17	(90,517)	(73,522)	(346,079)	(253,094)
Guarantees granted		(55,377)	(30,117)	(58,549)	(36,487)
Operating income (loss)		8,802,892	8,219,180	10,530,632	9,833,492
Non-operating profit (loss)		(39,931)	39,995	(46,320)	74,906
Income (loss) before income tax and profit sharing		8,762,961	8,259,175	10,484,312	9,908,398
Income tax and social contribution	18	(464,298)	(1,069,868)	(1,084,498)	(1,716,891)
Provision for income tax		171,330	(26,975)	(789,016)	(354,121)
Provision for social contribution		120,741	-	(489,816)	(373,614)
Deferred tax assets		(756,369)	(1,042,893)	194,334	(989,156)
Statutory profit sharing		(1,101,644)	(991,762)	(1,967,842)	(1,670,654)
Non-controlling interest		-	-	(234,953)	(323,308)
Net income for the period		7,197,019	6,197,545	7,197,019	6,197,545
Net income per share - Basic	25	0.63	0.54		
Net income per share - Diluted		0.63	0.54		

The accompanying notes are an integral part of these financial statements.

Complete financial statements

Banco BTG Pactual S.A.



Statement of comprehensive income

Period ended September 30

(In thousands of reais)

	Bank		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Net income for the period	7,197,019	6,197,545	7,197,019	6,197,545
Change in equity evaluation adjustment of financial assets available for sale	(3,040)	29,939	(3,040)	29,939
Variation from equity valuation adjustments of subsidiaries, affiliates, and jointly controlled subsidiary	47,826	(71,608)	47,826	(71,608)
Accumulated conversion adjustments	(6,929)	27,559	(6,929)	27,556
Foreign exchange variation on investments	(653,379)	(875,373)	(653,379)	(875,371)
Hedge from investments abroad	637,740	875,952	637,740	875,952
Goodwill/negative goodwill in acquisition of interest in subsidiaries	12,499	-	12,499	-
Total comprehensive income	7,231,736	6,184,014	7,231,736	6,184,013

Items presented in the statement of comprehensive income may be subsequently reclassified to income (loss).

The accompanying notes are an integral part of these financial statements.

Complete financial statements

Banco BTG Pactual S.A.



Statement of changes in equity

Periods ended September 30

(In thousands of reais, except dividends and interest on equity per share)

Bank	Note	Income reserves						Other comprehensive income	Treasury shares	Retained earnings	Total
		Capital	Capital reserves	Legal	Unrealized	Statutory	Total				
Balances on December 31, 2021		15,760,364	652,515	1,911,786	1,980,484	15,503,141	19,395,411	1,571,457	-	-	37,379,747
Acquisition of treasury stock		-	-	-	-	-	-	-	(95,964)	-	(95,964)
Change in the equity valuation adjustment of financial assets available for sale		-	-	-	-	-	-	29,939	-	-	29,939
Variation from equity valuation adjustments of subsidiaries, affiliates, and jointly owned subsidiary	19	-	-	-	-	(5,844)	(5,844)	(71,608)	-	-	(77,452)
Foreign exchange variation on investments		-	-	-	-	-	-	(875,373)	-	-	(875,373)
Accumulated conversion adjustments		-	-	-	-	-	-	27,559	-	-	27,559
Net investment hedge of foreign operations		-	-	-	-	-	-	875,952	-	-	875,952
Net profit for the period		-	-	-	-	-	-	-	-	6,197,545	6,197,545
Net income allocation		-	-	-	-	-	-	-	-	-	-
Income reserve		-	-	200,494	-	-	200,494	-	-	(200,494)	-
Intermediary interest on equity (BRL0.10 per share)		-	-	-	-	-	-	-	-	(1,200,000)	(1,200,000)
Balances on September 30, 2022		15,760,364	652,515	2,112,280	1,980,484	15,497,297	19,590,061	1,557,926	(95,964)	4,797,051	42,261,953
Balances on December 31, 2022		15,760,364	652,515	2,303,878	1,980,484	20,432,042	24,716,404	1,473,736	(231,252)	-	42,371,767
Acquisition of treasury stock	19	-	-	-	-	-	-	-	(301,176)	-	(301,176)
Change in the equity valuation adjustment of financial assets available for sale		-	-	-	-	-	-	(3,040)	-	-	(3,040)
Variation from equity valuation adjustments of subsidiaries, affiliates, and jointly owned subsidiary		-	-	-	-	-	-	47,826	-	-	47,826
Foreign exchange variation on investments		-	-	-	-	-	-	(653,379)	-	-	(653,379)
Accumulated conversion adjustments		-	-	-	-	-	-	(6,929)	-	-	(6,929)
Hedge of net investments in foreign operations		-	-	-	-	-	-	537,740	-	-	537,740
Goodwill/ Bargain purchase in the acquisition of interests		-	-	-	-	-	-	12,499	-	-	12,499
Net income for the period		-	-	-	-	-	-	-	-	7,197,019	7,197,019
Net income allocation		-	-	-	-	-	-	-	-	-	-
Income reserve		-	-	228,724	-	-	228,724	-	-	(228,724)	-
Intermediary interest on equity (BRL 0.13 per share)		-	-	-	-	-	-	-	-	(1,530,000)	(1,530,000)
Balances on September 30, 2023		15,760,364	652,515	2,532,602	1,980,484	20,432,042	24,945,128	1,508,453	(532,428)	5,438,295	47,772,327

The accompanying notes are an integral part of these financial statements.

Complete financial statements

Banco BTG Pactual S.A.



Consolidated		Income reserves											
	Note	Capital	Capital reserves	Legal	Unrealized	Statutory	Total	Other comprehensive income	Treasury shares	Retained earnings	Statutory profit sharing	Non-controlling shareholders	Total
Balances on December 31, 2021		15,760,364	652,515	1,948,983	1,980,478	17,266,233	21,195,694	(228,826)	-	-	37,379,747	3,155,096	40,514,843
Acquisition of shares in treasury	19	-	-	-	-	-	-	-	(95,964)	-	-	-	(95,964)
Change in the equity valuation adjustment of financial assets available for sale		-	-	-	-	-	-	29,939	-	-	29,939	-	29,939
Variation from equity valuation adjustments of subsidiaries, affiliates, and jointly owned subsidiary	-	-	-	-	-	(5,843)	(5,843)	(71,608)	-	-	(77,451)	-	(77,451)
Foreign exchange variation on investments		-	-	-	-	-	-	(875,371)	-	-	(875,371)	-	(875,371)
Accumulated conversion adjustments		-	-	-	-	-	-	27,556	-	-	27,556	-	27,556
Net investment hedge of foreign operations		-	-	-	-	-	-	978,982	-	-	978,982	-	978,982
Net profit for the period		-	-	-	-	-	-	-	-	6,197,545	6,197,545	323,308	6,520,853
Net income allocation		-	-	-	-	-	-	-	-	-	-	-	-
Income reserve		-	-	200,494	-	-	200,494	-	-	(200,494)	-	-	-
Intermediary interest on equity (BRL0.06 per share)		-	-	-	-	-	-	-	-	(1,200,000)	(1,200,000)	-	(1,200,000)
Addition / (Exclusion) of non-controlling		-	-	-	-	-	-	-	-	-	-	1,311,234	1,311,234
Balances on September 30, 2022		15,760,364	652,515	2,149,477	1,980,478	17,260,390	21,390,345	(242,358)	(95,964)	4,797,051	42,261,953	4,769,638	47,031,591
Balances on December 31, 2022		15,760,364	652,515	2,341,075	1,980,478	22,195,135	26,516,688	(326,548)	(231,252)	-	42,371,767	4,241,544	46,613,311
Acquisition of treasury stock	19	-	-	-	-	-	-	-	(301,176)	-	-	-	(301,176)
Change in the equity valuation adjustment of financial assets available for sale		-	-	-	-	-	-	(3,040)	-	-	(3,040)	-	(3,040)
Variation from equity valuation adjustments of subsidiaries, affiliates, and jointly owned subsidiary		-	-	-	-	-	-	47,826	-	-	47,826	-	47,826
Foreign exchange variation on investments		-	-	-	-	-	-	(653,379)	-	-	(653,379)	-	(653,379)
Accumulated conversion adjustments		-	-	-	-	-	-	(6,929)	-	-	(6,929)	-	(6,929)
Hedge of net investments in foreign operations		-	-	-	-	-	-	537,740	-	-	537,740	-	537,740
Goodwill/ Bargain purchase in the acquisition of interests		-	-	-	-	-	-	12,499	-	-	12,499	-	12,499
Addition / (Exclusion) of non-controlling		-	-	-	-	-	-	-	-	-	-	(552,638)	(552,638)
Net income for the period		-	-	-	-	-	-	-	-	7,197,019	7,197,019	234,953	7,431,972
Net income allocation		-	-	-	-	-	-	-	-	-	-	-	-
Income reserve		-	-	228,724	-	-	228,724	-	-	(228,724)	-	-	-
Intermediary interest on equity		-	-	-	-	-	-	-	-	(1,530,000)	(1,530,000)	-	(1,530,000)
Balances on September 30, 2023		15,760,364	652,515	2,569,799	1,980,478	22,195,135	26,745,412	(291,831)	(532,428)	5,438,295	47,772,327	3,923,859	51,696,186

The accompanying notes are an integral part of these financial statements.

Complete financial statements

Banco BTG Pactual S.A.



Statement of cash flows

Periods ended September 30

(In thousands of reais)

	Note	Bank		Consolidated	
		09/30/23	09/30/22	09/30/23	09/30/22
Operating activities					
Net income for the period		7,197,019	6,197,545	7,197,019	6,197,545
Adjustments to net profit		(698,755)	309,134	2,764,493	4,274,369
Results from interests in affiliates and companies with shared control	13	(3,011,467)	(2,313,847)	(1,010,507)	(667,467)
Interest expenses with subordinated debts and Debt instruments eligible for equity		954,728	608,612	999,432	647,925
Provision for expected losses associates with credit risk	10c	98,312	524,514	1,752,238	2,391,534
Loss allowance for suretyships		55,377	209,243	58,549	228,543
Provision for contingencies		90,517	69,968	346,079	253,094
Reversal of provision		-	-	-	(238,541)
Foreign exchange variation from permanent assets		-	18	18,863	18,162
Foreign exchange variation from cash and cash equivalents		53,492	33,086	53,492	33,086
Deferred tax assets	18	756,369	1,042,893	(194,334)	989,156
Depreciations and amortizations	22	303,917	134,647	740,681	618,877
Adjusted income for the semester		6,498,264	6,506,679	9,961,512	10,471,914
Operating activities					
Interbank liquidity investments		528,537	1,860,986	(2,597,934)	2,379,304
Bonds and securities and derivative financial instruments		(55,766,799)	(35,018,046)	(45,060,681)	(39,816,298)
Credit transactions		11,494,103	(7,627,383)	72,018	(9,784,750)
Other receivables and other amounts and assets		27,689,855	(2,868,922)	20,847,661	(5,310,649)
Interbank relations		(2,266,486)	(19,879,918)	(1,837,884)	(20,284,345)
Interdependence relations		107,516	(333,759)	107,516	(333,780)
Other obligations		(30,652,293)	5,365,468	(21,246,985)	9,318,223
Deposits		19,089,939	11,334,819	13,741,326	5,936,135
Open market funds		26,905,943	32,942,664	16,520,214	38,240,242
Payables and on-lendings		(2,895,032)	5,874,383	(4,801,480)	5,832,503
Cash (used in) / from operating activities		733,547	(1,843,029)	(14,294,717)	(3,351,501)
Investment activities					
(Acquisition) / disposal of investments and capital increase	13	(7,494,637)	(4,627,019)	223,914	657,636
Business acquisition, net of cash		-	673	4,656	(151,040)
(Acquisition) / disposal of property, plant, and equipment	14	(9,680)	(63,394)	(104,098)	(217,970)
(Acquisition) / disposal of intangible	14	(128,208)	(172,607)	(200,305)	(1,073,665)
Dividends and interest on equity received	13	284,365	428,664	545,278	1,071,655
Cash (used in) / from investment activities		(7,348,160)	(4,433,683)	469,445	286,616
Financing activities					
Acquisition of treasury shares	19b	(301,176)	(95,964)	(301,176)	(95,964)
Proceeds from acceptances and issues of bonds	15d	1,464,169	7,938,983	3,245,607	12,184,673
Subordinated debt and debt instruments eligible for equity	15f	7,810,085	(448,581)	7,785,571	(404,305)
Non-controlling shareholders		-	-	(82,732)	(1,311,234)
Interest on equity		(1,530,000)	(1,200,000)	(1,530,000)	(1,200,000)
Cash (used in) / from financing activities		7,443,078	6,194,438	9,117,270	9,173,170
(Decrease) / Increase in cash and cash equivalents		828,465	(82,274)	(4,708,002)	6,108,285
Balance of cash and cash equivalent					
At the beginning of the period	26	70,021,933	49,467,732	76,556,439	47,434,579
Foreign exchange variation from cash and cash equivalents		(53,492)	(33,086)	(53,492)	(33,086)
At the end of the period	26	70,796,906	49,352,372	71,794,945	53,509,778
(Decrease) / Increase in cash and cash equivalents		828,465	(82,274)	(4,708,002)	6,108,285

The accompanying notes are an integral part of these financial statements.

Complete financial statements

Banco BTG Pactual S.A.



Statement of value added

Periods ended September 30

(In thousands of reais)

	Note	Bank		Consolidated	
		09/30/2023	09/30/2022	09/30/2023	09/30/2022
Revenue		36,282,603	41,676,541	58,677,683	62,014,878
Financial intermediation		33,734,946	39,087,996	52,191,926	55,992,333
Rendering of services	20	2,382,268	2,588,545	6,485,757	6,022,545
Other		165,389	-	-	-
Expenses		(26,125,300)	(32,194,470)	(38,149,289)	(43,021,769)
Financial intermediation		(26,026,988)	(31,178,611)	(34,611,817)	(38,918,792)
Provision for loans and other credits	10	(98,312)	(524,514)	(1,752,238)	(2,391,534)
Other		-	(491,345)	(1,785,234)	(1,711,443)
Inputs acquired from third parties		(2,568,920)	(2,027,227)	(6,327,621)	(5,696,131)
Materials, energy, and others		(27,062)	(18,495)	(135,771)	(25,446)
Outsourced services		(2,541,858)	(2,008,732)	(6,191,850)	(5,670,685)
Gross added value		7,588,383	7,454,844	14,200,773	13,296,978
Depreciation and amortization	22	(247,964)	(134,647)	(740,681)	(618,877)
Net added value produced by the Entity		7,340,419	7,320,197	13,460,092	12,678,101
Value added received through transfer		3,011,467	2,313,847	1,010,507	667,467
Income from interest in subsidiaries, affiliates, and shared control	13	3,011,467	2,313,847	1,010,507	667,467
Added value payable		10,351,886	9,634,044	14,470,599	13,345,568
Distribution of added value		10,351,886	9,634,044	14,470,599	13,345,568
Personnel		1,983,032	1,690,000	4,385,686	3,756,037
Salaries		1,658,282	1,435,635	3,618,280	3,116,076
Benefits		147,309	117,197	366,050	303,113
FGTS		177,442	137,168	401,356	336,848
Taxes, fees, and contributions		1,084,434	1,683,848	2,465,369	2,877,764
Federal		905,764	1,489,776	2,153,689	2,519,411
Other		178,670	194,072	311,680	358,353
Third-party capital remuneration		87,401	62,651	187,572	190,914
Rentals		87,401	62,651	187,572	190,914
Remuneration of own capital		7,197,019	6,197,545	7,431,972	6,520,853
Interest on equity		1,530,000	1,200,000	1,530,000	1,200,000
Retained earnings		5,667,019	4,997,545	5,667,019	4,997,545
Non-controlling interest		-	-	234,953	323,308

The accompanying notes are an integral part of these financial statements.

Complete financial statements

Banco BTG Pactual S.A.

(In thousands of reais, unless otherwise stated)

1. Operating context

Banco BTG Pactual S.A. (“Bank” or “BTG Pactual”), is organized in the form of a multiple bank, acts together with its subsidiaries (“BTG Pactual Group”), offering financial products and services regarding commercial, investments, credit, financing, capital lease, insurance, foreign exchange portfolios, among others, in the country and in several locations abroad. The head office of the Bank is located at Praia de Botafogo, 501 – 5º andar – Torre Corcovado, in the City and State of Rio de Janeiro. Its principal place of business is the office located on Av. Brigadeiro Faria Lima, 3477 – 14º andar (parte), in the City and State of São Paulo.

The transactions are carried out in the context of a group of companies that operate in an integrated manner in the financial market and some transactions are intermediated by other companies belonging to the BTG Pactual Group. The Bank’s parent company is BTG Pactual Holding Financeira Ltda. (“Financial Holding”), which is controlled by BTG Pactual G7 Holding S.A. through BTG Pactual Holding S.A. (“Holding”).

BTG Pactual has units listed on B3 S.A. in São Paulo. Each unit corresponds to 1 common share and 2 class A preferred shares.

2. Corporate reorganizations and acquisitions

Main acquisitions and sales

Ourinvest Distribuidora de Títulos de Valores Mobiliários S.A.

On July 19, 2019, the Bank, through its investee BTG Pactual Asset Management S.A. DTVM, acquired 80% interest in Ourinvest Distribuidora de Títulos de Valores Mobiliários S.A. (“Ourinvest”), and the latter maintained its administrative and operational independence, despite being a member of BTG Pactual Conglomerate. The purchase and sale agreement also provided for the purchase option of the remaining shares of Ourinvest until 2022 in two tranches of 10% each (the option related to the first tranche was exercised in March 2021 and the second tranche in March 2022). On November 16, 2022, the transaction was concluded after satisfaction of all condition’s precedent, including regulatory approvals.

On January 20, 2023, the company’s name was changed from Ourinvest Distribuidora de Títulos e Valores Mobiliários S.A. to BTG Pactual Advisors Distribuidora de Títulos e Valores Mobiliários S.A.

Acquisition of minority interest in CSD Central de Serviços de Registro e Depósito aos Mercados Financeiro e de Capitais S.A.

On January 24, 2022, the Bank communicated to shareholders and the market in general that it had signed, jointly with Santander Corretora de Seguros, Investimentos e Serviços S.A. and CBOE III, LLC, binding contracts for the acquisition of minority interest in CSD Central de Serviços de Registro e Depósito aos Mercados Financeiro e de Capitais S.A. (“CSD BR”).

On May 26, 2022, the Bank confirmed, in view of the satisfaction of the applicable condition’s precedent, the formalization of the operation related to the subscription of minority interest in CSD Central de Serviços de Registro e Depósito aos Mercados Financeiro e de Capitais S.A.

Acquisition of Elite Corretora de Câmbio e Valores Mobiliários Ltda.

On February 1, 2022, the Bank communicated to shareholders and the market in general the signing of definitive documents related to the acquisition of 100% (one hundred percent) of the capital of Elite Corretora de Câmbio e Valores Mobiliários Ltda.

This acquisition is part of the expansion strategy of BTG Pactual Digital in the investment advisory segment.

On October 21, 2022, the transaction was concluded, after satisfaction of all condition’s precedent, including regulatory approvals.

Merger of shares of Mosaico Tecnologia ao Consumidor by Banco PAN S.A. (Controlled by BTG Pactual)

At October 03, 2021, Banco PAN S.A. (B3: BPAN4) signed an Agreement of Association and Other Covenants (“Association Agreement”) for the merger of all shares issued by Mosaico Tecnologia ao Consumidor S.A. (“Mosaico”) (B3: MOSI3), a native digital company that brings together the brands Zoom, Buscapé and Bondfaro, and which owns the largest platform of content and sales origination for e-commerce in Brazil (“Operação Mosaico”).

On March 11, 2022, the Board of Directors of Banco PAN confirmed the satisfaction of suspensive conditions regarding the effectiveness of Mosaico Operation, according to the Protocol and Justification of the Merger of Shares

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Banco BTG Pactual S.A.



entered into between Banco PAN and Mosaico on October 26, 2021, and, therefore, stated that the resolutions of the Extraordinary General Meeting of Banco PAN held on December 1, 2021, including the merger of shares, became valid and effective, for all legal purposes and effects.

Acquisition of Banco BESA S.A.

On March 30, 2022, BTG Pactual agreed to acquire the share control of Banco BESA S.A. ("BESA"), as well as its subsidiaries. As communicated to the market on October 7, 2022, the transaction was concluded after regulatory approvals. The transaction complements the strategy of BTG Pactual, focused on the acquisition and recovery of defaulted loan portfolios and purchase of alternative financial assets.

The purchase price allocation ("PPA") report, prepared by an independent company specialized in asset valuation, was completed in accordance with relevant regulatory deadlines, with no material impact on the lines of assets and liabilities.

FIS Privatbank S.A.

On March 23, 2023, Banco BTG Pactual S.A. communicated to shareholders and the market in general that one of its subsidiaries signed definitive documents referring to the acquisition of 100% (one hundred percent) of the capital of a financial institution headquartered in Luxembourg, FIS Privatbank S.A., for EUR 21.3 million. On September 20, 2023, the transaction was concluded after satisfaction of all condition's precedent, including regulatory approvals.

Offers

Subordinated Financial Notes

On June 30, 2023, the Bank issued BRL 3,500,100 (three billion, five hundred million and one hundred thousand reais) of Subordinated Financial Notes, divided into four series. Said Notes will mature on July 15, 2033, with principal balances being fully amortized on the maturity date and semi-annual interest payments.

On August 30, 2023, the Bank issued BRL 3,500,100 (three billion, five hundred million and one hundred thousand reais) of Subordinated Financial Notes, divided into four series. Said Notes will mature on September 15, 2033, with principal balances being fully amortized on the maturity date and semi-annual interest payments.

Approval of share repurchase program

On January 11, 2022, the Bank communicated to shareholders and the market in general that the Bank's Board of Directors, at a meeting held on January 10, 2022, approved the share repurchase program, under the following conditions ("Repurchase Program"):

- Repurchase with the aim of providing better conditions to carry out the efficient investment of available cash resources in order to maximize the allocation of the Bank's capital.
- Acquisition of up to BRL 1,000,000,000.00, observing in every case the limits set forth in CVM Instruction 567.
- Non-existence, at BTG Pactual, of BPAC11 units or treasury shares.
- Maintenance, in treasury, of BPAC11 units acquired under the Program.
- Definition of a period of up to 18 months for the acquisitions, being the Executive Board responsible for deciding the best time to make the acquisitions; and
- Intermediation of BTG Pactual CTVM S.A. and operations conducted in accordance with the current regulation.

The Bank will keep regulators and the market in general informed about the Repurchase Program.

3. Presentation of individual and consolidated financial statements

The individual and consolidated financial statements of the Bank and its subsidiaries were prepared in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil (BACEN), and as well as in accordance with the standards and instructions of the National Monetary Council (CMN), of Bacen, and when it's not conflicted, of the Brazilian Securities and Exchange Commission (CVM) and Corporate Law. Technical Pronouncements from the Accounting Pronouncements Committee (CPC) are also applied in the Financial Statements as long as they have been accepted by CMN and Bacen.

The consolidated financial statements include the individual financial statements of the Bank, its branches abroad, direct, and indirect subsidiaries, in the country and abroad, as well as investment funds and special purpose entities (SPE).

Preparation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil requires that Management use its judgment in determining and recording accounting estimates. The assets and liabilities subject to these estimates and assumptions refer

Complete financial statements

Banco BTG Pactual S.A.



basically to goodwill for expected future profitability, deferred income tax assets and liabilities, to the provision for expected losses associated with credit risk, provision for taxes and contributions with suspended enforceability, to the provision for contingent liabilities, the measurement of fair value of financial instruments. The settlement of transactions involving these estimates may result in significantly different amounts due to the lack of precision inherent to the process of their determination. The Bank and its subsidiaries periodically review these estimates and assumptions.

CMN°Resolution°4818/2020 and BCB°Resolution°2/2020 establish general criteria and procedures for the preparation and disclosure of individual and consolidated financial statements.

Pursuant to BACEN Resolution 2/2020, the Balance Sheet accounts are presented in order of liquidity and liability, with the segregation between current and non-current presented in an explanatory note.

BACEN Normative Instruction 319/2022 revoked, as of January 1, 2023, Circular Letter 3429/2010, which established rules for the accounting record of tax obligations under judicial discussion. The aforementioned Circular Letter indicated that the Financial Institutions must recognize in their liabilities, regardless of the assessment of the likelihood of outflow of funds, all tax obligations subject to judicial discussion on the constitutionality of laws. However, it is worth highlighting that the amounts provisioned by the Bank followed both the requirements of CPC 25 - Provisions, Contingent Liabilities and Contingent Assets (adopted in CMN n° 3.823 Resolution), and the standards established in Circular Letter mentioned. Thus, after the Circular Letter was revoked, it was not necessary to make any adjustments or adaptations to the Bank's accounting records.

The individual and consolidated financial statements were approved by Management on November 7, 2023, and provide a true and fair view of the Bank's financial evolution, assets and liabilities and consolidated results. Management assessed the ability and capacity of the Bank and its subsidiaries to continue as a going concern and is convinced that the Bank and its subsidiaries have the operating conditions and resources to continue as such in the future. Additionally, Management is not aware of any material uncertainty that may generate doubts about its ability to continue as a going concern.

The individual and consolidated financial statements were prepared based on these principles and assumptions.

Consolidated financial statements

In the consolidation process of the financial statements, interests, balances of assets and liabilities, income, expenses, and unrealized profits among companies were eliminated, as well as portions of net income and equity related to non-controlling interest were emphasized.

The main consolidated entities, whose sum, considering the amounts referring to Banco BTG Pactual S.A., represents more than 95% of the total consolidated assets, as well as the Bank's interest in their capital, are as follows:

	Country	Total equity participation - %	
		09/30/23	12/31/22
Direct subsidiaries			
BTG Pactual Cayman Branch	Cayman	100.00%	100.00%
BTG Pactual Corretora de Títulos e Valores Mobiliários S.A.	Brazil	99.99%	99.99%
Banco Sistema S.A.	Brazil	100.00%	99.97%
Banco Pan S.A.	Brazil	74.10%	73.95%
Banco BESA S.A.	Brazil	100.00%	96.50%
ECTP Brasil S.A. (i)	Brazil	100.00%	-
Indirect subsidiaries			
BTG Pactual Resseguradora S.A.	Brazil	100.00%	100.00%
BTG Pactual Vida e Previdência S.A.	Brazil	100.00%	100.00%
Banco BTG Pactual Chile S.A.	Brazil	100.00%	100.00%
BTG Pactual Chile Capital S.A. Corredores de Bolsa	Chile	100.00%	100.00%
BTG Pactual Holding Participações S. A	Brazil	99.99%	99.99%
BTG Pactual Oil & Gas S.A.R.L.	Luxembourg	100.00%	100.00%
BTG Pactual COMM, (CH) SA	Switzerland	100.00%	100.00%
BTG Pactual AM US, LLC	United States	100.00%	100.00%
Banco BTG Colombia S. A	Colombia	100.00%	100.00%
ECTP Brasil S.A. (i)		-	100.00%
Investment funds			
BTG Pactual Absolute Return Master Fund	Cayman	100.00%	100.00%
FIDC FGTS	Brazil	100.00%	100.00%
Fundo de Investimento Multimercado CP LS Investimento no Exterior	Brazil	100.00%	100.00%
FIDC NP Alternative Assets I	Brazil	100.00%	100.00%
Warehouse FIP	Brazil	100.00%	100.00%
BTGP Consignados II FIDC (ii)	Brazil	100.00%	-
Clave Total Return Master FIM	Brazil	82.71%	70.65%
BTGP Consignados FIDC (ii)	Brazil	100.00%	-
FIDC NP Alternative Assets III	Brazil	100.00%	100.00%
Clave Alpha Macro Participações FIC FIM	Brazil	-	90.52%

(i) In June 2023, ECTP Brasil S.A. became the Bank's direct investment.

(ii) Fund established in 2023.

Functional and presentation currency

The individual and consolidated financial statements are presented in reais (BRL), which is the Bank's functional currency since this is the main economic environment in which the Bank operates.

4. Significant accounting policies

The most relevant accounting policies adopted by the Bank are as follows:

a. Cash

For the purposes of statement of cash flow, cash, bank deposits, highly liquid short-term investments that are promptly convertible into a known sum of cash, which are subject to an insignificant risk of change in value, with maturity which is usually three months as of the acquisition date.

b. Interbank funds applied, interest-bearing deposits at Bacen, interest-bearing deposits, securities sold under repurchase agreements, funds from acceptance and issue of securities, obligations for loans and onlendings, subordinated debts and other asset and liability operations

Operations with a monetary/exchange restatement clause and operations with fixed charges are recorded at present value, net of transaction costs incurred, calculated *pro-rata die* based on the effective rate of operations.

c. Securities

They are evaluated and classified according to the criteria established by Circular Letter 3068/2001 of the Central Bank of Brazil, in the following categories:

(i) Trading securities

Acquired for the purpose of being actively and frequently negotiated. Recorded at cost of acquisition, plus income accrued and adjusted to market value with the corresponding entry to income (loss) for the period.

According to BACEN Circular Letter 3068/2001, securities classified as trading securities are considered short-term, regardless of their maturity dates.

(ii) Securities available for sale

Those not classified as trading securities or held to maturity. Recorded at cost of acquisition, plus income accrued in contra-entry to income (loss) and subsequently valued at market value with the contra-entry to a specific account in the equity, net of tax effects, which will be recognized in income (loss) accounts only upon effective realization.

(iii) Held-to-maturity securities

Acquired with the intention and financial capacity to hold them in the portfolio to maturity. Recorded at cost of acquisition, plus income accrued in contra account to income for the period.

Decreases in the market value of securities available for sale and held to maturity, below their respective restated costs, related to reasons considered as non-temporary, are reflected in income (loss) as incurred losses.

d. Determination of fair value

Financial instruments are measured according to the hierarchy of value measurement described below:

- Level 1: Price quotes observed in active markets for the same financial instrument.
- Level 2: Price quotes observable in active markets for financial instruments with similar characteristics or based upon pricing models for which significant parameters are based on observable factors in active markets; and
- Level 3: Pricing models for which current market transactions or observable data is not available and which require a high level of judgment and estimates. Instruments in this category were priced using techniques for which at least one input, which could have a significant effect on the price, is not based on observation of market data. Inputs are used when they can be observed from market data without excessive costs and efforts. Otherwise, the Bank determines an appropriate level for the input. Financial instruments basically include interest in private equity funds, unlisted shares arising from our Merchant Banking activities, some debt securities of closely held companies and

energy derivatives, whose pricing depends on unobservable inputs. No gain or loss is considered on initial recognition of a financial instrument priced using techniques that consider unobservable inputs.

Assumptions of Level 3 evaluation

Assets	Pricing technique	Main assumptions
Private equity funds (investments not quoted)	Price of recent investments; models based on discounted cash flow or gains, multiples of market transactions (M&A).	Revenue and market growth, expected leverage and profitability, discount rates, macroeconomic assumptions such as inflation and exchange rates, risks, and premiums, including market, size, and country risk premium.
Debt securities	Standard models and price comparison	Probability of default, material losses and yield declines, prepayment, and recovery rate.
Energy derivatives	Data system-based models (Decomp and Newwave)	GDP, level of water reserves and rainfall forecast.

In certain cases, the data used to determine fair value may be at different levels of the fair value measurement hierarchy. In these cases, the financial instrument is classified in the most conservative category in which the relevant data for determination of fair value were classified. This assessment requires judgment and considers specific factors of the respective financial instruments. Changes in the availability of information may result in reclassifications of certain financial instruments between different levels of the fair value measurement hierarchy.

The Bank assesses the levels in each reporting period on an instrument-by-instrument basis and reclassifies instruments, when necessary, based on the facts at the end of the period.

The fair values of financial instruments are determined as follows:

- **Swaps:** its cash flows are discounted to present values based on profitability curves that reflect the appropriate risk factors. These profitability curves can be traced mainly based on prices observed in negotiations at B3 S.A. for Brazilian government bonds traded on the secondary market or for derivatives and securities traded overseas. These profitability curves can be used to obtain the fair values of currency swaps, interest rate swaps and swaps based on other risk factors (commodities, stock exchange indexes, etc.).
- **Futures and terms:** fair value determined based on stock exchange quotations or using criteria identical to those described above for swaps.
- **Options:** the fair values of these instruments are determined based on mathematical models (such as Black & Scholes) that are fed with data on implicit volatility, profitability curve for interest rates and fair values of the underlying assets. All this data is obtained from different sources (usually brokers and brokerage firms' prices, Bloomberg, Reuters).
- **Credit derivatives:** the fair values of these instruments are determined based on well-established mathematical market models that are fed with issuer's credit spread data and profitability curve for interest rates. This data is obtained from different sources (usually market prices, Bloomberg, Reuters).
- **Securities and unsecured sale:** the fair values of public securities are determined based on the prices disclosed by ANBIMA. The fair values of corporate debt securities are calculated based on secondary market prices, on the price of similar assets and on the market visibility by the Bank's commercial areas. Shares are calculated based on the prices published by B3 S.A. Fund quotas are measured considering the prices of quotas published by Management.

Financial assets valued at fair value in profit or loss: we estimate the fair values of financial instruments by applying the discount of cash flows at present value based on profitability curves that reflect the appropriate risk factors consistently with prior periods.

e. Derivative financial instruments

They are classified, according to the Management's intention, on the date of contracting the transaction, considering whether their purpose is to hedge against risks or not.

Operations that utilize financial instruments carried out, on the bank's own initiative, or that do not fulfill the protection criteria (especially derivatives utilized to manage global risk exposure), are recorded at fair value, with realized and unrealized gains and losses, recorded directly in the income (loss) for the period.

Derivative financial instruments used to mitigate the risks from exposures to changes in market value of financial assets and liabilities and that are highly correlated to alterations in their market value in relation to the market value of the item that is being protected, both at the beginning and throughout the life of the contract and considered effective in the reduction of

risk associated with the exposure to be protected, are considered as hedge instruments and are classified according to their nature:

- Market risk hedge: the financial instruments classified into this category, as well as its related financial assets and liabilities, hedged item, are measured at fair value and have their gains and losses, realized or unrealized, recorded in the profit or loss.
- Cash flow hedge: the instruments classified into this category are measured at fair value, and the effective portion of gains or losses recorded, net of tax effects, in a separate account in the equity. The non-effective portion of the respective hedge is directly recognized in the profit or loss; and
- Net investment hedge in operations abroad it is accounted for similarly to cash flow hedge, that is, the portion of gain or loss on the hedging instrument that is determined as an effective hedge is recognized in the equity and reclassified to profit (loss) for the period in case of disposal of the operation abroad. The non-effective portion is recognized in profit or loss for the period.

f. Fair value of securities, derivative financial instruments, and other rights and obligations

Fair value of securities, derivative financial instruments, and other rights and obligations is calculated, when applicable, based on market prices, pricing models, or price determined for other financial instruments with similar characteristics. Accordingly, upon financial settlement of these transactions, results may differ from estimates. Daily adjustments in operations carried out in the futures market are recorded as effective revenue or expense when earned or incurred. Premiums paid or received from transactions in the stock options market, and other financial assets and goods are recognized in respective balance sheet accounts at paid or received amounts, adjusted to market prices as a contra-entry to income (loss).

Transactions carried out in the forward market for financial assets and commodities are recorded at the final contracted value, minus the difference between such value and the price of the asset or right adjusted to market prices, in the appropriate asset or liability account. Revenues and expenses are recognized according to the length of the contracts.

Assets and liabilities arising from currency swap and forward operations – forward contracts without physical delivery (NDF) – are recorded in balance sheet accounts at book value and adjusted to market value, with a contra entry to income (loss).

The notional value of contracts is recorded in memorandum accounts.

g. Financial instruments - net presentation

Financial assets and liabilities are presented net in the balance sheet if, and only if, there is a current legal and enforceable right to offset the recognized amounts and if the intention of offsetting, or realizing the asset and settling the liability simultaneously, in accordance with the CMN Resolution 3263/05.

h. Sales or transfers operations of financial assets with substantial retaining of the risks and rewards

Financial assets remain on the balance sheet of the entity that transferred its assets when it retains the risks and rewards related to that asset. In such case, a financial liability is recognized.

i. Credit operations and other credit (operations with credit granting characteristics)

The provisions contained in CMN Resolution 2682/1999 are adopted. Consequently, operations are recorded at present value, calculated pro-rata die based on the index change and the agreed interest rate, being updated up to the 59th day of delay, according to the expectation of receipt. As of the 61st day, recognition in income (loss) occurs when the debt is amortized. Renegotiated operations are maintained at least at the same level at which they were classified prior to renegotiation and, if they have already been written-off against the provision, they are classified as Level H. In accordance with the definitions established in Article 24 of CMN Resolution 4,557/17, related to the risk management of credit operations with a higher level of risk, these financial statements present the Renegotiations of operations whose originally agreed conditions have been modified and whose risk classification (rating) is equal to or worse than E. Gains are recognized in revenue upon actual receipt.

j. Provisions for expected losses associated with credit risk

Established based on the analysis of credit granting, considering individualized or collective risks, where applicable, as well as the nature and conditions of the operations, in an amount considered sufficient to cover potential losses, in compliance with the guidelines of CMN Resolution No. 2,682/1999, among which the following stand out:

- The provisions are recorded as of the credit granting, considering the classification of the client, under the terms of this Resolution, and the conditions of the operation, due to the periodic analysis of the client risk level, the guarantees of the operation and the sectors of activity, and not just upon default.
- Considering exclusively default, write-offs of loan operations against loss are carried out after 360 days of the maturity date of the credit or after 540 days of the maturity date for operations with a period of more than 36 months to elapse: and
- The allowance for doubtful accounts and other receivables is estimated based on the analysis of operations and the specific risks presented in each portfolio, pursuant to the criteria established by CMN Resolution 2682/1999.

k. Investment property

In compliance with the CVM Resolution 4967/2018, investment properties held by the Bank's subsidiaries, which are mainly focused on the real estate sector, are initially measured at their cost, including transaction costs. After initial recognition, investment properties are stated at fair value, reflecting market conditions at each balance sheet date. Fair value adjustments are recognized in income (loss) and calculated considering the fair value of the property less costs attributed to them.

The fair value of investment properties is calculated at least annually, or when deemed necessary by Management, which may be carried out by duly qualified independent appraisers.

Investment properties are written off when they are sold or when the investment property is no longer permanently used, and it is not expected any future economic benefit of its sale.

l. Investments

Interest in subsidiaries, jointly controlled subsidiaries and affiliates are valued under the equity method. CMN Resolution 4817/2020, which defines criteria for accounting measurement and recognition of investments in affiliates, subsidiaries, and jointly owned subsidiaries, became effective as of January 2022, with no material impacts from this change, considering its prospective application.

m. Foreign currency translation

CMN Resolution 4924/2021, effective as of January 2022, allowed the use of an alternative rate to the spot exchange rate for translating transactions and statements in foreign currency into local currency. The Bank maintained its translation process using the PTAX, which is the closing rate calculated by the Central Bank of Brazil.

Assets and liabilities of subsidiaries and branches abroad are translated using the PTAX on the balance sheet date. Income and expenses are translated at the average monthly exchange rate. Equity in the earnings of subsidiaries abroad is recognized as follows: for those with a functional currency equal to the real in income (loss) for the period, and for those with a functional currency different from the real: a) income (loss) for the period - portion referring to the effective result of the subsidiary; and b) Equity - portion related to exchange rate change adjustments resulting from the conversion process, net of tax effects.

n. Goodwill or negative goodwill

According to Resolution 4817/20, goodwill or negative goodwill is defined as the difference between the amount paid for the acquisition of a company and the fair value of the acquired entity's assets and liabilities. The goodwill resulting from the acquisition of an interest (in which no control was previously held) is accounted for in assets, while the negative goodwill is recorded as income in the statement of income. On the other hand, in additional acquisitions of already controlled entities, the goodwill or negative goodwill must be recorded in equity.

Amortization of goodwill is a systematic process that must be carried out based on projections of future profitability in the statement of income.

o. Property for use

Recorded at the cost of acquisition. Depreciation is calculated using the linear method based on the asset's economic life.

p. Intangible assets

Corresponds to the rights that refer to incorporeal personal property intended for the maintenance of the Company or exercised with this purpose, pursuant to CMN Resolution 4534. It comprises (i) the goodwill paid on the acquisition of companies, transferred to intangible assets due to the merger of the acquirer's net assets by the acquiree or the consolidation of the Bank, and (ii) intangible assets identified in business combinations between independent parties and by rights in the acquisition of asset management contracts and (iii) software and improvements. Amortization is calculated by the linear method based on the period that the rights generate benefits.

q. Impairment of non-financial assets

It is recognized as a loss in income (loss) for the period whenever there is clear evidence that the assets are assessed at a non-recoverable amount. This procedure is performed at least at the end of each year.

Assets subject to impairment assessment are deducted, when applicable, from a provision for impairment, which is calculated according to the value in use and fair value less cost to sell the assets, whichever is lower. The main estimates used in determining the provision are as follows: expected future cash flows; discount rates; and illiquidity, among others.

r. Income tax and social contribution

Provision for income tax and social contribution, when due, are recognized based on accounting profit, adjusted by the additions and exclusions under the tax legislation. The deferred income tax and social contribution are calculated based on temporary differences whenever the realization of these amounts is considered probable. For the income tax (IRPJ), the rate used is 15%, plus additional 10% on the annual taxable profit exceeding BRL 240, and 20% for the social security contribution on the net income (CSLL) to banking institutions. For the other financial institutions, the nominal CSLL rate is 15% and 9% for non-financial institutions.

The deferred component, represented by tax credits and deferred tax liabilities, is obtained from the differences between the accounting and tax bases of assets and liabilities. Tax credits are only recognized when it is probable that future taxable profit will be available to offset them.

s. Provision, contingent liabilities, and contingent assets

They are recognized in the balance sheet and/or disclosed in the financial statements according to the probability estimate for each of the items indicated below. These estimates are made by management based on the interpretations of external legal advisors.

i. Provision

A provision is a liability of uncertain timing or amount and must be recognized in the Balance sheet only when:

- has a present obligation (legal or non-formalized).
- Management understands that an outflow of funds to settle the obligation is probable; and
- the amount can be reliably estimated.

ii. Contingent liabilities

A contingent liability is:

- a possible obligation whose existence can be confirmed only on the occurrence of uncertain future events; or
- a present obligation for which it is not probable that an outflow of funds will be required to settle the obligation or whose amounts cannot be reliably measured.

Contingent liabilities are not recognized in the Balance Sheet, but, when relevant, are disclosed in the Bank's financial statements, unless the likelihood of an outflow of funds is remote.

Contingent liabilities are periodically reassessed to determine if an outflow of funds becomes probable. If this happens, the provision must be recognized in the financial statements for the period in which the change in the probability estimate occurs.

iii. Contingent assets

A contingent asset is a likely asset whose existence of which will be confirmed only on the occurrence of one or more uncertain future events.

Contingent assets are not recognized in the Balance Sheet, but, when relevant, are disclosed in the Bank's financial statements when it is probable that economic benefits will flow to the entity.

t. Earnings per share

It is calculated based on the weighted average of shares during the periods, segregated between basic and diluted shares, as required by accounting practices for publicly held companies.

u. Recognition of revenue/expense

Income (loss) from operations is calculated under the accrual basis.

v. Recurring and non-recurring income (loss)

As provided in BACEN Resolution 2/2020, BTG Pactual discloses the non-recurring income (loss) in an explanatory note, presenting non-recurring events that occurred and contributed to the result, which are not related (or are incidentally related) with the typical activities of the Bank.

5. Risk management

Banco BTG Pactual manages risk with the involvement of all levels of management and control of the Institution. The Bank's Board of Directors, pursuant to CMN Resolution 4557/2017, is responsible for setting the levels of risk appetite, approving, and reviewing the policies, strategies and risk limits, capital management strategies and policies, the stress testing program, the management of the going concern policy, among other activities. The Executive Board oversees formulating policies, defining risk guidelines, and supervising risk management and control processes. Next, there are a series of risk committees and areas responsible for risk management and control activities.

The main committees/areas involved in risk management activities are the following: (i) Meeting of the Executive Board, which formulates policies, proposes global limits and is the highest court responsible for managing our risks; (ii) Capital and Risk Committee, made up of a majority of independent members who assess the results of risk management and of the strategies; (iii) New Products Committee, which assesses the feasibility and supervises the implementation of proposed new businesses and products; (iv) Credit Risk Area, which is responsible for approving new credit operations in accordance with the guidelines established by the Chief Risk Officer (CRO); (v) Market Risk area, which is responsible for monitoring market risk, including the use of risk limits (*VaR*), and for approving exceptions as provided for in internal rules; (vi) Operating Risk area, which assesses the key operational risks against the internal policies and the regulatory limits; (vii) The Compliance Committee, which is responsible for establishing Anti-Money Laundering ("AML") rules and for reporting potential problems involving money laundering; (viii) CRO, which is responsible for Monitoring the liquidity risk, including a cash position and management of structure of capital; (ix) Audit Committee which is responsible for the independent assessment of the adequacy of the internal controls, the assessments regarding the maintenance of accounting records, and the quality and integrity of the financial statements;

(x) Social and Environmental Risk area, which assesses the social, environmental, and climate risks, in accordance with the principles of relevance and proportionality, and manages and mitigates adverse social, environmental, and climate impacts resulting from our operations and activities; and (xi) ESG Committee, responsible for supervising and managing the implementation of ESG policies and procedures, regarding social, environmental and climatic risks, in order to guarantee that the Bank is compliant with these guidelines.

The Bank monitors and controls risk exposure through a variety of separate but complementary internal credit, financial and non-financial, operational, compliance, tax, and legal systems. We believe that the involvement of committees and areas (including their subcommittees) with ongoing risk management and control promotes a culture of rigorous and effective risk control throughout the BTG Pactual Group. The Bank's committees are composed of senior members of the business units and of senior members of the control departments, who are segregated and independent of the business areas. Further details on risk management can be found at <https://ri.btgpactual.com/> in the Corporate Governance / Risk Management section.

a. Operational limits

	09/30/2023	12/31/2022
Consolidated equity	47,772,327	42,371,767
Level I	44,320,916	39,349,820
Core capital	43,897,097	38,920,976
Supplementary Capital	423,819	428,844
Level II	14,546,903	7,090,539
Reference Equity (PR) (a)	58,867,819	46,440,359
Required Reference Equity (RRE)	27,133,897	24,672,681
Total risk-weighted exposure – (b)	339,173,710	308,408,513
Credit risk	229,711,828	236,523,528
Operating risk	29,844,615	23,527,597
Market risk	79,617,267	48,357,389
Basilea Ratio- (a/b)	17.4%	15.1%
Tier I Capital	13.1%	12.8%
Tier II Capital	4.3%	2.3%
Non-current asset consumption index	62.3%	56.5%
Noncurrent asset threshold (NAT)	29,433,909	23,220,179
Noncurrent asset threshold situation	18,327,594	13,126,907
Margin or deficit value	11,106,316	10,093,272

CMN Resolutions No. 4.955 and 4.958 of 2021 were observed, which came into force in January 2022, and provide for the criteria of calculating installments and capital requirements, including the minimum requirements for Reference Equity (PR), Tier I Capital, and Core Capital, and the Additional of Core Capital. For the calculation of risk shares, the procedures provided for in Circular Letters Nos. 3644, 3652, 3679, of 2013, and 3696, of 2014, for credit risk, were observed in Circular Letters Nos. 3634, 3635, 3636, 3637, 3638, 3639, 3641 and 3645, all of 2013, and Circular Letter No. 3498, of 2011, for the risk of market, and in Circular Letters Nos. 3640 and 3675, of 2013, for operational risk, all from Bacen.

The Bank elected to basic indicator approach to measure the Operating Risk.

In the period ended September 30, 2023, and in the year ended December 31, 2022, all prudential and operating limits are fully complied with.

b. Market risk

Sensitivity analysis

Value at Risk (VaR) is a sensitivity measurement of the potential loss in financial instruments due to adverse changes in the market within a determined period scenario, with a specific confidence level. The VaR, together with the stress testing, is used to measure the exposure and sensitivity of our financial instruments to market risk. BTG Pactual applies the historic simulation with full remeasurement of the instruments to calculate VaR, preserving the actual distributions and the correlation between the assets, disregarding Greek approximations and of normal distributions. Our VaR may be measured and indicated according to different periods, historical data, and confidence levels. The accuracy of the market risk methodology is tested through daily back testing, which compares adherence between VaR estimates and realized earnings and losses incurred.

The VaR presented below was calculated for a one-day period, 95% confidence level and one year of historical data. A 95% confidence level means that there is a possibility, in twenty occurrences, that the net revenues from trading will be below the estimated VaR. Thus, deficits in trading net revenues on a single trading day greater than the VaR presented are expected to occur, on average, about once a month.

Shortfalls on a single day can exceed the VaR by significant amounts; and they can also occur more frequently or accumulate over a longer period, such as several consecutive trading days. As it depends on historical data, VaR accuracy has limited capacity to forecast unprecedented changes in the market, likewise historical distributions in the market risk factors, which cannot produce accurate future market risk estimates. Different VaR methodologies and statistical distribution may produce a substantially different VaR. In addition, the VaR calculated for a one-day period does not capture the market risk of the positions that cannot be settled or cleared by hedges within a one-day period. As previously mentioned, we use models in the stress testing as a supplement to VaR in our daily activities with risk exposure.

The following table contains the daily average VaR of the Bank for the periods ended on:

In BRL million	September 2023	December 2022
VaR daily average	157.5	132.7

c. Credit risk

All counterparties of the Bank and its subsidiaries are subjected to a rigorous credit analysis process, the focus of which is the assessment of the borrower's capacity to pay, based on cash flow simulations, leverage and debt schedule, asset quality, interest coverage and working capital. Qualitative aspects, such as strategic guidance, business sector, areas of specialization, efficiency, regulatory environment, and market participation, are systematically evaluated and complement the credit analysis process. The counterparties' credit limits are established and regularly reviewed by the credit risk area, and, as applicable, reviewed and authorized by the Senior Management, accordingly with assessed exposures. Measurement and follow-up of exposure to credit risk includes all financial instruments able to generate counterparty risk, such as private securities, derivatives, guarantees provided, and possible operations with settlement risks, among others.

d. Liquidity risk

The Bank and its subsidiaries manage the liquidity risk by concentrating its portfolio on high credit-quality and high-liquidity assets, using resources obtained through top-tier counterparties at competitive rates. The Bank and its subsidiaries maintain a strong capital structure and a low degree of leverage. Possible mismatches between assets and liabilities are monitored, considering the impact of extreme market conditions, to assess their ability to carry out assets or to decrease leverage. The guarantees in the transactions are also monitored on a timely basis.

e. Operating risk

In line with the guidelines of Bacen and the concepts of the Basel Committee, the Bank established an operating risk management policy applicable to the Bank and its subsidiaries in Brazil and abroad.

The policy consists of a set of principles, procedures, and instruments that provide for the permanent adequacy of risk management to the size, nature, and complexity of the Bank's products, services, activities, processes, and systems.

The Bank and its subsidiaries have a strong operational risk management culture, which is based on risk assessment, monitoring, simulation, and validation, and is based on consistent internal controls. There is a constant improvement in operational risk management and control mechanisms, aiming at complying with normative requirements and regulatory agencies' guidelines, rapid adaptation to changes, and anticipation of trends, among which we can highlight the new Basel revision proposals.

f. Social, environmental, and climatic risk

BTG Pactual understands social, environmental, and climatic risk as: financial losses or damage to the bank's image and / or reputation, because of social and / or environmental damage. This also includes the possibility of losses for the institution directly or not caused by events associated to the low carbon economy transition process, in which greenhouse gas emissions are either reduced or compensated; and losses associated with extreme environmental conditions that may be related to climate changing patterns.

BTG Pactual, while conducting its business, activities and operating processes based on responsible and sustainable business practices, is committed to balancing economic, financial, regulatory, environmental, social, and climatic aspects in its operations. We believe the solid commercial practices and company responsibility are long term values that should be applied daily to generate value for shareholders and clients through sustainable growth.

For updated information regarding the risks and ESG, see our annual reports published in IR webpage, as well as our ESG page.

6. Cash

The balance of this financial item refers basically to bank deposits abroad.

7. Interbank deposits and securities purchased under agreements to resell

Bank	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total
Securities purchased under agreements to resell	69,939,753	67,827,674	352,895	-	-	1,759,184	64,196,188
Own portfolio	11,558,632	10,459,327	284,402	-	-	814,903	10,527,721
Brazilian government bonds	11,518,080	10,418,775	284,402	-	-	814,903	9,912,351
Corporate securities	9,380	9,380	-	-	-	-	615,370
Bonds issued by governments of other countries	31,172	31,172	-	-	-	-	-
Financed Operations	57,302,777	57,043,608	51,745	-	-	207,424	48,554,428
Short position	1,078,344	324,739	16,748	-	-	736,857	5,114,039
Interbank deposits	5,592,239	2,467,125	2,338,920	786,194	-	-	11,439,149
Interbank Deposit Certificate	3,210,693	85,579	2,338,920	786,194	-	-	5,154,005
Foreign currency investments - overnight	2,381,546	2,381,546	-	-	-	-	6,285,144
Total	75,531,992	70,294,799	2,691,815	786,194	-	1,759,184	75,635,337

On September 30, 2023, the collateral received in repurchase and resale agreements totaled BRL 71,152,941 (December 31, 2022 - BRL 64,797,549).

Consolidated	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total
Securities purchased under agreements to resell	66,389,700	66,000,044	389,575	81	-	-	65,365,726
Own portfolio	10,329,026	10,007,863	321,082	81	-	-	10,329,313
Brazilian government bonds	9,823,224	9,502,061	321,082	81	-	-	10,037,380
Bonds issued by governments of other countries	184,216	184,216	-	-	-	-	466
Corporate securities	321,586	321,586	-	-	-	-	291,467
Financed Operations	53,492,694	53,440,949	51,745	-	-	-	46,136,586
Short position	2,567,980	2,551,232	16,748	-	-	-	8,899,827
Interbank deposits	6,346,695	4,363,182	1,973,758	9,755	-	-	8,748,547
Interbank Deposit Certificate	2,077,255	93,742	1,973,758	9,755	-	-	729,352
Foreign currency investments - overnight	4,269,440	4,269,440	-	-	-	-	8,019,195
Total	72,736,395	70,363,226	2,363,333	9,836	-	-	74,114,273

On September 30, 2023, the collateral received in repurchase and resale agreements totaled BRL 68,997,523 (December 31, 2022 - BRL 65,978,043).

8. Securities

a. Summary by type of portfolio

We present below the composition by type of security, by contractual maturity and by type of securities portfolio:

	Bank				Consolidated			
	Current Cost	09/30/2023 Market	Book value	12/31/2022 Book value	Current Cost	09/30/2023 Market	Book value	12/31/2022 Book value
Trading securities	127,921,147	127,569,730	127,569,730	84,594,158	130,553,376	130,003,240	130,003,240	92,488,585
Government bonds	58,646,795	58,759,979	58,759,979	33,975,042	65,149,434	65,271,489	65,271,489	38,899,387
Private securities	69,274,352	68,809,751	68,809,751	50,619,116	65,403,942	64,731,751	64,731,751	53,589,198
Securities available for sale	27,374,522	27,139,675	27,139,675	20,148,041	32,221,369	31,979,618	31,979,618	23,069,393
Government bonds	1,749,112	1,750,359	1,750,359	-	2,090,817	2,092,637	2,092,637	859,910
Private securities	25,625,410	25,389,316	25,389,316	20,148,041	30,130,552	29,886,981	29,886,981	22,209,483
Securities held to maturity	2,225,106	2,168,372	2,225,106	-	8,432,826	8,213,085	8,432,826	8,816,055
Government bonds	2,225,106	2,168,372	2,225,106	-	8,432,774	8,213,033	8,432,774	8,816,005
Private securities	-	-	-	-	52	52	52	50
Total securities	157,520,775	156,877,777	156,934,511	104,742,199	171,207,571	170,195,943	170,415,684	124,374,033

b. Trading securities

Bank	09/30/2023							12/31/2022
	Current Cost	Market / Book value	Without due date	Up to 3 months	From 3 to 12 months	From 1 to 3 years	Over 3 years	Market / Book value
Government bonds	58,646,795	58,759,979	-	3,062,352	13,742,099	35,070,162	6,885,366	33,975,042
Financial Treasury Notes	14,117,903	14,118,510	-	-	13,453,563	526,392	138,555	9,314,795
National Treasury Bills (LTN)	33,206,787	33,322,180	-	402,644	272,502	31,925,803	721,231	5,844,627
National Treasury Notes	8,622,296	8,607,232	-	-	16,034	2,617,236	5,973,962	17,537,368
Foreign governments' bonds	2,699,809	2,712,057	-	2,659,708	-	731	51,618	1,278,252
Private securities	69,274,352	68,809,751	50,404,206	46,345	3,193,399	1,639,922	13,525,879	50,619,116
Stocks	8,075,297	8,075,297	8,075,297	-	-	-	-	7,082,661
Certificates of agribusiness receivables	612,386	593,429	-	322	1,901	13,329	577,877	2,822,310
Certificate of real estate receivables (CRI)	1,479,932	1,438,125	-	184	301	1,520	1,436,120	1,531,674
Corporate bond	644,931	676,695	-	1,038	187,469	129,974	358,214	768,994
Investment fund shares	42,328,909	42,328,909	42,328,909	-	-	-	-	26,532,685
Debentures	12,829,941	12,405,236	-	13,261	8,323	1,366,023	11,017,629	10,159,066
Promissory notes	3,265,505	3,254,890	-	-	2,990,939	128,006	135,945	1,721,726
Other	37,451	37,170	-	31,540	4,466	1,070	94	-
Total	127,921,147	127,569,730	50,404,206	3,108,697	16,935,498	36,710,084	20,411,245	84,594,158

Consolidated	09/30/2023							12/31/2022
	Current Cost	Market / Book value	Without due date	Up to 3 months	From 3 to 12 months	From 1 to 3 years	Over 3 years	Market / Book value
Government bonds	65,149,434	65,271,489	-	3,444,369	14,638,380	35,979,269	11,209,471	38,899,387
Financial Treasury Notes	15,778,199	15,778,060	-	5,324	14,273,505	1,024,314	474,917	10,186,375
National Treasury Bills (LTN)	33,366,906	33,483,444	-	402,644	272,502	32,087,067	721,231	6,062,614
National Treasury Notes	9,559,713	9,564,845	-	-	16,034	2,832,659	6,716,152	19,154,334
Foreign governments' securities	6,444,616	6,445,140	-	3,036,401	76,339	35,229	3,297,171	3,496,064
Private securities	65,403,942	64,731,751	39,311,065	1,691,471	3,594,711	2,138,582	17,995,922	53,589,198
Stocks	13,049,984	13,049,984	13,049,984	-	-	-	-	10,006,567
Certificates of Agribusiness receivables	669,919	651,111	-	322	59,433	13,329	578,027	2,822,310
Certificate of real estate receivables (CRI)	1,663,330	1,620,665	-	174,305	301	1,520	1,444,539	1,570,193
Corporate bond	2,643,740	2,675,685	-	6,117	187,469	323,420	2,158,679	2,277,366
Investment fund shares	26,261,081	26,261,081	26,261,081	-	-	-	-	22,729,246
Debentures	16,882,341	16,242,072	-	882,464	320,766	1,613,134	13,425,708	12,231,020
Promissory notes	3,265,505	3,254,890	-	-	2,990,939	128,006	135,945	1,721,726
Other	968,042	976,263	-	628,263	35,803	59,173	253,024	230,770
Total	130,553,376	130,003,240	39,311,065	5,135,840	18,233,091	38,117,851	29,205,393	92,488,585

c. Securities available for sale

Bank	09/30/2023							12/31/2022
	Current Cost	Market / Book value	Without due date	Up to 3 months	From 3 to 12 months	From 1 to 3 years	Over 3 years	Market / Book value
Government bonds	1,749,112	1,750,359	-	-	832,914	744,507	172,938	-
National Treasury Notes	1,569,085	1,577,421	-	-	832,914	744,507	-	-
Brazilian Foreign Debt Securities	180,027	172,938	-	-	-	-	172,938	-
Private securities	25,625,410	25,389,316	1,431,582	1,572,403	6,318,764	8,791,841	7,274,726	20,148,041
Stocks	1,375,296	1,375,296	1,375,296	-	-	-	-	1,242,738
Rural Product Note	9,151,739	9,098,544	-	218,533	2,614,355	3,090,813	3,174,843	6,612,834
Corporate bond	2,098,441	2,047,707	-	-	4,968	385,939	1,656,800	1,871,596
Debentures	6,144,602	6,058,447	-	554,808	2,731,620	1,567,951	1,204,068	6,495,010
Promissory notes	6,665,879	6,623,619	-	782,082	966,720	3,747,117	1,127,700	3,520,241
Other	189,453	185,703	56,286	16,980	1,101	21	111,315	259,157
Total	27,374,522	27,139,675	1,431,582	1,572,403	7,151,678	9,536,348	7,447,664	20,148,041

Consolidated	09/30/2023							12/31/2022
	Current Cost	Market / Book value	Without due date	Up to 3 months	From 3 to 12 months	From 1 to 3 years	Over 3 years	Market / Book value
Government bonds	2,090,817	2,092,637	-	-	843,918	761,276	487,443	859,910
Financial Treasury Notes	341,705	342,278	-	-	11,004	16,769	314,505	72,294
National Treasury Notes	1,569,085	1,577,421	-	-	832,914	744,507	-	-
Brazilian Foreign Debt Securities	180,027	172,938	-	-	-	-	172,938	787,616
Private securities	30,130,552	29,886,981	2,871,751	2,135,902	6,913,913	9,878,598	8,086,817	22,209,483
Stocks	2,871,751	2,871,751	2,871,751	-	-	-	-	2,373,916
Rural Product Note	9,151,739	9,098,544	-	218,533	2,614,355	3,090,813	3,174,843	6,612,834
Certificate of real estate receivables (CRI)	302,466	312,088	-	-	2,187	528	309,373	211,245
Corporate bond	3,690,158	3,620,627	-	251,857	46,046	1,059,429	2,263,295	2,710,234
Debentures	6,557,883	6,469,096	-	554,784	2,855,623	1,854,621	1,204,068	6,632,630
Promissory notes	6,665,879	6,623,619	-	782,082	966,720	3,747,117	1,127,700	3,520,241
Other	890,676	891,256	-	328,646	428,982	126,090	7,538	148,383
Total	32,221,369	31,979,618	2,871,751	2,135,902	7,757,831	10,639,874	8,574,260	23,069,393

d. Securities held to maturity

Bank	09/30/2023						12/31/2022	
	Current Cost / Book value	Up to 3 months	From 3 to 12 months	From 1 to 3 years	Over 3 years	Market	Current Cost	Market
Government bonds	2,225,106	-	-	-	2,225,106	2,168,372	-	-
National Treasury Notes	2,225,106	-	-	-	2,225,106	2,168,372	-	-

Consolidated	09/30/2023						12/31/2022	
	Current Cost / Book value	Up to 3 months	From 3 to 12 months	From 1 to 3 years	Over 3 years	Market	Current Cost	Market
Government bonds	8,432,774	-	2,562,897	2,017,446	3,852,431	8,213,033	8,816,005	8,558,728
National Treasury Notes	8,432,774	-	2,562,897	2,017,446	3,852,431	8,213,033	8,816,005	8,558,728
Private securities	52	52	-	-	-	52	50	50
Other	52	52	-	-	-	52	50	50
Total	8,432,826	52	2,562,897	2,017,446	3,852,431	8,213,085	8,816,055	8,558,778

The Bank has the intention and financial capacity to maintain these assets to maturity.

e. Reclassification of securities

In the periods ended September 30, 2023, there were no reclassifications of categories for securities by Management. In the year ended December 31, 2022, securities categories were reclassified in the amount of BRL 393,168 from the “trading” to the “available-for-sale” category. The category reclassifications were carried out in line with Management’s intention to manage securities, which considers the characteristics of securities.

9. Derivative financial instruments

The Bank and its subsidiaries actively participate in risk intermediation operations involving derivative financial instruments, meeting their own needs and those of their customers, in order to reduce exposure to the market, currency and interest rate risks. A few derivative financial instruments may be associated with transactions with bonds and securities or, even with rights and obligations.

The management of the risks involved in these operations is carried out through strict control policies, establishment of strategies, determination of limits, among other monitoring techniques. The risk exposure limits are approved by the Board of Directors, based on the policies mentioned above.

Transactions in Brazil are traded, and registered or held in custody at B3 S.A., when carried out abroad, in top-tier brokerages. The BTG Pactual Conglomerate uses different financial instruments for economic hedge, such as option, forward, future and swap with periodic adjustments. The use of these instruments is intended to hedge treasury positions in markets, in order to adjust the existing risk level in the portfolio to the exposure limits set forth, whenever the risk management and monitoring Committees/areas deem it necessary.

• Net investment hedge in operations abroad

In the period ended September 30, 2023, and the year ended December 31, 2022, the Bank’s net investment abroad hedge strategy consists in contracting hedge of exposure in foreign currency, arising from the functional currency of the operation abroad in relation to the Bank’s functional currency (Real).

For protection regarding changes in future cash flows in result of foreign exchange variation on the net investments, in operations abroad, the Bank uses future contracts, financial assets and forward agreements of NDF (Non-Deliverable Forward) contracts contracted by our subsidiaries abroad.

Bank and Consolidated	09/30/2023			Foreign exchange variation on investments (i)
	Hedge Instrument			
	Nominal value	Fair value changes (i)		
Hedge of net investment in foreign operations	18,293,825	637,740		(653,379)

Bank and Consolidated	12/31/2022			Foreign exchange variation on investments (i)
	Hedge Instrument			
	Nominal value	Fair value changes (i)		
Hedge of net investment in foreign operations	17,833,471	1,090,005		(1,088,823)

(i) Recorded in comprehensive income for the year/period.

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- **Fair value hedge**

The Bank adopts the fair value hedge strategy, which consists of accounting for the desired economic protection effects. The fixed rate exposure comes from the Financing and Structured Credit activity that the Bank operates with its customers through the Corporate Lending area, and due to the characteristics and practice of the Brazilian market.

In addition, to fund all of Banco BTG Pactual's business lines, funding is carried out through debt instruments indexed mainly to the CDI and IPCA percentage, consequently with intrinsic exposure to the fixed rate. The main objects protected through this strategy are Bank Deposit Certificates - CDB, Financial Notes - LF, Agribusiness Credit Bills - LCA and Real Estate Credit Bills - LCI.

The instruments designated for the hedging relationship, in turn, are DI and IPCA (DAP) futures and Swaps.

Bank and Consolidated	09/30/2023		
	Hedge Instrument		Hedge Object
	Nominal value	Market	
Fair value hedge	(26,016,079)	(1,009,623)	959,323
12/31/2022			
	Hedge Instrument		Hedge Object
	Nominal value	Market	
Fair value hedge	(14,403,135)	(770,541)	877,576

During the period ended September 30, 2023, a portion of the Hedge strategies was revoked, whose effective portion was BRL 155,021 and which will be deferred in income (loss) according to the terms of the Hedged items.

a. Notional values

The notional amounts of transactions with financial instruments are recorded in memorandum accounts and adjustments/premiums in balance sheet accounts. In the positions assumed resulting from operations with derivative financial instruments, as shown below, the provisions of BACEN Circular Letter 3641/2013 were considered, which provides for the exclusion of contracts in currency, gold and other assets linked to the exchange exposure, maturing in the first business day subsequent to the date of calculation of the foreign exchange exposure. Receivables and payables are presented separately for Swap, Non-Deliverable Forward (NDF) and Deliverable Forward (DF) derivatives in the table below.

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Bank	09/30/23				12/31/2022
	Up to 6 months	From 6 to 12 months	Over 1 year	Total	Total
Future market					
Long position	41,771,534	7,119,702	21,186,717	70,077,953	61,654,129
Currency	2,584,761	5,177	-	2,589,938	4,325
Interest rate	38,682,672	7,106,264	21,175,294	66,964,230	43,670,938
Commodities	236,568	8,261	11,423	256,252	1,541,009
Indexes	267,533	-	-	267,533	16,437,857
Short position	20,349,422	6,133,429	65,651,513	92,134,364	36,593,181
Currency	5,168,245	-	-	5,168,245	4,957,410
Interest rate	14,908,122	6,114,482	65,636,733	86,659,337	25,600,336
Commodities	172,734	18,947	14,780	206,461	1,305,590
Indexes	100,321	-	-	100,321	4,729,845
Swap	-	-	-	-	-
Asset position	185,905,168	54,303,891	551,133,023	791,342,082	849,893,950
Currency	65,509,020	6,428,438	233,084,488	305,021,946	298,678,615
Interest rate	114,119,819	46,760,008	313,987,137	474,866,964	545,998,743
Commodities	1,440,049	829,815	1,682,049	3,951,913	3,137,048
Indexes	1,848,910	142,272	1,988,001	3,979,183	-
Stocks	2,987,370	143,358	391,348	3,522,076	2,079,544
Liabilities position	187,089,098	54,742,817	550,896,801	792,728,716	849,893,950
Currency	66,662,623	6,501,283	251,857,962	325,021,868	298,678,615
Interest rate	113,733,413	47,183,819	295,306,683	456,223,915	545,998,743
Commodities	1,497,237	774,273	1,393,718	3,665,228	3,137,048
Indexes	1,847,572	139,898	1,798,016	3,785,486	-
Stocks	3,348,253	143,544	540,422	4,032,219	2,079,544
Credit derivatives	-	-	-	-	-
Asset position	-	203,509	5,830,805	6,034,314	1,348,213
Sovereign	-	7,436	140,213	147,649	33,837
Corporate	-	196,073	5,690,592	5,886,665	1,314,376
Liabilities position	-	184,380	7,686,286	7,870,666	5,198,876
Sovereign	-	1,252	165,251	166,503	33,837
Corporate	-	183,128	7,521,035	7,704,163	5,165,039
Forward contracts - NDF	-	-	-	-	-
Asset position	112,349,815	25,716,764	36,375,858	174,442,437	133,491,438
Currency	110,802,095	22,035,208	19,292,261	152,129,564	106,562,866
Commodities	(462,184)	1,134,899	6,448,180	7,120,895	26,928,572
Interest rate	2,009,904	2,546,657	10,635,417	15,191,978	-
Liabilities position	113,647,224	25,216,356	36,118,601	174,982,181	133,491,438
Currency	110,116,213	21,874,126	19,220,789	151,211,128	106,562,866
Commodities	2,190,459	1,576,344	6,470,136	10,236,939	26,928,572
Interest rate	1,340,552	1,765,886	10,427,676	13,534,114	-
Forward transactions	-	-	-	-	-
Asset position	7,986,643	-	-	7,986,643	7,142
Interest rate	3,685,371	-	-	3,685,371	-
Government bonds	4,301,272	-	-	4,301,272	7,142
Liabilities position	7,986,230	-	-	7,986,230	7,142
Interest rate	3,683,010	-	-	3,683,010	-
Government bonds	4,303,220	-	-	4,303,220	7,142
Options	-	-	-	-	-
Asset position	62,455,003	10,290,492	3,498,461	76,243,956	212,789,030
Purchase of call option	28,672,004	5,986,817	3,056,590	37,715,411	67,619,638
Indexes	87,901	47,955	-	135,856	-
Stocks	5,798,531	571,244	264,154	6,633,929	3,184,071
Commodities	5,860,434	620,167	22,634	6,503,235	1,407,593
Currency	13,475,828	4,218,260	323,089	18,017,177	53,043,152
Interest rate	3,449,310	529,191	2,446,713	6,425,214	9,984,822
Purchase of put options	33,782,999	4,303,675	441,872	38,528,546	145,169,392
Indexes	81,762	87,555	-	169,317	-
Stocks	8,636,755	322,076	217,856	9,176,687	957,842
Commodities	4,291,128	586,116	-	4,877,244	439,962
Currency	12,196,196	2,366,499	224,016	14,786,711	130,147,260
Interest rate	8,577,158	941,429	-	9,518,587	8,660,991
Others	-	-	-	-	4,963,337
Liabilities position	52,576,241	8,547,575	4,367,539	65,491,355	208,236,032
Sale of call option	24,210,932	4,290,247	4,116,629	32,617,808	64,042,231
Indexes	90,828	47,955	-	138,783	-
Stocks	4,264,111	547,927	1,652,593	6,464,631	56,234,012
Commodities	7,588,652	593,802	16,119	8,198,573	1,356,016
Currency	8,877,581	2,570,978	1,016	11,449,575	6,452,203
Interest rate	3,389,760	529,585	2,446,901	6,366,246	-
Sale of put option	28,365,309	4,257,328	250,911	32,873,548	144,193,801
Indexes	33,534	79,055	-	112,589	-
Stocks	9,253,846	307,398	184,411	9,745,655	131,016,808
Commodities	4,214,524	578,892	-	4,793,416	821,323
Currency	6,286,247	2,350,554	66,500	8,703,301	7,392,333
Interest rate	8,577,158	941,429	-	9,518,587	4,963,337
Asset position	410,468,163	97,634,358	618,024,864	1,126,127,385	1,259,183,902
Liabilities position	381,648,215	94,824,557	664,720,740	1,141,193,512	1,233,420,619

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Consolidated	09/30/23				12/31/2022
	Up to 6 months	From 6 to 12 months	Over 1 year	Total	Total
Future market					
Long position	52,080,221	7,794,597	24,315,113	84,189,931	63,524,718
Currency	2,698,326	47,591	18	2,745,935	326,896
Interest rate	46,538,025	7,133,203	24,303,672	77,974,900	43,903,695
Commodities	918,388	613,803	11,423	1,543,614	2,843,478
Indexes	1,925,482	-	-	1,925,482	16,450,649
Short position	46,586,629	12,408,908	81,025,763	140,021,300	57,514,170
Currency	14,805,362	1	-	14,805,363	5,270,756
Interest rate	28,885,508	12,339,561	80,823,401	122,048,470	43,324,813
Commodities	2,278,922	69,346	202,362	2,550,630	4,188,836
Indexes	616,837	-	-	616,837	4,729,765
Swap					
Asset position	115,488,119	49,150,837	64,032,190	228,671,146	204,628,644
Currency	26,014,189	6,395,529	6,442,355	38,852,073	24,270,800
Interest rate	86,080,195	42,188,178	54,392,872	182,661,245	177,024,152
Commodities	916,336	369,671	874,689	2,160,696	1,275,154
Indexes	1,843,669	138,059	1,969,302	3,951,030	-
Stocks	633,730	59,400	352,972	1,046,102	2,058,538
Liabilities position	115,277,424	49,261,577	65,064,333	229,603,334	204,628,564
Currency	26,356,933	6,467,168	7,159,546	39,983,647	24,270,800
Interest rate	85,368,766	42,332,281	54,849,206	182,550,253	177,024,152
Commodities	780,827	267,007	571,300	1,619,134	1,275,154
Indexes	1,842,815	135,535	1,778,338	3,756,688	-
Stocks	928,083	59,586	705,943	1,693,612	2,058,458
Credit derivatives					
Asset position	-	203,509	5,765,706	5,969,215	1,348,213
Sovereign	-	7,436	120,182	127,618	33,837
Corporate	-	196,073	5,645,524	5,841,597	1,314,376
Liabilities position	-	184,380	7,621,187	7,805,567	5,131,045
Sovereign	-	1,252	145,220	146,472	12,966
Corporate	-	183,128	7,475,967	7,659,095	5,118,079
Forward contracts - NDF					
Asset position	72,527,000	20,032,848	33,183,442	125,743,290	110,483,208
Currency	70,983,198	16,351,292	16,099,845	103,434,335	83,554,636
Commodities	(466,102)	1,134,899	6,448,180	7,116,977	26,928,572
Interest rate	2,009,904	2,546,657	10,635,417	15,191,978	-
Liabilities position	73,887,321	19,634,050	32,972,948	126,494,319	110,483,208
Currency	70,359,210	16,291,820	16,075,136	102,726,166	83,554,636
Commodities	2,187,559	1,576,344	6,470,136	10,234,039	26,928,572
Interest rate	1,340,552	1,765,886	10,427,676	13,534,114	-
Forward transactions					
Asset position	17,801,405	342,122	4,775,344	22,918,871	18,273,566
Interest rate	9,245,398	-	347	9,245,745	464,376
Commodities	420,480	145,950	33,619	600,049	17,205,768
Government bonds	7,953,635	171,637	4,737,657	12,862,929	465,818
Stocks	180,820	24,535	3,721	209,076	-
Currency	1,072	-	-	1,072	137,604
Liabilities position	17,705,475	249,988	4,756,444	22,711,907	17,809,190
Interest rate	9,247,387	-	349	9,247,736	-
Commodities	334,423	56,005	14,811	405,239	17,205,768
Government bonds	7,956,229	171,637	4,737,938	12,865,804	465,818
Stocks	166,845	22,346	3,346	192,537	137,604
Currency	591	-	-	591	-
Options					
Asset position	91,895,897	7,980,674	3,568,726	103,445,297	216,012,965
Purchase of call option	25,479,278	4,440,394	3,126,855	33,046,527	65,211,784
Indexes	543,546	47,955	-	591,501	-
Stocks	7,022,230	701,391	334,419	8,058,040	56,591,804
Commodities	5,896,093	620,167	22,634	6,538,894	1,433,412
Currency	8,469,842	2,541,690	323,089	11,334,621	7,186,568
Interest rate	3,547,567	529,191	2,446,713	6,523,471	-
Purchase of put option	66,416,619	3,540,280	441,872	70,398,771	150,801,181
Indexes	127,670	87,555	-	215,225	-
Stocks	17,217,952	323,269	217,856	17,759,077	136,738,219
Commodities	4,368,648	640,955	-	5,009,603	471,918
Currency	36,125,191	1,547,072	224,016	37,896,279	8,627,707
Interest rate	8,577,158	941,429	-	9,518,587	4,963,337
Liabilities position	77,189,076	8,159,508	4,483,046	89,831,630	206,904,120
Sale of call option	24,096,233	3,922,643	4,211,830	32,230,707	68,721,674
Indexes	762,519	47,955	-	810,474	-
Stocks	6,136,097	678,014	1,683,732	8,497,843	56,630,074
Commodities	7,611,047	623,323	16,119	8,250,489	1,402,701
Currency	7,185,504	2,043,766	65,078	9,294,349	6,266,135
Interest rate	2,401,066	529,585	2,446,901	5,377,552	4,422,764
Sale of put option	53,092,844	4,236,865	271,216	57,600,924	138,182,446
Indexes	90,944	79,055	-	169,999	-
Stocks	10,653,463	307,486	204,716	11,165,665	126,862,542
Commodities	4,220,203	578,892	-	4,799,095	845,943
Currency	29,551,076	2,330,003	66,500	31,947,578	5,510,624
Interest rate	8,577,158	941,429	-	9,518,587	4,963,337
Asset position	349,792,642	85,504,587	135,640,521	570,937,750	614,271,314
Liabilities position	330,645,925	89,898,411	195,923,721	616,468,057	602,470,297

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b. Notional value by counterparty

Bank	09/30/2023					12/31/2022
	Clearance / stock exchange	Financial institutions and Funds	Companies	Individuals	Total	Total
Future market						
Long position	69,131,976	945,977	-	-	70,077,953	61,654,129
Short position	91,866,061	268,303	-	-	92,134,364	36,593,181
Swap						
Asset position	30,556,818	713,922,046	46,574,286	288,932	791,342,082	849,893,950
Liability position	30,572,401	714,755,104	47,127,173	274,038	792,728,716	849,893,950
Credit derivatives						
Asset position	-	6,034,314	-	-	6,034,314	1,348,213
Liability position	-	7,870,666	-	-	7,870,666	5,198,876
Forward contracts - NDF						
Asset position	-	107,148,446	67,109,217	184,774	174,442,437	133,491,438
Liability position	-	106,831,302	67,985,973	164,906	174,982,181	133,491,438
Forward operations						
Asset position	-	7,959,049	-	27,594	7,986,643	7,142
Liability position	-	7,958,762	-	27,468	7,986,230	7,142
Options market						
Asset position	-	74,003,626	2,157,936	82,394	76,243,956	212,789,030
Liability position	-	63,589,136	1,846,245	55,974	65,491,355	208,236,032
Asset position	99,688,794	910,013,458	115,841,439	583,694	1,126,127,385	1,259,183,902
Liability position	122,438,462	901,273,273	116,959,391	522,386	1,141,193,512	1,233,420,619

Consolidated	09/30/2023					12/31/2022
	Clearance / stock exchange	Financial institutions and Funds	Companies	Individuals	Total	Total
Future market						
Long position	81,593,380	2,596,551	-	-	84,189,931	63,524,718
Short position	137,296,723	2,724,577	-	-	140,021,300	57,514,170
Swap						
Asset position	30,556,805	182,028,678	15,797,168	288,495	228,671,146	204,628,645
Liability position	30,572,401	182,319,414	16,437,891	273,628	229,603,334	204,628,565
Credit derivatives						
Asset position	-	5,969,215	-	-	5,969,215	1,348,213
Liability position	-	7,805,567	-	-	7,805,567	5,131,045
Forward contracts - NDF						
Asset position	-	62,590,994	62,967,522	184,774	125,743,290	110,483,208
Liability position	-	62,531,336	63,798,077	164,906	126,494,319	110,483,208
Forward operations						
Asset position	209,076	22,082,303	600,049	27,443	22,918,871	18,273,566
Liability position	192,537	22,086,816	405,239	27,315	22,711,907	17,809,190
Options market						
Asset position	28,989,076	72,162,986	2,210,841	82,394	103,445,297	216,012,965
Liability position	30,361,967	57,567,444	1,846,245	55,974	89,831,630	206,904,120
Asset position	141,348,337	347,430,727	81,575,580	583,106	570,937,750	614,271,315
Liability position	198,423,628	335,035,154	82,487,452	521,823	616,468,057	602,470,298

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c. Credit derivatives

	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Credit Swap				
Risk transferred				
Sovereign	147,649	33,837	127,618	33,837
Corporate	5,886,665	1,314,376	5,841,597	1,314,376
Risk received				
Sovereign	(166,503)	(33,837)	(146,472)	(12,966)
Corporate	(7,704,163)	(5,165,039)	(7,659,095)	(5,118,079)
Total	(1,836,352)	(3,850,663)	(1,836,352)	(3,782,832)

In the period ended September 30, 2023, and in the year ended December 31, 2022, there was no event of credit related to taxable events provided for in contracts.

d. By cost and market value

Bank	09/30/2023					12/31/2022
	Cost	Market	Up to 6 months	From 6 to 12 months	Over 1 year	Total
Swaps						
Asset position	1,924,370	22,826,372	1,246,296	347,743	21,232,333	4,558,491
Liability position	3,857,910	24,212,900	2,483,184	766,345	20,963,371	6,924,503
Credit derivatives						
Asset position	4,905	246,996	-	8,641	238,355	125,884
Liability position	31,161	72,856	-	7,298	65,558	246,270
Forward contracts - NDF						
Asset position	6,450,073	4,036,920	436,651	1,260,932	2,339,337	1,749,669
Liability position	4,909,901	4,577,546	1,778,855	747,700	2,050,991	4,837,054
Forward operations						
Asset position	7,983,257	7,986,643	7,986,643	-	-	7,088
Liability position	7,993,144	7,986,230	7,986,230	-	-	7,134
Options market						
Asset position	3,419,883	6,990,189	5,311,828	556,073	1,122,288	3,121,525
Liability position	2,863,698	6,149,501	4,450,141	410,815	1,288,545	2,034,096
Asset position	19,782,488	42,087,120	14,981,418	2,173,389	24,932,313	9,562,657
Liability position	19,655,814	42,999,033	16,698,410	1,932,158	24,368,465	14,049,057

Consolidated	09/30/2023					12/31/2022
	Cost	Market	Up to 6 months	From 6 to 12 months	Over 1 year	Total
Swaps						
Asset position	2,765,602	3,325,500	839,559	415,203	2,070,738	6,430,579
Liability position	4,031,332	4,381,980	812,491	505,618	3,063,871	4,088,255
Credit derivatives						
Asset position	4,905	243,816	-	8,641	235,175	124,003
Liability position	26,257	67,951	-	7,298	60,653	241,160
Forward contracts - NDF						
Asset position	6,911,161	4,583,220	1,033,378	1,304,467	2,245,375	2,534,071
Liability position	5,598,292	5,248,632	2,307,823	892,844	2,047,965	5,260,535
Forward operations						
Asset position	23,136,825	22,918,871	17,801,406	342,122	4,775,343	1,887,209
Liability position	22,936,297	22,711,907	17,705,475	249,988	4,756,444	2,085,240
Options market						
Asset position	3,709,170	7,144,515	5,461,505	499,246	1,183,764	3,312,354
Liability position	3,049,722	6,258,635	4,560,708	402,240	1,295,687	2,085,239
Asset position	36,527,663	38,215,922	25,135,848	2,569,679	10,510,395	14,288,216
Liability position	35,641,900	38,669,105	25,386,497	2,057,988	11,224,620	13,760,429

e. Margins pledged as guarantee

The guaranteed margin provided in operations traded on B3 S.A. and on other stock exchanges with derivative financial instruments is mainly composed of Brazilian government bonds, bonds issued by governments of other countries, debentures and others, totaling BRL 2,000,083 for the Bank and BRL 7,178,040 for the Consolidated (December 31, 2022 - BRL 1,107,398 and BRL 3,674,668).

10. Loan operations

Loan operations are classified into risk levels in accordance with the criteria established by CMN Resolution 2682/1999. Such classification considers, among other factors, a periodic analysis of transactions, delays, client history and transaction guarantees, as well as the application of internal models for retail operations.

The provision for expected losses associated with credit risk is recorded based on the risk levels of the operations defined by the Resolution.

Loan operations and other operations with credit granting characteristics can be shown as follows:

a. Loan operations

i. By type of credit

Type of credit	Bank				Consolidated			
	09/30/2023		12/31/2022		09/30/2023		12/31/2022	
	Balance	Provision	Balance	Provision	Balance	Provision	Balance	Provision
Loans	39,861,436	(2,001,294)	51,586,293	(1,978,747)	80,005,175	(3,451,215)	84,924,615	(3,848,090)
Financing	6,343,924	(225,670)	6,299,715	(500,823)	25,974,388	(1,593,928)	22,722,026	(1,490,735)
FINAME/BNDES	4,938,619	(24,020)	4,611,090	(22,298)	4,938,619	(24,020)	4,611,090	(22,298)
Operations with credit granting characteristics	1,069,546	(6,001)	1,002,312	(19,730)	2,742,068	(38,947)	3,294,589	(81,321)
Advance on foreign exchange contracts - ACC	3,022,705	(12,721)	3,600,871	(12,637)	3,022,705	(12,721)	3,600,871	(12,637)
Financing of securities	339,492	-	342,822	-	793,757	-	1,000,715	(17,667)
Credits assigned with co-obligation	-	-	-	-	103,580	(6,413)	198,221	(13,283)
Subtotal	55,575,722	(2,269,706)	67,443,103	(2,534,235)	117,580,292	(5,127,245)	120,352,127	(5,486,031)
Mark-to-market (i)	23,656	-	13,219	-	345,715	-	(243,078)	-
Total credit operations	55,599,378	(2,269,706)	67,456,322	(2,534,235)	117,926,007	(5,127,245)	120,109,049	(5,486,031)

(i) Considering market-to-market of items subject to hedge accounting.

ii. By risk level and maturity

Bank		09/30/2023					12/31/2022		
Risk level	Overdue	To become overdue				Total	Provision	Total	Provision
		Up to 6 months	From 6 to 12 months	After 12 months					
AA	211,169	11,851,496	3,917,692	11,876,013	27,856,370	-	30,992,091	-	
A	60,062	3,770,240	1,765,722	9,987,057	15,583,081	(79,816)	19,948,942	(99,754)	
B	102,606	1,664,556	886,553	4,486,819	7,140,534	(71,466)	9,499,502	(94,995)	
C	33	128,593	46,324	1,003,490	1,178,440	(63,614)	1,068,313	(60,078)	
D	2,339	24,132	12,849	651,084	690,404	(77,353)	916,009	(110,910)	
E	188,908	1,312	153	17,259	207,632	(85,680)	3,709,617	(1,216,058)	
F	1,908,359	1,096	363	387,928	2,297,746	(1,322,151)	658,222	(379,242)	
G	2,178	183,823	41,879	1,220	229,100	(177,211)	294,982	(217,773)	
H	148,754	23,144	17,325	203,192	392,415	(392,415)	355,425	(355,425)	
Total	2,624,408	17,648,392	6,688,860	28,614,062	55,575,722	(2,269,706)	67,443,103	(2,534,235)	

Consolidated		09/30/2023					12/31/2022		
Risk level	Overdue	To become overdue				Total	Provision	Total	Provision
		Up to 6 months	From 6 to 12 months	After 12 months					
AA	238,129	14,710,752	6,089,581	16,005,596	37,044,058	(15,671)	42,289,854	(13,737)	
A	198,617	13,849,466	8,052,944	35,012,736	57,113,763	(311,302)	50,137,685	(253,873)	
B	397,877	2,600,825	1,365,725	7,334,384	11,698,811	(138,445)	14,257,916	(171,334)	
C	206,683	588,805	412,369	1,856,365	3,064,222	(127,031)	3,043,999	(132,119)	
D	386,915	296,361	172,312	1,369,625	2,225,213	(248,964)	1,925,858	(193,275)	
E	367,641	141,708	109,725	400,080	1,019,154	(338,054)	4,537,909	(1,469,538)	
F	2,111,199	95,654	73,092	595,894	2,875,839	(1,611,197)	1,278,615	(649,439)	
G	191,136	259,714	98,248	270,453	819,551	(616,900)	935,290	(657,715)	
H	866,621	193,195	134,829	525,036	1,719,681	(1,719,681)	1,945,001	(1,945,001)	
Total	4,964,818	32,736,480	16,508,825	63,370,169	117,580,292	(5,127,245)	120,352,127	(5,486,031)	

iii. By activity sector

Sector	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Business	50,311	66,901	10,212,955	11,640,277
Industry	19,038,117	24,659,070	19,048,887	24,428,594
Services	32,621,941	37,300,196	43,388,333	40,669,149
Rural	480,309	685,904	484,162	689,604
Individuals	3,385,044	4,731,032	44,445,955	42,924,503
Total	55,575,722	67,443,103	117,580,292	120,352,127

b. Concentration of credit risk

	Bank				Consolidated			
	09/30/2023	%	12/31/2022	%	09/30/2023	%	12/31/2022	%
Greatest debtors								
10 greatest debtors	15,515,392	28%	21,201,876	33%	15,515,392	13%	21,201,876	18%
20 following greatest debtors	8,604,801	16%	10,195,916	15%	9,083,876	8%	10,779,033	9%
50 following greatest debtors	9,028,031	16%	9,765,745	14%	10,161,217	9%	11,481,976	10%
100 following greatest debtors	8,026,713	15%	8,976,383	13%	9,845,294	8%	11,348,026	9%
200 following greatest debtors	6,877,370	12%	7,734,794	11%	8,769,638	7%	10,228,237	8%
500 following greatest debtors	4,611,857	8%	4,737,404	7%	6,814,546	6%	7,108,204	6%
Over 500 greatest debtors	2,911,558	5%	4,830,985	7%	57,390,329	49%	48,204,775	40%
Total	55,575,722	100%	67,443,103	100%	117,580,292	100%	120,352,127	100%

c. Provisions for expected losses associated with credit risk

During the years, movement in provision for expected losses associated with credit risk was as follows:

	Bank		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Opening balances for the period	(2,534,235)	(1,074,129)	(5,486,031)	(3,379,335)
Reversal/(constitution) of provision	(98,312)	(524,514)	(1,752,238)	(2,391,534)
Write-offs - against the provision	362,841	153,924	2,111,024	1,853,667
Closing balances for the period	(2,269,706)	(1,444,719)	(5,127,245)	(3,917,202)

d. Renegotiation

Bank

- Credit operations renegotiated from January 01, 2023, to September 30, 2023: BRL 158,564 (BRL 218,134 – for the same period of 2022).
- Settlements of contracts previously renegotiated from January 01, 2023, to September 30, 2023: BRL 399,060 (BRL 80,522 – for the same period of 2022).
- Amount written off to loss in from January 01, 2023, to September 30, 2023, of contracts previously renegotiated. BRL 44,593 (BR 8,927, for the same period of 2022).

Consolidated

- Credit operations renegotiated from January 01, 2023, to September 30, 2023: BRL 1,110,324 (BRL 973,488 – for the same period of 2022).
- Settlements of contracts previously renegotiated from January 01, 2023, to September 30, 2023: BRL 652,216 (BRL 158,154 – for the same period of 2022).
- Amount written off to loss from January 01, 2023, to September 30, 2023, of contracts previously renegotiated. BRL 67,185 (BRL 23,555 – for the same period of 2022).

e. Recovery of credits written off to loss

Bank

From January 01, 2023, to September 30, 2023, BTG Pactual Group recognized the revenue from credit recovery of credits written-off to loss, in the amount of BRL 17,751 (For the same period of 2022 – BRL 118,201).

Consolidated

From January 01, 2023, to September 30, 2023, the BTG Pactual Group recognized the revenue from credit recovery of credits written-off to loss, in the amount of BRL 220,212 (For the same period of 2022 – BRL 374,902).

f. Guarantees provided

Bank

On September 30, 2023, the Bank had sureties and guarantees provided in the amount of BRL 35,519,038 (December 31, 2022 – BRL 33,250,032). Provisions for loss related to said positions correspond to the amount of BRL 281,747 (December 31, 2022 – BRL 210,756).

Consolidated

On September 30, 2023, the BTG Pactual Group had sureties and guarantees provided in the amount of BRL 35,524,040 (December 31, 2022 – BRL 34,155,948). Provisions for loss related to these positions correspond to the amount of BRL 297,928 (December 31, 2022 – BRL 234,298).

11. Foreign exchange portfolio

a. Assets – Other receivables

	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Receivables from foreign exchange sales	9,569,956	37,698,067	9,994,053	38,166,987
(-) Advances in domestic currency received	(7,044)	(6,759)	(7,044)	(6,759)
Local currency	9,562,912	37,691,308	9,987,009	38,160,228
Purchased foreign exchange to be settled	9,620,518	9,602,967	9,525,132	8,941,392
(-) Advances in foreign currency received	(192,515)	(130)	(192,515)	(130)
Foreign currency	9,428,003	9,602,837	9,332,617	8,941,262
Total	18,990,915	47,294,145	19,319,626	47,101,490
Current	18,902,084	47,242,897	19,235,750	47,050,374
Non-current	88,831	51,248	83,876	51,116

b. Liabilities – Other liabilities

	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Sold foreign exchange to be settled	9,465,285	37,968,934	9,234,015	37,979,509
Foreign currency	9,465,285	37,968,934	9,234,015	37,979,509
Obligations from foreign currency purchases	12,720,894	12,874,884	13,187,578	12,482,472
(-) Advances on exchange contracts	(2,995,537)	(3,513,566)	(2,995,537)	(3,513,566)
Local currency	9,725,357	9,361,318	10,192,041	8,968,906
Total	19,190,642	47,330,252	19,426,056	46,948,415
Current	19,112,559	47,313,789	19,316,583	46,946,672
Non-current	78,083	16,463	109,473	1,743

12. Other receivables

a. Income receivable

	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Dividends and bonuses	389,202	341,648	178,707	140,965
Services rendered receivable	37,026	22,637	202,554	206,226
Electricity transaction rights	1,029,985	157,018	1,341,552	157,018
Management and performance fees of funds and investment portfolios	7,762	9,757	786,536	1,011,786
Distribution fee	16,898	16,771	16,968	16,817
Commission on surety	22,693	36,309	28,448	42,124
Total	1,503,566	584,140	2,554,765	1,574,936
Current	493,037	539,912	1,361,495	1,500,316
Non-current	1,010,529	44,228	1,193,270	74,620

b. Others

	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Sundry debtors (i)	7,074,282	7,120,838	7,311,669	5,761,771
Judicial deposits	1,275,866	1,188,688	3,459,341	2,941,481
Recoverable tax income	204,661	326,724	2,226,176	1,632,120
Commodities	-	-	862,615	554,619
Trading and intermediation of securities	3,799,552	3,660,026	7,308,785	5,298,359
Without credit granting characteristics	452,337	716,490	7,733,054	7,717,086
Investment property	-	-	706,510	570,835
Others	85,604	682,680	1,042,648	231,128
Total	12,892,302	13,695,446	30,650,798	24,707,399
Current	5,151,417	5,454,262	16,679,775	13,139,179
Non-current	7,740,885	8,241,184	13,971,023	11,568,220

(i) At the bank, it mostly refers to amounts receivable from subsidiaries. In the Consolidated, it corresponds mainly to receivables from forward sales of commodities.

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Banco BTG Pactual S.A.

(In thousands of reais, unless otherwise stated)

13. Participation in subsidiaries, affiliates, and jointly controlled companies

Bank	Subsidiaries, affiliates, and jointly controlled companies					
	Adjusted equity (i)		Adjusted net income/(loss) (i)		Direct participation	
	09/30/2023	12/31/2022	09/30/2023	09/30/2022	09/30/2023	12/31/2022
BTG Pactual Holding Internacional S.A.	11,216,638	11,062,467	559,643	679,625	99.99%	99.99%
Banco Sistema S.A.	4,063,647	4,224,116	(161,164)	199,956	99.97%	99.97%
Banco Pan S.A.	6,904,557	7,508,764	(383,408)	460,682	48.08%	48.02%
Banco BESA S.A. (ii)	2,884,213	1,839,429	1,116,977	-	100.00%	96.50%
BTG Pactual Corretora de Títulos e Valores Mobiliários S.A.	1,551,740	1,416,567	135,173	179,666	99.99%	99.99%
ECTP Brasil S.A.	7,276,890	-	(16,141)	-	100.00%	-
BTG Pactual Asset Management S.A. DTVM	935,141	811,542	141,200	73,092	99.99%	99.99%
BTG Pactual Holding de Seguros Ltda.	873,566	915,317	143,547	112,462	99.99%	99.99%
BTG Pactual Holding Participações S.A.	739,070	213,741	523,695	81,339	99.99%	99.99%
BTG Pactual (Cayman) Internacional Holding Ltd.	691,782	577,543	114,539	21,685	100.00%	100.00%
BTG Pactual Serviços Financeiros S.A. DTVM	603,188	375,174	228,014	183,787	99.99%	99.99%
BW Properties S.A.	522,828	521,626	1,202	2,121	85.27%	75.54%

(i) Considers adjustments to unrealized income or loss in transactions between the parent company and its subsidiaries.

(ii) Directly controlled as of the first semester of 2023. On December 31, 2022, the entity was an indirect investee of the Bank through Holding Internacional S.A.

Bank	Movement in investments							
	12/31/2022	Acquisition / Contribution / Transfer / (Sales)	Dividends/Interest on equity	Income from interest	Foreign exchange variation	Equity valuation adjustment	09/30/2023	Income from interest on 09/30/2022
BTG Pactual Holding Internacional S.A.	11,061,926	-	-	559,643	(427,702)	22,771	11,216,638	679,625
Banco Sistema S.A.	4,223,076	-	-	(161,124)	-	695	4,062,647	199,861
Banco Pan S.A.	3,605,950	(5,622)	(97,798)	(184,330)	-	1,286	3,319,486	477,841
Banco BESA S.A. (ii)	1,766,559	23,165	-	1,116,977	-	(22,488)	2,884,213	-
BTG Pactual Corretora de Títulos e Valores Mobiliários S.A.	1,416,567	-	-	135,173	-	-	1,551,740	179,666
ECTP Brasil S.A.	-	7,286,193	-	(10,528)	-	1,225	7,276,890	-
BTG Pactual Asset Management S.A. DTVM	811,542	-	-	141,200	-	(17,601)	935,141	72,867
BTG Pactual Holding de Seguros Ltda.	915,244	-	(184,154)	143,547	-	(1,071)	873,566	112,462
BTG Pactual Holding Participações S.A.	213,740	-	-	523,694	1,635	-	739,069	81,339
BTG Pactual (Cayman) Internacional Holding Ltd.	577,543	-	-	114,539	(17,972)	17,672	691,782	21,865
BTG Pactual Serviços Financeiros S.A. DTVM	375,174	-	-	228,013	-	-	603,187	183,787
BW Properties S.A.	394,019	50,774	-	1,025	-	-	445,818	775
Outros (i)	5,803,341	140,127	(2,413)	403,638	(2)	(37,197)	6,307,494	303,759
Total	31,164,681	7,494,637	(284,365)	3,011,467	(444,041)	(34,708)	40,907,671	2,313,847

(i) The balance of the financial item in question is composed of goodwill paid on the acquisition of companies (which are transferred to intangible assets upon consolidation of the Bank), and balances referring to the following interests: 100% - Vitreo Holding S.A., 100% - Vitreo Holding Financeira S.A., 100% - Empiricus Research Publicações S.A., 100% - BTG Pactual Inst. Pagto. – Pay2All, 100% - BTG Investment Banking, 70% - Pris Software Ltda., 49.90% EQI Investimentos, 21.24% - Eneva and 6.67% - Galgo S.A (On December 31, 2022 – 100% - Vitreo Holding S.A., 100% - Vitreo Holding Financeira S.A., 100% - Empiricus Research Publicações S.A., 100% - BTG Pactual Inst. Pagto. – Pay2All, 21.53% - Eneva and 6.67% - Galgo S.A).

(ii) Acquisition on the 4^o quarter of 2022.

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Banco BTG Pactual S.A.



	Equity		Subsidiaries, affiliates, and jointly controlled companies		Direct participation	
	09/30/2023	12/31/2022	Net income / (loss)		09/30/2023	12/31/2022
			09/30/2023	09/30/2022		
Too Seguros S.A.	652,980	450,877	254,907	217,995	51.00%	51.00%
Pan Corretora S.A.	67,054	49,044	41,893	47,765	51.00%	51.00%
BTG Pactual Holding S.A.R.L.	3,731,565	3,427,813	1,659,881	1,079,848	40.00%	40.00%

	Movement in investments							
	12/31/2022	Acquisition / Contribution / Transfer / (Sales)	Dividends/Interest on equity	Income from interest	Foreign exchange variation	Equity valuation adjustment	09/30/2023	Income from interest on 09/30/2022
Too Seguros S.A.	229,947	-	(27,198)	130,003	-	268	333,020	62,924
Pan Corretora S.A.	25,011	-	(12,178)	21,365	-	-	34,198	17,263
BTG Pactual Holding S.A.R.L.	1,371,125	-	(494,350)	663,953	(48,101)	-	1,492,626	124,964
Other (i)	5,768,152	(223,914)	(11,551)	195,186	(20,307)	(25,091)	5,682,475	462,316
Total	7,394,235	(223,914)	(545,278)	1,010,507	(68,408)	(24,822)	7,542,319	667,467

(i) The financial item "Other" includes basically balances related to the following interest: Eneva: 21.24%, Galgo S.A.: 6.67% and Visum: 50% (As of December 31, 2022 – Eneva 21.53%, Galgo S.A. 6.67%, and Visum 50%).

Complete financial statements

Banco BTG Pactual S.A.

(In thousands of reais, unless otherwise stated)

14. Fixed and intangible assets

Bank	Activity				
	12/31/2022	Acquisitions / Transfer / Write-off	Amortization / Depreciation (i)	Foreign exchange variation	09/30/2023
Fixed assets					
Property for use	3,089	-	-	-	3,089
Other fixed assets for use	451,707	10,522	-	-	462,229
Accumulated depreciation	(245,682)	(842)	(26,834)	-	(273,358)
Total	209,114	9,680	(26,834)	-	191,960
Intangible assets					
Cost	939,321	145,293	-	(703)	1,083,911
Accumulated amortization	(334,895)	(17,085)	(221,130)	703	(572,407)
Total	604,426	128,208	(221,130)	-	511,504

Consolidated	Activity				
	12/31/2022	Acquisitions / Transfer / Write-off	Amortization / Depreciation (i)	Foreign exchange variation	09/30/2023
Fixed assets					
Property for use	8,904	16,944	-	(43)	25,805
Other fixed assets for use	993,763	73,920	-	2,515	1,070,198
Accumulated depreciation	(494,049)	13,234	(95,952)	(558)	(572,325)
Total	508,618	104,098	(95,952)	1,914	518,678
Intangible assets					
Cost	6,036,529	152,443	-	23,288	6,212,260
Accumulated amortization	(1,333,142)	47,862	(644,729)	(4,425)	(1,934,434)
Total	4,703,387	200,305	(644,729)	18,863	4,277,826

(i) The average period of depreciation and amortization of property, plant and equipment and intangible assets of 5 years.

The goodwill paid on the acquisition of companies is stated under interests in subsidiaries, being transferred to intangible assets in the Bank's consolidation process.

On June 2022, the evaluation of the allocation of assets for the acquisition of Banco Pan S.A. was concluded, with no material effects on the lines of assets. No need for impairment has been identified in the period.

15. Fundraising and borrowings and onlendings

a. Summary

	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Deposits	120,634,426	101,544,487	129,490,998	115,749,672
Securities sold under repurchase agreements	105,461,623	78,555,680	103,659,546	87,139,332
Funds from acceptances and issuance of securities	52,684,797	51,220,628	71,190,286	67,944,679
Borrowings and onlendings	11,832,118	14,727,150	12,892,453	17,693,933
Subordinated debts and debt instruments eligible to capital	15,476,037	7,665,952	16,005,576	8,220,005
Total	306,089,001	253,713,897	333,238,859	296,747,621

b. Deposits

Bank	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 year to 3 years	From 3 year to 5 years	Over 5 years	Total
Demand deposits	5,091,836	5,091,836	-	-	-	-	7,854,696
Interbank deposits	6,495,552	373,998	2,594,673	3,526,881	-	-	5,102,271
Time deposits	109,046,196	55,713,637	49,254,345	3,250,815	719,767	107,632	88,592,353
Subtotal	120,633,584	61,179,471	51,849,018	6,777,696	719,767	107,632	101,549,320
Mark-to-market (i)	842	-	-	-	-	-	(4,833)
Total	120,634,426						101,544,487

Consolidated	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 year to 3 years	From 3 year to 5 years	Over 5 years	Total
Demand deposits	5,918,778	5,918,778	-	-	-	-	8,641,922
Interbank deposits	5,982,756	579,933	2,090,231	3,312,592	-	-	4,590,532
Time deposits	117,459,718	44,657,477	57,796,950	10,914,484	3,982,734	108,073	102,303,311
Other deposits	128,904	128,904	-	-	-	-	218,740
Subtotal	129,490,156	51,285,092	59,887,181	14,227,076	3,982,734	108,073	115,754,505
Mark-to-market (i)	842	-	-	-	-	-	(4,833)
Total	129,490,998						115,749,672

(i) Considering market-to-market of items subject to hedge accounting.

Complete financial statements

Banco BTG Pactual S.A.



c. Securities sold under repurchase agreements

Securities sold under repurchase agreements are guaranteed by the following securities:

Bank	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 year to 3 years	From 3 year to 5 years	Over 5 years	Total
Assets pledged as collateral	43,326,989	34,020,285	9,305,872	-	832	-	15,709,373
Brazilian government bonds	30,799,799	30,375,885	423,914	-	-	-	9,613,117
Corporate securities	12,430,600	3,572,882	8,856,886	-	832	-	5,942,561
Brazilian Foreign Debt Securities	71,514	71,514	-	-	-	-	153,695
Bonds of Governments of other countries	25,076	4	25,072	-	-	-	153,695
Assets received as collateral	57,094,992	57,094,992	-	-	-	-	48,740,927
Right to sell or repledge the collateral	5,039,642	1,553,561	2,257,060	83,797	-	1,145,224	14,105,380
Total	105,461,623	92,668,838	11,562,932	83,797	832	1,145,224	78,555,680

Consolidated	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 year to 3 years	From 3 year to 5 years	Over 5 years	Total
Assets pledged as collateral	46,897,150	39,498,077	7,355,044	167	832	43,030	23,533,248
Brazilian government bonds	32,760,532	32,333,689	426,676	167	-	-	14,830,125
Corporate securities	11,642,994	4,694,556	6,904,576	-	832	43,030	7,024,163
Securities issued by other governments	155,879	155,879	-	-	-	-	270,732
Brazilian Foreign Debt Securities	2,337,745	2,313,953	23,792	-	-	-	1,408,228
Assets received as collateral	53,564,723	53,312,131	-	252,592	-	-	46,304,707
Right to sell or repledge the collateral	3,197,673	643,314	-	83,797	-	2,470,562	17,301,377
Total	103,659,546	93,453,522	7,355,044	336,556	832	2,513,592	87,139,332

d. Funds from acceptances and issuance of securities

Bank	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 year to 3 years	From 3 year to 5 years	Over 5 years	Total
Securities – Domestic	43,072,320	7,506,758	13,753,684	15,221,906	4,978,864	1,611,108	40,175,137
Financial Notes	22,327,262	1,822,635	5,475,276	11,421,368	2,463,726	1,144,257	19,308,609
Real estate credit/agribusiness receivables	17,639,015	5,551,803	8,039,326	3,057,299	716,081	274,506	18,904,449
Structured notes	3,106,043	132,320	239,082	743,239	1,799,057	192,345	1,962,079
Securities – Foreign	9,769,335	26,082	560,646	7,421,284	1,474,978	286,345	11,590,621
Medium term notes	6,904,455	-	-	6,904,455	-	-	9,109,512
Credit - linked notes and others	2,864,880	26,082	560,646	516,829	1,474,978	286,345	2,481,109
Subtotal	52,841,655	7,532,840	14,314,330	22,643,190	6,453,842	1,897,453	51,765,758
Mark-to-market (i)	(156,858)	-	-	-	-	-	(545,130)
Total	52,684,797						51,220,628

Consolidated	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 year to 3 years	From 3 year to 5 years	Over 5 years	Total
Securities – Domestic	59,627,108	8,191,213	17,897,361	22,344,987	7,894,293	3,299,254	53,326,359
Financial Notes	34,573,845	2,474,669	9,553,960	18,541,860	2,854,098	1,149,258	29,848,247
Real estate credit/agribusiness receivables	17,739,018	5,584,224	8,104,319	3,059,888	716,081	274,506	18,910,600
Structured notes	3,106,043	132,320	239,082	743,239	1,799,057	192,345	1,939,481
Certificates of agribusiness receivables	4,208,202	-	-	-	2,525,057	1,683,145	2,470,305
Debentures	-	-	-	-	-	-	157,726
Securities – Foreign	11,720,036	1,180,712	1,030,050	7,828,315	1,050,506	630,453	15,163,450
Medium term notes	9,557,206	613,409	469,352	7,633,383	496,954	344,108	11,803,051
Credit - linked notes and others	2,162,830	567,303	560,698	194,932	553,552	286,345	3,360,399
Subtotal	71,347,144	9,371,925	18,927,411	30,173,302	8,944,799	3,929,707	68,489,809
Mark-to-market (i)	(156,858)	-	-	-	-	-	(545,130)
Total	71,190,286						67,944,679

(i) Considering market-to-market of items subject to hedge accounting.

e. Borrowings and onlendings

Bank	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 year to 3 years	From 3 year to 5 years	Over 5 years	Total
Foreign loans	7,143,743	1,734,832	1,383,011	809,934	2,213,144	1,002,822	5,999,123
Liabilities in foreign currencies	5,408,919	8	1,383,011	809,934	2,213,144	1,002,822	5,465,954
Foreign borrowings	1,734,824	1,734,824	-	-	-	-	533,169
Domestic loans and onlendings	4,688,375	5,143	117,569	203,620	-	4,362,043	8,728,027
Liquidity financial lines	-	-	-	-	-	-	4,361,552
FINAME/BNDES	4,688,375	5,143	117,569	203,620	-	4,362,043	4,366,475
Total	11,832,118	1,739,975	1,500,580	1,013,554	2,213,144	5,364,865	14,727,150

Consolidated	09/30/2023						12/31/2022
	Total	Up to 90 days	From 90 to 365 days	From 1 year to 3 years	From 3 year to 5 years	Over 5 years	Total
Foreign loans	8,144,174	2,212,206	1,384,539	1,331,463	2,213,144	1,002,822	7,097,919
Liabilities in foreign currencies	5,408,919	8	1,383,011	809,934	2,213,144	1,002,822	5,465,954
Foreign borrowings	2,735,255	2,212,198	1,528	521,529	-	-	1,631,965
Domestic loans and onlendings	4,748,279	5,143	117,569	210,834	52,141	4,362,592	10,596,014
Liquidity financial lines	-	-	-	-	-	-	4,361,552
FINAME/BNDES	4,748,279	5,143	117,569	210,834	52,141	4,362,592	6,234,462
Total	12,892,453	2,217,349	1,502,108	1,542,297	2,265,285	5,365,414	17,693,933

f. Subordinated debts and debt instruments eligible to capital

Bank							Book balance at 12/31/2022
Name of currency - original currency	Principal amount (original currency)	Issue	Maturity	Compensation p.a.	Book balance at 09/30/2023		Book balance at 12/31/2022
Subordinated financial notes eligible to equity - BRL (i)	12,555,195	02/11/2019 - 09/29/2023	01/23/2026 - 04/03/2034	100% - 126% CDI	12,555,195		4,491,422
Subordinated financial notes eligible to equity - BRL	60,813	03/22/2019 - 03/21/2023	Perpetual	100% - 126% CDI	60,813		53,152
Subordinated notes - US\$	1,738	02/15/2019	02/15/2029	7.75%	8,706		37,555
Subordinated notes eligible to capital - US\$	590,541	02/15/2019	02/15/2029	7.75%	2,957,194		3,141,063
Subtotal					15,581,908		7,723,192
Mark-to-market (ii)					(105,871)		(57,240)
Total					15,476,037		7,665,952

Consolidated							Book balance at 12/31/2022
Name of currency - original currency	Principal amount (original currency)	Issue	Maturity	Compensation p.a.	Book balance at 09/30/2023		Book balance at 12/31/2022
Subordinated financial notes eligible to equity - BRL (i)	12,567,739	11/02/2019 - 29/09/2023	23/01/2026 - 03/04/2034	100% - 140% CDI	12,567,738		4,502,409
Subordinated financial notes eligible to equity - BRL	60,813	22/03/2019 - 21/03/2023	Perpetual	110% - 126% CDI	60,813		53,152
Subordinated notes - USD	1,738	15/02/2019	15/02/2029	7.75%	8,706		37,555
Subordinated notes - CLP	91,992,128	16/01/2019	01/11/2028	2.25%	516,996		543,066
Subordinated notes eligible to capital - USD	590,541	15/02/2019	15/02/2029	7.75%	2,957,194		3,141,063
Subtotal					16,111,447		8,277,245
Mark-to-market (ii)					(105,871)		(57,240)
Total					16,005,576		8,220,005

- (i) Financial notes differ in issue date, maturities, rates, and principal amount, with semi-annual amortization.
- (ii) Considering market-to-market of items subject to hedge accounting.

16. Other liabilities

a. Social and statutory

	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Dividends and bonuses payable	-	1,269,380	65,447	1,364,124
Profit sharing / Employee bonuses	1,119,000	1,202,000	1,955,865	2,205,595
Total	1,119,000	2,471,380	2,021,313	3,569,719
Current	1,119,000	2,471,380	2,021,313	3,569,719
Non-current	-	-	-	-

b. Tax and social security

	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Taxes and contributions payable	178,794	8,776	397,507	194,566
Taxes and contributions payable	350,985	409,309	2,140,071	1,289,591
Total	529,779	418,085	2,537,578	1,484,157
Current	266,378	99,270	2,196,244	1,165,342
Non-current	263,401	318,815	341,334	318,815

c. Sundry

	Bank		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Trading and intermediation of securities	3,515,712	4,444,306	11,229,355	8,713,810
Payables for acquisition of properties and rights (i)	276,472	249,995	276,672	250,195
Provision for accounts payable	210,746	215,941	2,195,487	3,012,580
Miscellaneous creditors and deferred revenues (ii)	1,399,704	1,628,524	25,905,256	19,972,506
Total	5,402,630	6,538,766	39,606,770	31,949,091
Current	3,945,920	5,933,839	37,649,116	30,486,703
Non-current	1,456,710	604,927	1,957,654	1,462,388

- (i) Refers to amounts payable for the acquisition of investments (mainly Banco Pan S.A.).
- (ii) In the individual level, it mainly refers to amounts payable between Group companies. In Consolidated, it refers mainly to mathematical provision for benefits to be granted to participants of pension plans.

17. Provisions and contingent liabilities

The Bank's Management assesses the existing contingencies due to legal proceedings filed against the companies of the BTG Pactual Group, and make a provision, whenever considered appropriate, to cover probable losses arising from these legal proceedings. The Management's judgment considers the opinion of their external and internal lawyers about the expectation of success for each proceeding.

a. Provision

i. Tax

It is constituted by lawsuits from former employees, mainly consisting of requests for overtime and salary equalization. The amounts of the provision are estimated according to the analysis of the potential amount of loss, considering, among others, the stage of the process and the opinions of external legal advisors.

ii. Civil

Provisions for tax and social security arise from judicial and administrative lawsuits related to federal taxes, state, and municipal taxes. Its constitution is based on the probability of outflow of resources, also considering the opinion of external legal advisors and the instance in which each of the processes is held.

iii. Labor

It is constituted by lawsuits from former employees, mainly consisting of requests for overtime and salary equalization. The amounts for contingencies are provisioned based on an analysis of the potential loss amount, considering, but not limited to, the current stage of the process and the opinion of external and internal legal advisors

b. Composition and movement of the provision

The provisions recorded at the beginning and end of the period and the respective movement can be shown as of September 30, 2023, as follows:

Bank	09/30/2023					
	Tax			Civil	Labor	Total
	Legal Obligation	Tax and social security obligations	Total			
Balance at the beginning of the period	1,164,016	1,161	1,165,177	31,845	37,174	1,234,196
Constitution / Reversal	64,038	35	64,073	23,413	3,031	90,517
Remand	(428)	-	(428)	(1,493)	(5,638)	(7,559)
Balance at the end of the period	1,227,626	1,196	1,228,822	53,765	34,567	1,317,154

Consolidated	09/30/2023					
	Tax			Civil (i)	Labor	Total
	Legal Obligation	Tax and social security obligations	Total			
Balance at the beginning of the period	1,373,158	1,685,971	3,059,129	1,815,755	216,562	5,091,446
Constitution / Reversal	119,161	(85,431)	33,730	321,517	(9,168)	346,079
Remand	(96,383)	-	(96,383)	(220,683)	(52,499)	(369,565)
Balance at the end of the period	1,395,936	1,600,540	2,996,476	1,916,589	154,895	5,067,960

(i) On September 30, 2023, it considers provision for other non-litigious risks in the amount of BRL 703,987 (BRL 687,258 on December 31, 2022). From this amount, BRL 44,197 are increases/reversals and BRL (27,469) are from written offs for payment purposes.

i. Taxes with enforceability suspended and other tax liabilities

The Bank has been challenging in court the legality of certain taxes and contributions. The amounts relating to legal obligations and contingencies assessed by internal and external lawyers as probable losses are provisioned in the amount that Management deems appropriate to cover future losses. Among the legal discussions, we highlight the process involving the legality of the charging COFINS in accordance with the rules established by Law 9718/98.

On September 30, 2023, the Bank was party to tax proceedings with a possible outcome, which are not provisioned. The following is a description of the significant proceedings.

- Proceedings related to the payment of Share of Profit and Results (PLR), in which the alleged levy of social security contribution on the amounts regarding its interest and its deductibility from the IRPJ (Corporate Income Tax) and CSLL (Social Contribution on Net Income) calculation basis is being discussed. The amount involved is BRL 1,412 million. Part of this amount is guaranteed by an indemnity clause, as it refers to the period prior to the acquisition of the Bank by the current controllers.
- Proceeding related to the demutualization and the IPO of Bovespa and of BM&F, in which the taxation of PIS (Social Integration Program) and Cofins (Contribution to Social Security Financing) on income earned on the sale of shares of said companies is being discussed. The amount involved is BRL 65 million and is also guaranteed by an indemnity clause, as it refers to the period prior to the acquisition of the Bank by the current controllers.

- In December 2015, a tax deficiency notice in the amount of BRL 2,132 million was received, referring to the years 2010 and 2011, in which the tax authority considered undue the use of goodwill generated in the operations of acquisition of the Bank by UBS, carried out in 2006, as well as in the repurchase of the Bank by BTG, in 2009. A defense against this notice was presented by the Administrative Council of Tax Appeals of the Brazilian Federal Revenue Service (CARF), which was judged partially favorable to reduce the amount of the tax deficiency notice by BRL 278 million. Against the unfavorable party, the Bank also appealed to CARF, which, in February 2019, was granted for the use of the goodwill generated in the acquisition transaction of the Bank by UBS. Appeals were filed against that decision by PGFN and the Bank.
- In December 2017, a tax deficiency notice in the amount of BRL 1,178 million was received, referring to 2012, in which it was considered improper to use the goodwill generated in the operations of acquisition of the Bank by UBS carried out in 2006, the goodwill related to the repurchase of the Bank by BTG in 2009 and the goodwill generated in the private subscription of shares carried out by investors through Companhia Copa Prince, in 2011. In October 2019, the second administrative level judged partially valid to recognize goodwill generated in the private subscription of shares carried out by investors through Companhia Copa Prince. Appeals were filed against that decision by the Bank and PGFN. In December 2018, a tax deficiency notice amounting to BRL 537 million was received regarding 2013. A defense was filed against this notice, which is awaiting a decision by the second administrative instance. Finally, in February 2019, a tax deficiency notice was received in the amount of BRL 324 million, referring to 2014. A defense was presented against this action, which is awaiting judgment at the second administrative instance. The Bank does not expect to incur any loss (other than resource expenses) related to the tax deficiency notice and has not established (and does not expect to establish) any provision in its financial statements. In addition to the assessment as to the invalidity of the tax deficiency notice, should the Bank incur losses, Management believes it has the right to be indemnified by its parent company for part of these losses. Hence, in no event does BTG Pactual expect to incur any material loss related to this matter.
- In December 2017, the Bank received a tax deficiency notice in which an alleged insufficient payment of PIS and COFINS is discussed and imposes a separate fine, referring to 2012, in the amount of BRL 238 million. An administrative appeal was filed against the notice, which was partially granted to exclude the isolated fine. Against the unfavorable part of the decision, an appeal was filed at the second administrative instance.
- In December 2017, as jointly and severally liable for Banco Pan S.A., the Bank received an IRRF tax deficiency notice allegedly due on the sale of an investment in Brazil by a foreign entity, referring to 2012, in the amount of BRL 91 million. An administrative appeal was filed against the notice, which is awaiting judgment at the second administrative instance.
- In December 2017, the Bank received a tax deficiency notice seeking to collect Income Tax on the alleged capital gain in the merger of companies, when One Properties was incorporated by BR Properties, in the amount of BRL 1,325 million. An administrative appeal was filed against the notice, which is awaiting judgment at the second administrative instance.
- In December 2018, the Bank was aware of the non-approval of the offsetting of the negative balance of IRPJ (Corporate Income Tax), referring to 2013, in the amount of BRL 82 million. In June 2019, an unfavorable decision was rendered at the administrative trial court. An appeal was filed against this decision, which is awaiting judgment at the second administrative instance. In March 2019, the Bank was aware of the non-approval of the offsetting of negative BRL balance, for the same year, in the amount of BRL 78 million. In August 2019, an unfavorable decision was rendered to the Bank at the administrative trial court. Against this decision, an appeal was filed with the second administrative instance.
- In September 2019, as jointly and severally liable for Banco Sistema, the Bank received a tax deficiency notice aimed at collecting IRPJ (Corporate Income Tax), CSLL (Social Contribution on Net Income), PIS (Social Integration Program), and COFINS (Contribution to Social Security Financing), totaling BRL 4,213 million, referring to the acquisition of Banco Bamerindus do Brasil (currently Banco Sistema) in 2014. In October 2019, a defense was presented at the administrative trial court that, in April 2020, was partially granted, reducing the amount by 98%. Against the unfavorable part of the decision, an appeal was filed at the second administrative instance. In the event of a final and unappealable unfavorable decision, there will be an impact on the balance of tax loss and negative basis of social contribution used to pay the PERT program in 2017, in the amount of BRL 1,245 million. Due to the prognosis given by the lawyers, the Bank did not constitute any provision in its standalone financial statements. In addition, the Management does not expect to incur any loss related to the topic.
- In March 2020, the Bank received a tax deficiency notice aiming at the collection of IRPJ (Corporate Income Tax), CSLL (Social Contribution on Net Income), PIS (Social Integration Program) and COFINS (Contribution to Social Security Financing) on the capital gain on the sale of shares of Rede D'or, in 2015, in the amount of BRL 700 million. In September 2020, an unfavorable decision was issued at the administrative trial court. Against this decision, an appeal was filed with the second administrative instance.

- In July 2021, as jointly and severally liable, the Bank received an IRRF tax deficiency notice allegedly due on the income distributed to investment fund unitholders, in the amount of BRL 417 million. An administrative appeal was filed against the assessment, which is awaiting judgment.
- In December 2021, the Bank received a tax deficiency notice aimed at charging IRPJ/CSLL, in the amount of BRL 114 million, resulting from an alleged formal error in filling out its ECF in 2016. An administrative appeal was filed against the assessment, which is awaiting judgment.
- In December 2018, Gestora de Recursos, an indirect subsidiary of the Bank, received a tax deficiency notice totaling BRL 115 million, referring to the years 2013 and 2014, regarding the amortized goodwill generated in the acquisition of BFRE in 2012. In September 2019, an unfavorable lower court decision was rendered. Against this decision, an appeal was filed to the second administrative instance.
- In December 2021, Banco Sistema received a tax deficiency notice of PIS/COFINS, in the amount of BRL 145 million, allegedly levied on operating revenues for the period from 2007 to 2009. Against the assessment, an administrative appeal was filed, which was upheld to exclude the tax debt. Against said decision, the PGFN filed an appeal which is awaiting judgment at the administrative higher court.
- INSS on Profit Sharing (PLR) and Worker Meal Program (PAT) – Incidence of social security contribution on PLR and PAT, for calendar years 2012, 2013, 2016 and 2017 of Banco Pan, a direct subsidiary of the Bank. In September 2023, the amounts related to these proceedings total approximately BRL 145,322.
- Unapproved offsets - Rejection of requests for offsets of IRPJ, CSLL, PIS, COFINS, arising from overpayments or undue payments by Banco Pan, the Bank's direct subsidiary. In September 2023, the amounts related to these proceedings total approximately BRL 274,900.
- IRPJ/CSLL – Deductibility of Losses on Credit Operations and other operating expenses, referring to the calendar years 2007 to 2017 of Banco Pan. In September 2023, amounts related to these proceedings total approximately BRL 1,034,156
- PIS/COFINS – Deductibility of commission expenses paid to banking correspondents and losses on sale or transfer of financial assets, referring to the 2017 calendar year of Banco Pan. In September 2023, the amount related to this proceeding totals approximately BRL 284,442.
- On March 3, 2023, under jointly liable condition referred to the Fundo de Investimento Imobiliário - FII Shopping Parque Dom Pedro, PSF received note of infraction in order to charge taxes as IRPJ, CSLL, PIS/COFINS and penalties for non-compliance to ancillary obligation, to total BRL 566 million, concerning its qualification as legal entity under 9.779/99 law. The defense was presented against the charge. PSF Financial Statements did not establish any provisions due to lawyer's prognosis.
- In September 2023 under jointly liable condition referred to the Fundo de Investimento Imobiliário - FII PLUS, PSF received note of infraction in order to charge taxes as IRPJ, CSLL, PIS/COFINS to total BRL 28 million, concerning its qualification as legal entity under 9.779/99 law. The defense was presented against the charge. PSF Financial Statements did not establish any provisions due to lawyer's prognosis.
- In September 2023 under jointly liable condition referred to the Fundo de Investimento Imobiliário - FII TRANSINC, PSF received note of infraction in order to charge taxes as IRPJ, CSLL, PIS/COFINS to total BRL 4 million, concerning its qualification as legal entity under 9.779/99 law. The defense was presented against the charge. PSF Financial Statements did not establish any provisions due to lawyer's prognosis.

18. Income tax and social contribution

The reconciliation of income tax and social security contribution expense on profit with the product of the tax rate on profit before taxes is shown as follows in the periods ended in September:

	Bank		Consolidated	
	09/30/23	09/30/22	09/30/23	09/30/22
Calculation basis	7,661,316	7,267,413	8,280,049	7,914,436
Total income tax and social security contribution tax at current tax rates	(3,447,592)	(3,270,336)	(3,726,683)	(3,561,496)
(Inclusions) / exclusions in the calculation of taxation	3,739,663	3,243,361	2,447,850	2,833,761
Result from the equity accounting method	1,718,989	1,922,944	(65,916)	1,254,934
Foreign exchange Earnings/(Loss) on investments abroad	66,849	62,173	66,849	62,174
Interest on equity	942,750	794,250	942,750	794,250
Provision for expected losses associated with credit risk	(39,960)	(224,324)	(123,739)	74,353
Dividends	132,040	237,804	325,251	252,942
Result of market valuation of bonds and derivative financial instruments	740,885	1,194,697	838,518	1,095,552
Other non-deductible expenses net of tax revenue	178,110	(744,183)	464,137	(700,444)
Expense of income tax and social security contribution	292,071	(26,975)	(1,278,832)	(727,735)
Expense / income of deferred tax assets	(756,369)	(1,042,893)	194,334	(989,156)
Expense	(464,298)	(1,069,868)	(1,084,498)	(1,716,891)

Deferred income tax and social contribution are formed and recorded in accordance with the criteria established by BACEN Resolution 4842/2020 considering the period of realization.

Movement in deferred tax assets can be shown as follows:

Bank				
	12/31/22	Constitution	Realization	09/30/23
Income tax and social security contribution				
Income tax losses and negative CSLL (Social Contribution on Net Income) basis	-	227,152	-	227,152
Interest on equity	254,250	(41,962)	(254,250)	(41,962)
Provision for doubtful accounts	2,383,004	75,084	-	2,458,088
Adjustment to market value of securities and derivatives	359,795	-	(757,236)	(397,441)
Tax contingencies and allowances for taxes with suspended enforceability	241,163	3,241	-	244,404
Other temporary differences	1,051,662	37,098	-	1,088,760
Total	4,289,874	300,613	(1,011,486)	3,579,002
Income tax and social security contribution				
Income tax losses and negative CSLL (Social Contribution on Net Income) basis	487,280	-	(49,040)	438,240
Interest on equity	254,250	-	(296,785)	(42,535)
Provision for doubtful accounts	1,716,676	175,472	-	1,892,148
Adjustment to market value of securities and derivatives	1,537,489	-	(1,250,776)	286,713
Tax contingencies and allowances for taxes with suspended enforceability	236,825	3,103	-	239,928
Other temporary differences	698,822	382,581	-	1,081,403
Total	4,931,342	561,156	(1,596,601)	3,895,897
Consolidated				
	12/31/22	Constitution	Realization	09/30/23
Income tax and social security contribution				
Income tax losses and negative CSLL (Social Contribution on Net Income) basis	1,563,907	-	8,603	1,572,510
Interest on equity	254,250	21,202	(254,250)	21,202
Other temporary differences	2,198,106	259,351	-	2,457,457
Provision for doubtful accounts	3,877,606	165,151	-	4,042,757
Adjustment to market value of securities and derivatives	350,120	-	(668,497)	(318,377)
Tax contingencies and allowances for taxes with suspended enforceability	311,856	297	-	312,153
Total	8,555,845	446,000	(914,144)	8,087,702
Income tax and social security contribution				
Income tax losses and negative CSLL (Social Contribution on Net Income) basis	1,993,882	(91,974)	-	1,901,908
Interest on equity	254,250	26,584	(254,250)	26,584
Other temporary differences	1,501,043	782,745	-	2,283,788
Provision for doubtful accounts	3,621,721	-	(117,698)	3,504,023
Adjustment to market value of securities and derivatives	1,552,962	-	(1,234,471)	318,491
Tax contingencies and allowances for taxes with suspended enforceability	301,629	10,457	-	312,086
Total	9,225,487	727,812	(1,606,419)	8,346,880

The financial item deferred tax assets have tax credits, which refer to deferred PIS and COFINS in the amount of BRL 74,903 in the Bank and BRL 88,125 in the Consolidated (December 31, 2022 – BRL 150,812 in the Bank and BRL 151,244 in the Consolidated).

Below is the composition of present value of tax credits, in view of the expectation for the realization of deferred tax assets.

Bank			
	Tax credits on temporary differences	Tax and negative basis	Total
2023	694,644	227,152	921,796
2024	233,057	-	233,057
2025	642,738	-	642,738
2026	1,149,038	-	1,149,038
2027	632,373	-	632,373
As of 2028	-	-	-
Total	3,351,850	227,152	3,579,002
Present value	2,620,809	220,788	2,841,597
Consolidated			
	Tax credits on temporary differences	Tax and negative basis	Total
2023	1,161,650	293,981	1,455,631
2024	2,146,122	198,013	2,344,135
2025	842,881	191,039	1,033,919
2026	1,276,326	170,478	1,446,805
2027	757,309	249,385	1,006,695
As of 2028	456,792	343,725	800,516
Total	6,641,080	1,446,621	8,087,702
Present value	5,197,646	1,199,483	6,397,129

(i) Banco Pan S.A., a subsidiary consolidated in the financial statements, has a tax credit balance of BRL 3,344 billion, substantially recognized based on a study of the current and future scenario approved by its Management.

The Bank has deferred tax obligations in the amount of BRL 2,806 in the Bank and BRL 705,472 in the Consolidated (December 31, 2022 - BRL 2,528 in the Bank and BRL 694,187 in the Consolidated).

19. Equity

a. Capital and capital reserve

On September 30, 2023, the capital stock, fully subscribed and paid-in, consists of 11,506,119,928 shares (December 31, 2022 - 11,506,119,928), of which 7,244,165,568 are common shares (December 31, 2022 - 7,244,165,568), 2,864,529,000 are class A preferred shares (December 31, 2022 - 2,864,529,000), and 1,397,425,360 are class B preferred shares (December 31, 2022 - 1,397,425,360), all registered and without par value.

The common shares entitle voting rights to such holders in the resolutions of the General Meeting and shall take part in the profit distribution under the same conditions as Class A preferred shares and Class B preferred shares.

Holders of Class A and B preferred shares have restricted voting rights, but will have priority in the reimbursement of capital, without premium, and will participate, under the same conditions as common shares, in the distribution of profits.

Class A preferred shares entitle their holders to be included in a public offering for acquisition as a result of the possible sale of control of the Company at the same price and under the same conditions offered to the Selling Controlling Shareholder.

The Class B preferred shares shall be convertible into common shares, by means of a simple request in writing by its holder or by the Bank, without the need of a resolution and shareholders or board meeting, provided that (i) such conversion occurs upon the issuance of new shares by the Bank, within the limit of the authorized capital or otherwise (unless the shareholder wishing to convert is BTG Pactual Holding S.A.) (ii) after the conversion, BTG Pactual Holding S.A. (or the company that succeeds it on any account, including through merger, consolidation, spin-off or any type of corporate reorganization) continues to hold, directly or indirectly, more than 50% of the common shares issued by the Bank, and (iii) the shareholders' agreement shall be always observed; Such shares shall be convertible into class A preferred shares, upon request of its holder, provided that (i) the Bank is a publicly held company, with its shares listed on a stock exchange, and (ii) the provisions of the Shareholders' Agreement are always complied with. Class B preferred shares have the right to be included in a public tender offer as a result of any disposal of the Bank's control, at the same price and same conditions.

b. Treasury shares

In the period ended September 30, 2023, the Bank repurchased units in the amount of BRL 301,176, equivalent to 14,119,600 units (on December 31, 2022, the Bank repurchased units in the amount of BRL 231,252, equivalent to 10,000,000 units).

c. Legal reserve

It is semi-annually formed at the rate of 5% of the net income for the period/year before any allocation, limited to 20% of the capital.

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d. Statutory reserve

The purpose of this reserve, according to the Articles, is to maintain working capital, and its amount is limited to the capital stock.

As of September 30, 2023, the financial item includes the balances below:

	09/30/2023
Reserve for tax on equity (Banco BTG Pactual S.A., Luxembourg Branch)	4,113
Reserve for tax on equity (BTGP Lux Holding S.A.)	26,806
Other statutory reserves	20,401,123
Total statutory reserve	20,432,042

In the year 2019, after the closure of the companies Banco BTG Pactual S.A., Luxembourg Branch, and BTG Lux Holding S.A., equity tax reserves were established in the amounts equivalent to USD 2,464 (two million, four hundred and sixty-four thousand dollars) and USD 5,353 (five million, three hundred and fifty-three thousand dollars), respectively, for each company. These reserves, established in the mentioned companies, were transferred to the Bank upon the closure of these companies. These reserves comply with a provision of Luxembourg tax legislation, which allows a reduction in the equity tax, provided that the reserve consists of an amount equal to five times the tax that would be due and is not distributed for a period of five years. Therefore, the Administration intends to retain the complete distribution of these amounts until the end of 2023 for Banco BTG Pactual S.A., Luxembourg Branch, and until March 2028 for BTG Lux Holding S.A.

e. Unrealized revenue reserve

Created due to non-allocation of profit and loss assessed in the agency abroad.

f. Profit distribution

Shareholders are entitled to minimum dividends at the limit of 1% of the net income for the fiscal year adjusted pursuant to Article 202 of Law No. 6.404/76.

As of 2023, the Bank decided the following amount referred to interest on equity:

(i) BRL 1,530,000, equivalent to BRL 0.13 per share. Such amount and its respective destination were approved by the Board of Directors on August 1, 2023, and were paid on August 15, 2023.

During the year ended December 31, 2022, the Bank resolved on the following amounts relating to interest on equity:

(i) BRL 1,200,000, equivalent to BRL 0.10 per share. Such amount and its respective destination were approved by the Board of Directors on August 1, 2022 and were paid on August 15, 2022.

(ii) BRL 750,000, equivalent to BRL 0.07 per share. Such amount and its respective destination were approved by the Board of Directors on December 13, 2022, and were paid on February 15, 2023.

(iii) BRL 565,000, equivalent to BRL 0.05 per share. Such amount and its respective destination were approved by the Board of Directors on December 29, 2022, and were paid on February 15, 2023.

20. Revenues from services rendered

	Bank		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Management fee and performance bonuses of funds and investment portfolios	187,303	204,537	1,645,503	1,495,149
Technical Advisory	644,070	1,026,284	1,029,463	1,455,388
Brokerage	261,061	301,792	867,657	880,938
Securities placement commission	552,046	554,583	860,935	682,547
Income from guarantees provided	471,173	301,754	471,173	301,754
Revenues from services rendered to individuals and other services (i)	266,615	199,595	1,611,026	1,206,769
Total	2,382,268	2,588,545	6,485,757	6,022,545

(i) In the consolidated, substantially refers to services provided to Banco Pan, including credit card and deposit account fees.

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21. Other operating revenues

	Bank		Consolidated	
	09/30/23	09/30/22	09/30/23	09/30/22
Update of amounts receivable/payable for the sale of assets and rights	103,059	218,444	103,059	50,636
Adjustment for inflation of legal deposits and others	70,564	55,160	142,591	101,777
Provision for other credits without credit granting characteristics	(3,816)	-	(340,108)	-
Expenses on assignment of credits	(4,880)	-	(1,469,760)	(1,179,257)
Goodwill amortization	(55,953)	(480,298)	-	-
Other operating results	242,391	(201,583)	360,774	(569,012)
Total	351,365	(427,700)	(1,203,444)	(1,496,768)

22. Other administrative expenses

	Bank		Consolidated	
	09/30/2023	30/06/2022	09/30/2023	30/06/2022
Outsourced and advisory services	1,315,836	1,131,664	2,077,936	1,884,306
Telecommunication and data processing	583,176	554,413	1,401,222	1,138,850
Rentals and condominiums	87,517	74,877	195,487	271,538
Expenses of the financial system	268,365	106,197	629,077	750,219
Advertising and public relations	139,499	136,300	468,435	472,301
Depreciation and amortization	247,964	134,647	740,681	618,877
Commissions paid to banking correspondents	-	-	1,009,716	1,080,322
Other	262,044	86,427	733,321	289,509
Total	2,904,401	2,224,525	7,255,875	6,505,922

23. Tax expenses

	Bank		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
PIS (Social Integration Program)/COFINS (Contribution to Social Security Financing)	441,347	419,338	927,274	799,685
ISS (Municipal Services Tax)	103,346	115,960	215,736	202,783
(IOF) (Tax on financial operations)	4,955	730	18,234	9,763
ICMS (Goods and services state tax)	59,939	68,466	175,376	121,306
Other	10,549	9,486	44,250	27,337
Total	620,136	613,980	1,380,870	1,160,874

24. Related parties

The institutions that comprise the BTG Pactual Group invest their funds mainly in the Bank's funding products.

The balances of transactions with related parties, which are carried out based on usual market rates and regulatory limits, are reflected in the following accounts:

Bank	Parent company (i)		Subsidiaries and joint controlled entities		Total	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Assets						
Interbank deposits and securities purchased under agreements to resell	-	-	7,462,243	4,159,123	7,462,243	4,159,123
Derivative financial instruments	-	-	49,890,851	42,846,968	49,890,851	42,846,968
Credit operations	6,184,555	5,379,816	209,058	5,831,363	6,393,613	11,211,179
Others	-	-	5,896,527	5,724,357	5,896,527	5,724,357
Liabilities						
Deposits	(54,443)	(22,260)	(19,943,101)	(6,305,758)	(19,997,544)	(6,328,018)
Securities sold under repurchase agreements	-	-	(7,532,143)	(7,524,737)	(7,532,143)	(7,524,737)
Liabilities in foreign currencies	-	-	(3,551,904)	(5,830,354)	(3,551,904)	(5,830,354)
Derivative financial instruments	-	-	(2,450,898)	(13,300,607)	(2,450,898)	(13,300,607)
Others	-	-	(1,313,079)	(13,440,533)	(1,313,079)	(13,440,533)
Result						
Financial intermediation income	-	-	3,825,493	11,371,863	3,825,493	11,371,863
Financial intermediation expenses	(3,111)	(14,412)	(2,016,373)	(1,135,572)	(2,019,484)	(1,150,330)
Other operating revenues (expenses)	-	-	(3,820,694)	(55,520,680)	(3,820,694)	(55,520,680)
Consolidated						
Assets						
Securities and derivative financial instruments	-	-	7,108	20,404	7,108	20,404
Credit operations	6,184,644	5,381,593	114	519	6,184,758	5,382,112
Others	-	-	91,828	90,502	91,828	90,502
Liabilities						
Deposits	(54,443)	(22,260)	(93,481)	(78,560)	(147,925)	(100,820)
Derivative financial instruments	-	-	(1,253)	(418)	(1,253)	(418)
Others	-	-	-	(20,404)	-	(20,404)
Result						
Financial intermediation income	15	28	-	-	15	28
Financial intermediation expenses	(3,111)	(14,758)	(23,687)	(12,412)	(26,798)	(27,170)

(i) Includes individuals.

As disclosed on the Bank Investor Relations website on December 23, 2022, and September 08, 2023, the Bank signed a commitment for the acquisition of credit portfolios from Banco Pan S.A. ("Pan"), a company controlled and consolidated in these financial statements. These transactions are considered "neutral" for BTG, as the credit operations transferred by Pan were already included in the consolidated financial statements and therefore would not affect the equity position and the results of the controlling entity.

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The total compensation paid to Key Management Personnel for the period ended September 30, 2023, was BRL 14,676 (December 31, 2022 – BRL 16,720), which is considered as a short-term benefit.

25. Earnings per share

	Bank		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Net income for the period	7,197,019	6,197,545	7,197,019	6,197,545
Weighted average per thousand outstanding common shares in the period	7,244,166	7,244,166	7,244,166	7,244,166
Weighted average per thousand treasury common shares	22,436	2,127	22,436	2,127
Net income per common share - basic	0.99	0.86	0.99	0.86
Net income per common share - diluted	1.00	0.86	1.00	0.86
Weighted average per thousand Class A preferred shares, outstanding in the period	2,864,529	2,864,529	2,864,529	2,864,529
Weighted average per thousand Class A preferred treasury shares	44,872	4,255	44,872	4,255
Net income per Class A preferred share - basic	2.51	2.16	2.51	2.16
Net income per Class A preferred share - diluted	2.55	2.17	2.55	2.17
Weighted average per thousand Class B preferred shares, outstanding in the period	1,397,425	1,397,425	1,397,425	1,397,425
Net income per Class B preferred share - basic and diluted	5.15	4.43	5.15	4.43
Weighted average per thousand outstanding shares in the period	11,506,120	11,506,120	11,506,120	11,506,120
Weighted average per thousand treasury shares	67,307	6,382	67,307	6,382
Net income per share - Basic	0.63	0.54		
Net income per share - Diluted	0.63	0.54		

26. Other information

Cash

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Balances at the beginning of the period				
Cash	1,084,210	1,602,316	3,068,946	3,219,641
Securities purchased under agreements to resell	62,450,025	44,790,047	65,255,592	40,590,537
Interbank deposits	6,487,698	3,075,369	8,231,901	3,624,401
Total	70,021,933	49,467,732	76,556,439	47,434,579
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Balances at the end of the period				
Cash	1,433,991	1,589,503	2,283,264	2,818,790
Securities purchased under agreements to resell	66,950,555	45,317,245	65,203,290	47,071,213
Interbank deposits	2,412,360	2,445,624	4,308,391	3,619,775
Total	70,796,906	49,352,372	71,794,945	53,509,778

Non-recurring income (loss)

In accordance with BACEN Resolution 2/2020, we present below the non-recurring income for the period:

- BRL 208 million related to goodwill amortization.

27. Subsequent events

Órama Distribuidora de Títulos e Valores Mobiliários S.A.

On October 2, 2023, Banco BTG Pactual S.A. communicated to shareholders and the market in general that it has signed, through a subsidiary, the definitive documents related to the acquisition of 100% (one hundred percent) of the share capital of Órama Distribuidora de Títulos e Valores Mobiliários S.A., for the amount of BRL 500 million, subject to certain adjustments. The completion of the transaction is subject to the fulfillment of certain precedent conditions, including obtaining all necessary regulatory approvals.

Subordinated Financial Notes

On November 6, 2023, the Bank issued BRL 2,000,100 (two billion and one hundred thousand Brazilian reais) of Subordinated Financial Notes, divided into four series. Said Notes will mature on November 16, 2033, with principal balances being fully amortized on the maturity date and semi-annual interest payments.