



Earnings Release

Second Quarter 2024

August 14, 2024



btgpactual.com



Net New Money
(R\$)

56bn

2Q 24
220bn LTM 2Q 24

Total AuC
(R\$)

1.7tn

2Q 24
23% y-o-y growth

Adjusted Net Income
(R\$)

2.9bn

2Q 24
15% y-o-y growth

Total Revenues
(R\$)

6.0bn

2Q 24
10% y-o-y growth

Credit and SME
Portfolio (R\$)

195bn

27% y-o-y growth
SME: 23bn

Unsecured Funding
(R\$)

236bn

30% y-o-y growth

Basel Ratio

16.2%

2Q 24

ROAE Adj

22.5%

2Q 24

Highlights

Banco BTG Pactual S.A. reported total revenues of R\$5,989.8 million and adjusted net income of R\$2,949.0 million for the quarter ended June 2024.

BTG Pactual's adjusted net income per unit and annualized adjusted return on average shareholders' equity ("Annualized Adj. ROAE") were R\$0.77 and 22.5%, respectively, for the quarter.

As of June 30, 2024, total assets of BTG Pactual were R\$600.4 billion, a 5.8% increase compared to March 31, 2024. Our BIS capital ratio was 16.2%.

Banco BTG Pactual Financial Summary and Key Performance Indicators

Highlights and KPIs (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			Year to Date	
	2Q 2023	1Q 2024	2Q 2024	6M 2023	6M 2024
Total adjusted revenues	5,443	5,891	5,990	10,246	11,881
Accounting net income	2,441	2,774	2,823	4,574	5,597
Adjusted net income ⁽¹⁾	2,575	2,889	2,949	4,838	5,838
Adjusted net income per unit (R\$)	0.68	0.76	0.77	1.27	1.53
Annualized ROAE	22.7%	22.8%	22.5%	21.7%	22.8%
Adjusted cost to income ratio	39.3%	37.5%	37.3%	39.3%	37.4%
Adjusted shareholder's equity	46,708	51,962	53,076		
Total Number of Shares (# in '000)	11,433,761	11,433,761	11,433,761		
Number of Units (# in '000)	3,811,254	3,811,254	3,811,254		
Book Value per unit (R\$)	12.3	13.6	13.9		
BIS Capital Ratio	15.4%	16.4%	16.2%		
Total assets (in R\$ Billion)	474.6	567.7	600.4		
Total of WuM and AuM	1,398.1	1,636.0	1,718.9		

Note: Number of shares ex-treasury

BTG Pactual Performance

In light of a challenging global environment, BTG Pactual reports another quarter of outstanding performance, with revenues expansion and record results, demonstrating the effectiveness and robustness of our business model. We continue to increase our market share across the areas, with strong credit portfolio growth and net inflows, while maintaining efficient cost management, which contributed to a robust ROAE of 22.5% in the quarter and 22.8% ROAE in the semester. We surpassed the R\$1.7 trillion in AuM/WuM with R\$56 billion net new money and our unsecured funding base reached R\$236 billion, a 30% increase compared to 2Q 2023.

During the quarter we delivered R\$6.0 billion and R\$2.9 billion of revenues and net income, respectively. And besides the quarterly record results, we posted our best half year performance ever delivering 22.8% ROAE in the semester, with R\$11.9 billion in revenues and R\$5.8 billion of net income.

In the 2Q 24, we were able to increase revenues by 1.7% q-o-q and 10.1% y-o-y, with record contributions in Corporate Lending and Wealth Management.

Investment Banking posted strong revenues of R\$557.7 million in the quarter, driven mainly by DCM, with more than 40 concluded transactions in the period.

Corporate Lending & Business Banking recorded another quarter with all-time high revenues of R\$1,534.0 billion, 6.8% above the previous quarter. The outstanding performance was attributed to portfolio growth with healthy spreads and revenue diversification. Total portfolio reached R\$194.8 billion, a 7.3% increase compared to the last quarter. The SME book reached R\$23.4 billion as we remain focused on expanding our market share, backed by our complete product offering through our digital banking platform.

Sales & Trading delivered solid performance, with revenues 1.2% above the previous quarter reaching R\$1,387.6 million. Performance was driven mainly by fee and flow-based revenues, as our VaR as a percentage of shareholders' equity reached 0.21% - close to its lowest levels.

Asset Management posted revenues of R\$547.8 million with growing management fee revenues. AuM/AuA reached R\$920 billion, 4.6% above last quarter, supported by strong net inflows of R\$28.0 billion.

Wealth Management & Personal Banking posted another sequential increase in revenues, reaching a new record of R\$928.1 million in 2Q 2024 and strong NNM of R\$27.8 billion that led our WuM to reach R\$799 billion.

Participations reported solid revenues of R\$224.5 million coming from our investments, especially Banco PAN and Too Seguros. During the quarter, we bought less portfolios from Banco Pan, following its strategy to retain a greater portion of its origination.

Operating expenses were R\$2,464.3 million in the 2Q 2024, a marginal increase of 1.9% when compared to the previous quarter. The quarterly expansion was mainly due to an increase in the goodwill amortization related to the closing of Orama's acquisition in the end of March. Our adjusted cost-to-income ratio ended the quarter at 37.3% and compensation ratio at 20.8%, both below the first quarter and historical averages.

Accounting net income reached record of R\$2,823.2 million in 2Q 2024, up 1.8% compared to the previous quarter and 15.6% compared to the same period one year ago. Shareholders' equity ended the period at R\$53.1 billion, up 2.1% in the quarter, and up 13.6% y-o-y, already impacted by the R\$1.55 billion of interest on capital (JCP) distributed. Our liquidity coverage ratio ("LCR") was 191.0%, while the Basel ratio ended at 16.2%.

We are pleased to announce that during the quarter, we have been honored with an exceptional number of awards from the most esteemed local and international publishers. For the fourth consecutive year, we have been ranked first in all the most relevant categories of Institutional Investors 2024 ranking. We were recognized as the best: Research, Corporate Access, Trading and Sales team in Latin America. In Research, we were elected as number 1 in 18 of 25 categories. We were also voted "World's Best Bank for SMEs" by Global Finance, for the third consecutive year, and "Best Bank for SMEs in Brazil and Latin America" by Euromoney and our Private Bank was voted as Best Private Bank in Brazil, Chile, and Colombia by World Finance. This recognition reinforces our commitment to achieve our client's satisfaction and to be their benchmark for excellence.

Finally, in our ESG agenda, BTG Pactual contributed to the structuring and distribution of US\$1.7 billion in green, blue, and sustainable bonds, reaching over US\$ 21.2 billion in ESG labelled bonds since 2016 and proving our commitment to promote the sustainable finance market in Latin America. For the first time, BTG Pactual was recognized by Environmental Finance in the category "Initiative of the year: Sustainable Bond", due to our contribution to the sanitation sector in Brazil. We also closed an agreement with the International Finance Corporation (IFC) regarding a US\$50 million commitment to BTG Timberland Investment Group's reforestation strategy.

Adjusted Net Income and ROAE (unaudited)

Adjusted Net Income and ROAE (unaudited)	2Q 2024 Accounting	Non Recurring Items & Goodwill	2Q 2024 Adjusted	6M 2024 Adjusted
Investment Banking	557.7		557.7	1,211.7
Corporate Lending & Business Banking	1,534.0		1,534.0	2,970.1
Sales and Trading ⁽¹⁾	1,387.6		1,387.6	2,758.9
Asset Management	547.8		547.8	1,122.3
Wealth Management & Personal Banking	928.1		928.1	1,807.3
Participations	224.5		224.5	400.2
Interest and Other	810.1		810.1	1,610.8
Total revenues	5,989.8	-	5,989.8	11,881.3
Bonus	(623.2)		(623.2)	(1,258.5)
Salaries and benefits	(625.3)		(625.3)	(1,240.1)
Administrative and other	(655.9)		(655.9)	(1,309.2)
Goodwill amortization	(228.8)	228.8	-	-
Tax charges, other than income tax	(331.1)		(331.1)	(636.1)
Total operating expenses	(2,464.3)	228.8	(2,235.5)	(4,443.9)
Income before taxes	3,525.4	228.8	3,754.3	7,437.4
Income tax and social contribution	(702.3)	(103.0)	(805.2)	(1,598.9)
Net Income	2,823.2	125.9	2,949.0	5,838.5
Annualized ROAE	21.5%		22.5%	22.8%

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

(1) Includes Principal Investments

Non-Recurring Items & Goodwill

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

Income tax and social contribution: due to goodwill amortization

Consolidated Revenues

Another quarter of record revenues reaching R\$5,989.8 million, a 10.1% y-o-y growth and 1.7% quarterly increase. Even facing a challenging market scenario, we delivered strong and resilient revenues specially in our client franchises, with record contribution in Corporate Lending and Wealth Management.

Revenues (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			2Q 2024 % change to		Year to Date		6M 2024 % change to
	2Q 2023	1Q 2024	2Q 2024	2Q 2023	1Q 2024	6M 2023	6M 2024	6M 2023
Investment Banking	306	654	558	82%	-15%	566	1,212	114%
Corporate Lending & Business Banking	1,277	1,436	1,534	20%	7%	2,469	2,970	20%
Sales and Trading	1,887	1,371	1,388	-26%	1%	3,372	2,759	-18%
Asset Management	431	574	548	27%	-5%	873	1,122	29%
Wealth Management & Personal Banking	727	879	928	28%	6%	1,421	1,807	27%
Principal Investments	72	-	-	-100%	n.a.	126	-	-100%
Participations	(54)	176	224	n.a.	28%	(124)	400	n.a.
Interest & Others	797	801	810	2%	1%	1,542	1,611	4%
Total revenues	5,443	5,891	5,990	10%	2%	10,246	11,881	16%

Investment Banking

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

BTG Pactual Announced Transactions (unaudited)	Number of Transactions ^{(1),(3)}			Value ^{(2),(3)} (US\$ mln)		
	2Q 2023	1Q 2024	2Q 2024	2Q 2023	1Q 2024	2Q 2024
Financial Advisory (M&A) ⁽⁴⁾	15	14	24	624	751	2,745
Equity Underwriting (ECM)	9	6	4	2,676	279	760
Debt Underwriting (DCM)	16	22	48	1,296	2,199	2,678

BTG Pactual Announced Transactions (unaudited)	Number of Transactions ^{(1),(}		Value ^{(2),(3)} (US\$ mln)	
	6M 2023	6M 2024	6M 2023	6M 2024
Financial Advisory (M&A) ⁽⁴⁾	25	38	2,250	3,496
Equity Underwriting (ECM)	12	6	3,006	1,039
Debt Underwriting (DCM)	29	70	2,589	4,877

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

Notes:

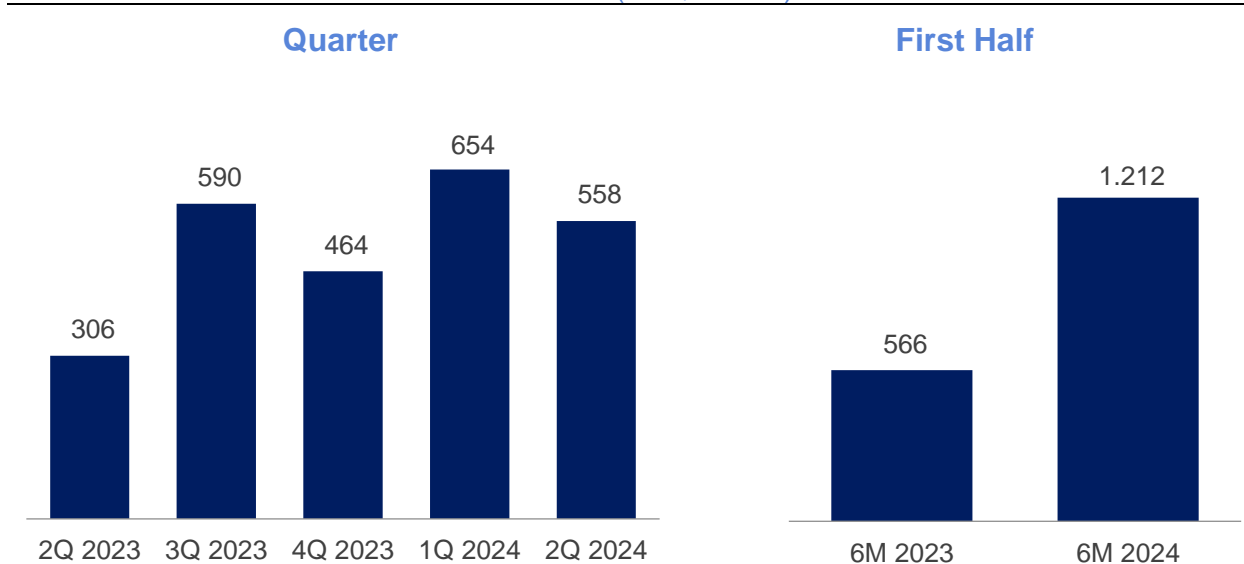
- (1) Equity underwriting and debt underwriting represent closed transactions. Financial advisory represents announced M&A deals, which typically generate fees upon their subsequent closing.
- (2) Local DCM transactions were converted to U.S. Dollars using the end of quarter exchange rates reported by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

Investment Banking 2Q 2024 market share highlights

M&A: #1 in number of transactions in both Brazil and LatAm

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

Revenues (in R\$ million)



2Q 2024 vs. 1Q 2024

Investment Banking revenues were R\$557.7 million, a 14.7% decrease compared to a strong first quarter when we posted record M&A revenues. The performance during 2Q 2024 was driven by the second-best DCM results ever, as we continued to see high market volumes. M&A continues to contribute to overall IB revenues with a strong pipeline to be executed in the next quarters while we continue to see low Equity Capital Market volumes.

2Q 2024 vs. 2Q 2023

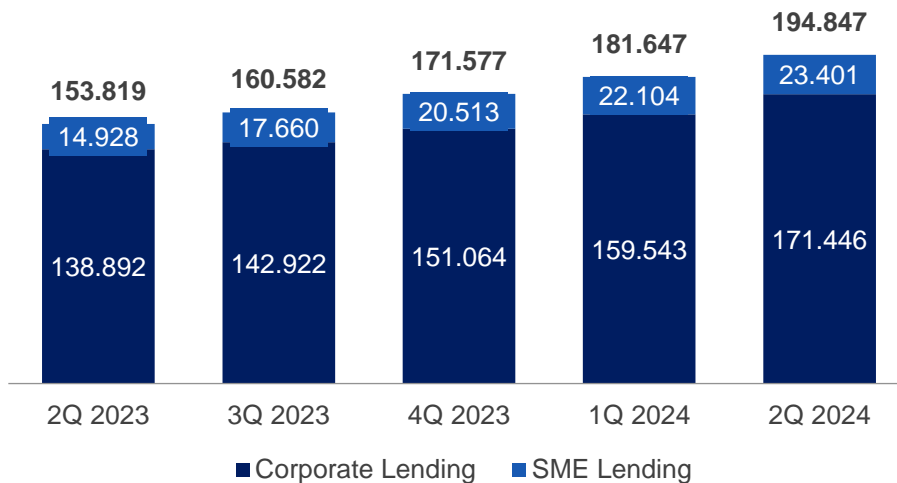
Investment Banking revenues significantly increased compared to 2Q 2023, up 82.5%, when we delivered revenues of R\$305.6 million. During 2Q 2023 we were still facing a tough debt capital market with few concluded transactions, which explains the strong y-o-y revenue increase.

Corporate Lending & Business Banking

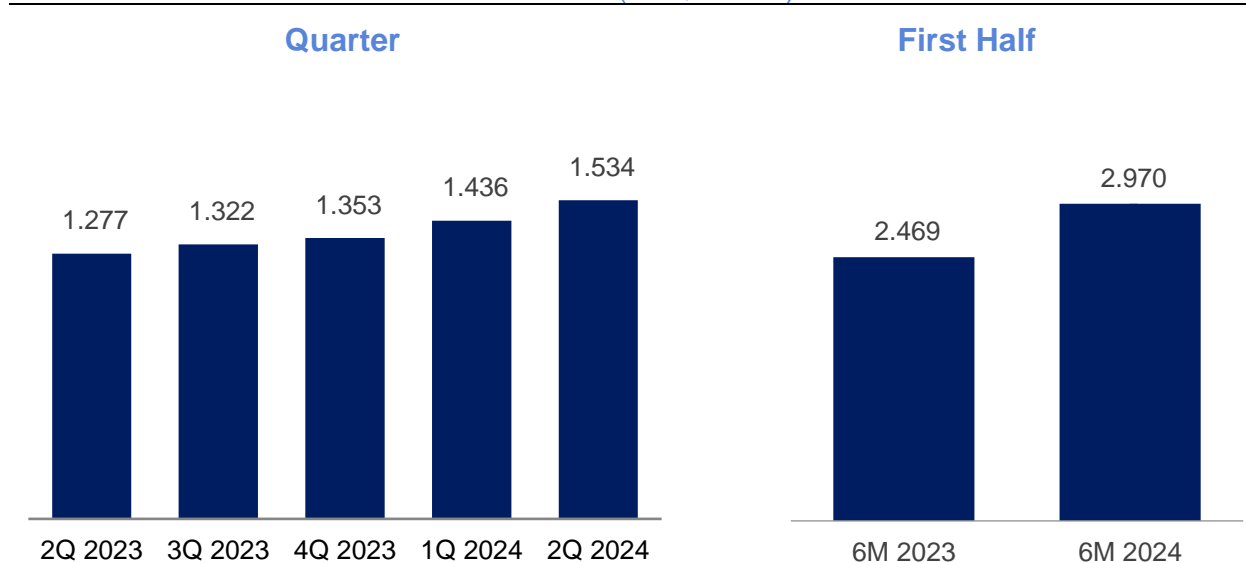
Corporate Lending & Business Banking portfolio increased 7.3% in the quarter reaching R\$194.8 billion, a 26.7% increase on a yearly basis. We continue to expand our credit book with healthy spreads and adequate provisioning levels, reflecting our selective approach focused on high-quality counterparties.

SME Lending portfolio grew 5.9% and 56.8% q-o-q and y-o-y respectively, reaching R\$23.4 billion. We continue to gain market share in the segment while increasing revenue diversification as we expand our product offering through our banking business.

Credit Portfolio (in R\$ million)



Revenues (in R\$ million)



2Q 2024 vs. 1Q 2024

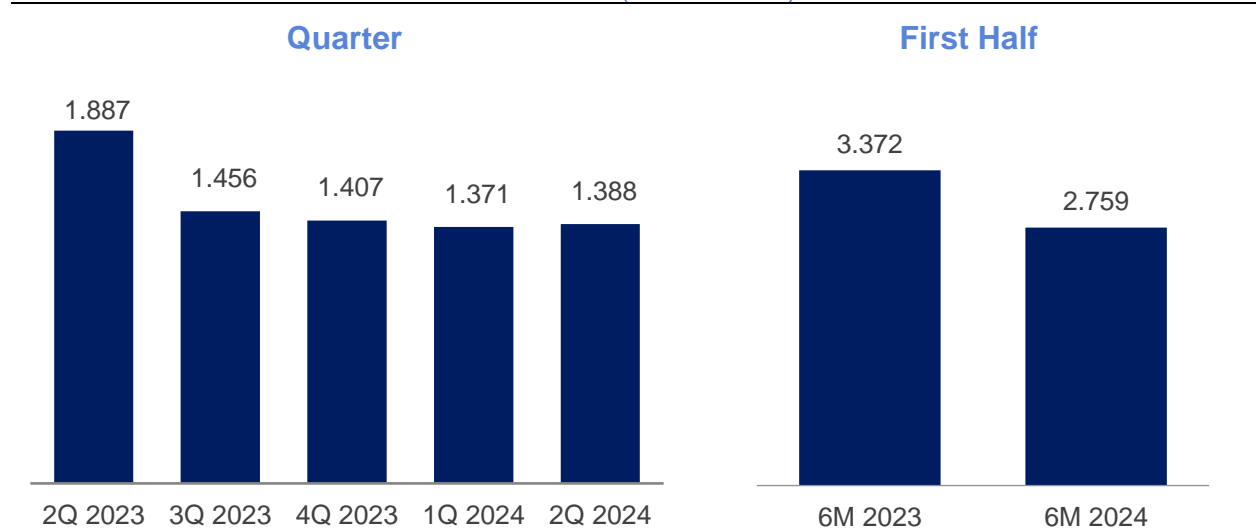
Corporate Lending and Business Banking reported another quarter of record results with revenues reaching R\$1,534.0 million, up 6.8% q-o-q. During the quarter, we were able to keep the strong portfolio growth trend while maintaining the same levels of spreads and low delinquency ratios, resulting in higher recurring revenues in the period.

2Q 2024 vs. 2Q 2023

Revenues increased 20.1% compared to the R\$1,277.3 million registered in the 2Q 2023, following the 26.7% credit portfolio expansion in the year and revenue diversification.

Sales & Trading

Revenues (in R\$ million)



2Q 2024 vs. 1Q 2024

Despite the challenging market conditions, Sales & Trading posted another quarter of solid revenues, reaching R\$1,387.6 million, up 1.2% when compared to 1Q 2024. This result was driven mainly by client activity, as we ended the quarter with VaR usage at 0.21%, the second lowest level in our history.

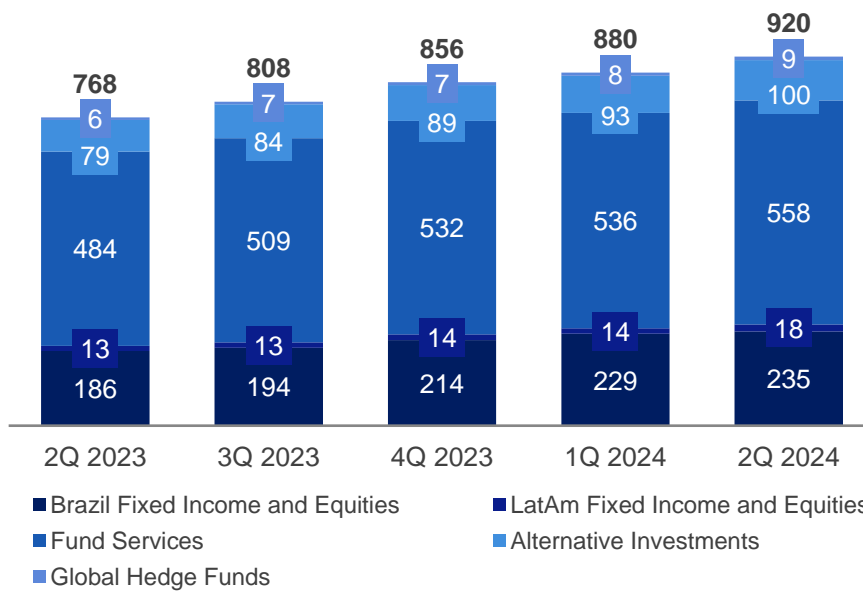
2Q 2024 vs. 2Q 2023

Sales & Trading revenues decreased 26.5% compared to a above par 2Q 2023 performance, when we posted revenues of R\$1,887.2 million, primarily due to an efficient risk allocation.

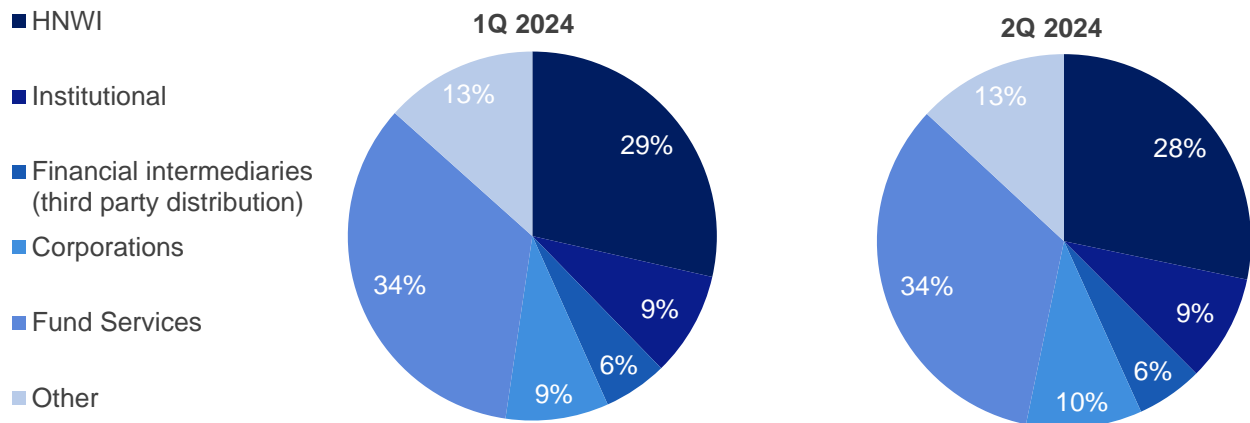
Asset Management

Total Assets under Management (AuM/AuA) continued to show significant growth surpassing the nine hundred billion milestone and reached R\$919.9 billion, an increase of 4.6% and 19.8% q-o-q and y-o-y, respectively. AuM/AuA benefited from strong net inflows of R\$28.0 billion allocated in both our Fund Services business and managed funds strategies.

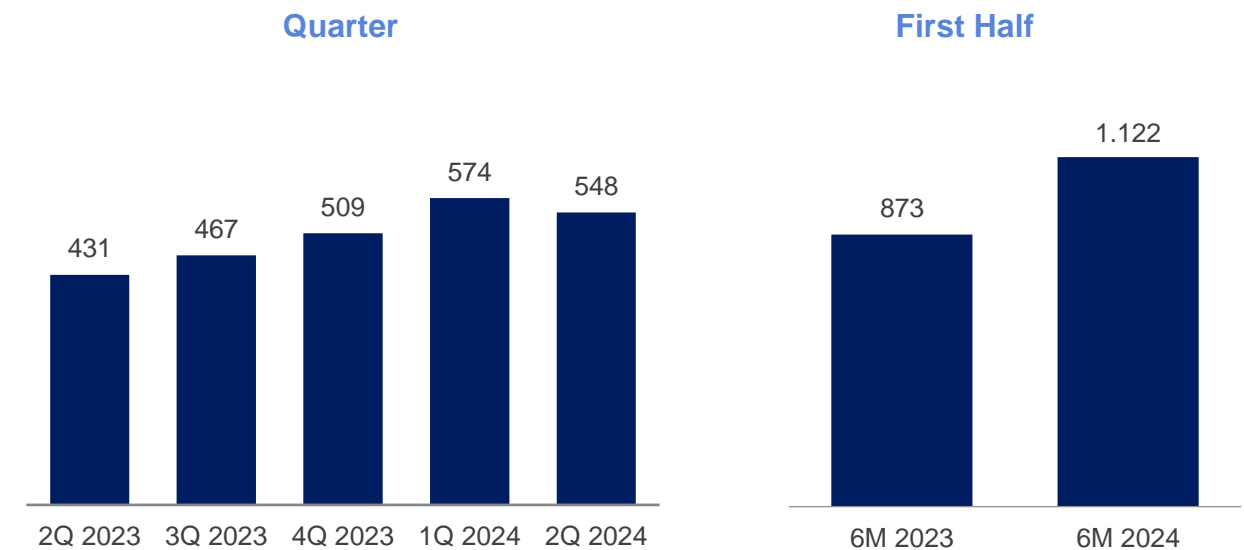
AuM & AuA by Asset Class (in R\$ billion)



AuM and AuA by Type of Client



Revenues (in R\$ million)



2Q 2024 vs.1Q 2024

Asset Management posted revenues of R\$547.8 million, a 4.6% decrease compared to the first quarter when we had positive contribution from our minority stakes in independent asset managers. We usually collect these dividends in the first and third quarters.

During the quarter revenues consisted mostly of management fees that increased in line with the AuM/AuA expansion.

2Q 2024 vs. 2Q 2023

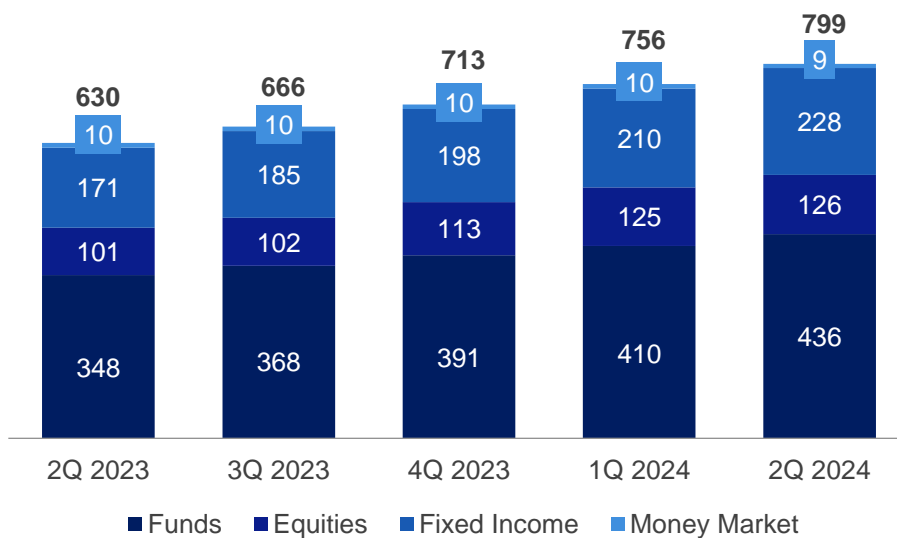
Revenues increased 27.2% year-over-year from R\$430.7 million in 2Q 2023 to R\$547.8 million in 2Q 2024, broadly in line with our expansion of AuM/AuA in the same period.

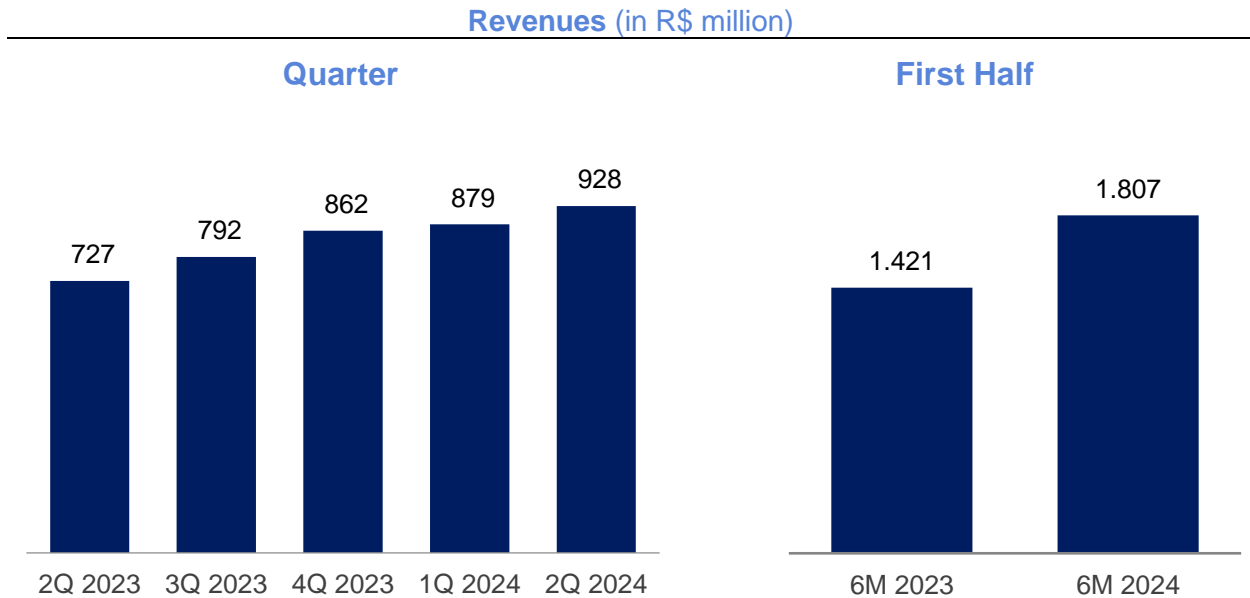
Wealth Management & Personal Banking

Wealth under Management (WuM) increased 5.6% during the quarter and 26.8% year-over-year, reaching R\$799 billion. We delivered another quarter of strong net inflows totaling R\$27.8 billion, an impressive result given the more challenging scenario, with higher contribution from our high-income retail initiatives.

Continuing our international expansion, we acquired MY Safra Bank, which will allow us to provide a full range of financial services in US markets to better serve our clients. The completion of the Transaction is subject to verification of certain conditions precedent, including obtaining all required regulatory approvals, including from the Central Bank of Brazil and the Central Bank of the United States (FED)

WuM Breakdown (in R\$ billion)





2Q 2024 vs. 1Q 2024

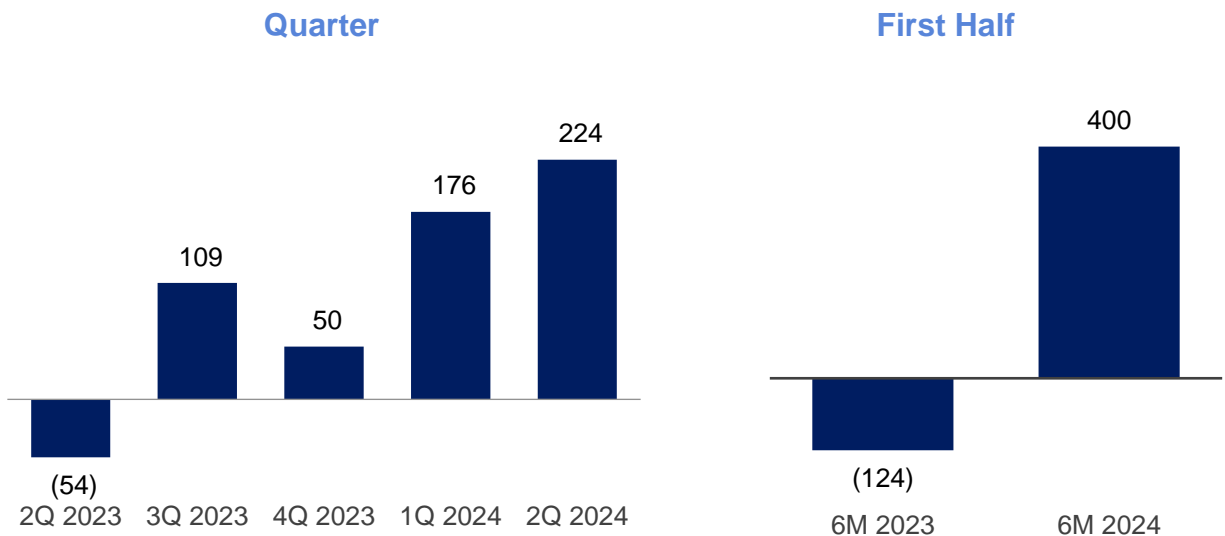
Wealth Management & Personal Banking delivered once again all-time-high revenues, reaching R\$928.1 million, up 5.6% when compared to the previous quarter. Revenue increase is explained by the 5.6% WuM expansion in the period with stable ROAs.

2Q 2024 vs. 2Q 2023

Revenues in Wealth Management & Personal Banking increased 27.6%, compared to R\$727.1 million in 2Q 2023, broadly in line with WuM expansion of 26.8% in the period.

Participations

Revenues (in R\$ million)



2Q 2024 vs. 1Q 2024

Participations reported gains of R\$224.5 million, compared to R\$175.7 million in the 1Q 2024. Results in 2Q 2024 consisted of (i) R\$144.7mn of equity pick up in Banco Pan, (ii) R\$57.4 million gains from Too Seguros and Pan Corretora, (iii) R\$30.1 million gains from our remaining stake in EFG, (iv) R\$ 98.6mn related to the accrual of Banco Pan's credit portfolio acquired in previous quarters and (v) R\$106.5mn losses from accounting effects of Banco Pan's credit portfolio acquired during this quarter (elimination).

2Q 2024 vs. 2Q 2023

Participations reported results of R\$224.5 million in 2Q 2024, compared to losses of R\$54.2 million in the same period in the previous year. The increase in revenues y-o-y was attributed to the combination of better contributions from our stakes in the three investments, positive impacts from the banco pan's portfolios acquired in the past which are gradually kicking in, as well as the smaller elimination during this quarter.

Interest & Others

2Q 2024 vs. 1Q 2024

Revenues from Interest & Others were R\$810.1 million in 2Q 2024, compared to R\$800.7 million in 1Q 2024. The increase was mainly due to the increase in our tangible equity while interest rates remained stable in the period. Interest & Others' revenues correspond mainly to interest rates of the Central Bank of Brazil applied over our tangible equity (i.e. internal cost of funding).

2Q 2024 vs. 2Q 2023

Revenues from Interest & Others slightly increased 1.6% y-o-y. Although the shareholders' equity increased 13.6% year-over-year – reaching R\$53.1 billion, interest rates decreased, partially offsetting the effect of the equity expansion.

Operating Expenses

Operating Expenses (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			2Q 2024 % change to		Year to Date		6M 2024 % change to
	2Q 2023	1Q 2024	2Q 2024	2Q 2023	1Q 2024	6M 2023	6M 2024	6M 2023
Bonus	(681)	(635)	(623)	-9%	-2%	(1,206)	(1,258)	4%
Salaries and benefits	(536)	(615)	(625)	17%	2%	(1,065)	(1,240)	16%
Administrative and other	(625)	(653)	(656)	5%	0%	(1,224)	(1,309)	7%
Goodwill amortization	(245.5)	(210.1)	(229)	-7%	9%	(478)	(439)	-8%
Tax charges, other than income tax	(299)	(305)	(331)	11%	9%	(534)	(636)	19%
Total operating expenses	(2,386)	(2,419)	(2,464)	3%	2%	(4,508)	(4,883)	8%
Adjusted cost to income ratio	39%	37%	37%	-5%	0%	39%	37%	-5%
Compensation ratio	22%	21%	21%	-7%	-2%	22%	21%	-5%
Total number of employees	7,122	7,514	7,560	6%	1%	7,122	7,560	6%
Partners and associate partners	344	381	378	10%	-1%	344	378	10%
Employees	6,778	7,133	7,182	6%	1%	6,778	7,182	6%

Bonus

Total bonus expenses were R\$623.2 million in 2Q 2024, an 1.9% quarterly decrease and 8.5% yearly decline, due to the revenue mix. Bonuses are determined in accordance with our profit-sharing program and are calculated as a percentage of our operating revenues (which exclude Interest & Other revenues), reduced by our operating expenses.

Salaries and benefits

Staff costs slightly increased 1.7% in the quarter and grew 16.7% compared to 2Q 2023. The year-over-year growth is due to personnel increase and expected yearly salary adjustments. Expenses related to salaries and benefits were R\$625.3 million in 2Q 2024 and R\$614.9 million in 1Q 2024, compared to R\$535.7 million in 2Q 2023.

Administrative and other

Total administrative and other expenses remained flat this quarter, from R\$653.4 million in 1Q 2024 to R\$655.9 million in 2Q 2024. Year-over-year A&O expenses grew by 5%.

Goodwill amortization

In 2Q 2024, we recorded goodwill amortization expenses of R\$228.8 million, 8.9% above previous quarter. The increase during the quarter was related to the closing of Orama's acquisition in March.

Tax charges, other than income tax

Tax charges, other than income tax, were R\$331.1 million or 5.5% of total revenues compared to R\$304.9 million in 1Q 2024, or 5.2% of total revenues.

Income Taxes

Income Tax (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			Year to Date	
	2Q 2023	1Q 2024	2Q 2024	6M 2023	6M 2024
Income before taxes	3,057	3,473	3,525	5,737	6,998
Income tax and social contribution	(615)	(699)	(702)	(1,163)	(1,401)
Effective income tax rate	20.1%	20.1%	19.9%	20.3%	20.0%

Our effective income tax rate for the quarter was 19.9% (representing an income tax expense of R\$702.3 million), compared to a rate of 20.1% in 1Q 2024 and in 2Q 2023. Our effective income tax rate this quarter was impacted by the distribution of interest on capital (JCP).

Balance Sheet

Our total assets increased 5.8%, from R\$567.7 billion at the end of 1Q 2024 to R\$600.4 billion at the end of 2Q 2024, mainly due to (i) an increase of 16.2% in Assets Financed through Repo from R\$ 89.2 billion to R\$ 103.6 billion, (ii) an increase of 7.0% in Credit Portfolio, from R\$131.2 billion to R\$ 140.4 billion at the end of 2Q 2024 and (iii) an increase of 5.1% in Trading Portfolio Assets from R\$ 152.5 billion to R\$160.3 billion. Leverage ratio increased to 10.3x.

On the liability side, our Repo Financing increased 15.4% in line with the movements in our assets and Other Liabilities increased 16.2% from R\$41.1 billion to R\$47.7 billion in 2Q 2024. Unsecured funding increased 4.9% in the quarter.

Shareholders' equity increased from R\$52.0 billion at the end of 1Q2024 to R\$53.1 billion at the end of 2Q 2024, impacted by the accounting net income of R\$ 2,823 million and distribution of R\$1,550 million of interest on capital (JCP).

Risk and Capital Management

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

Market Risk – Value-at-risk

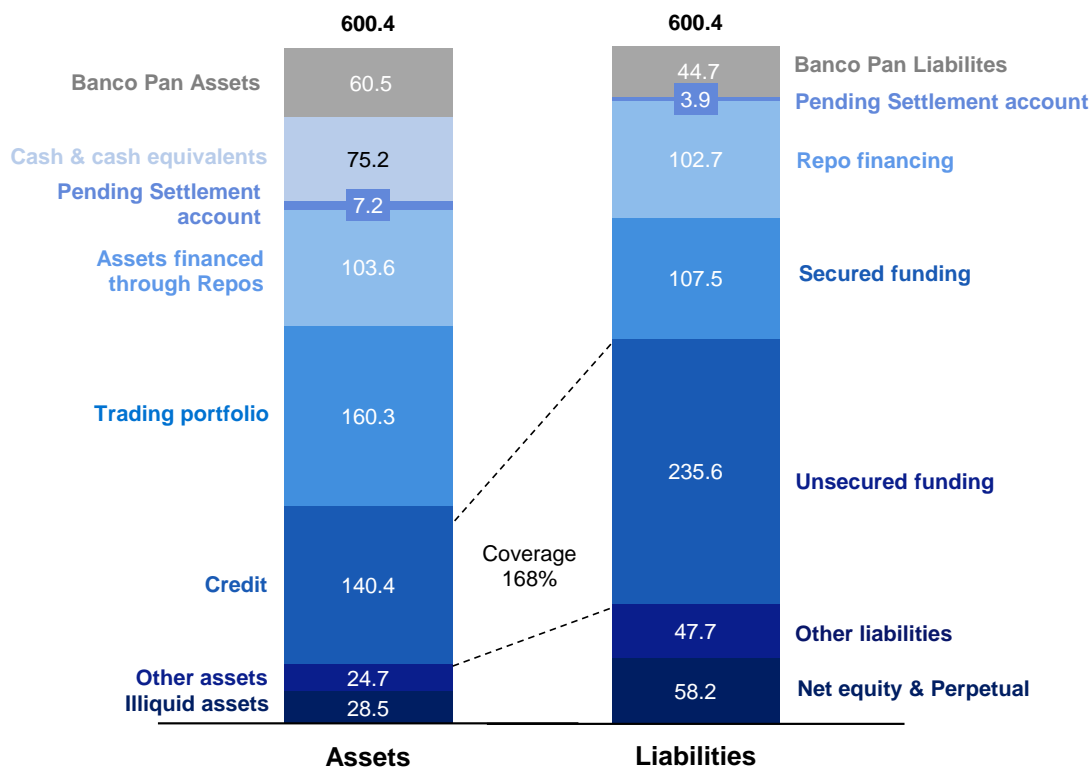
Value-at-risk (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter		
	2Q 2023	1Q 2024	2Q 2024
Total average daily VaR	209.1	183.4	109.9
Average daily VaR as a % of average equity	0.46%	0.36%	0.21%

Total average daily VaR decreased to 0.21% when compared to 0.36% in 1Q 2024, the second lower level in our history following our conservative risk appetite during the quarter given the challenging scenario.

Liquidity Risk Analysis

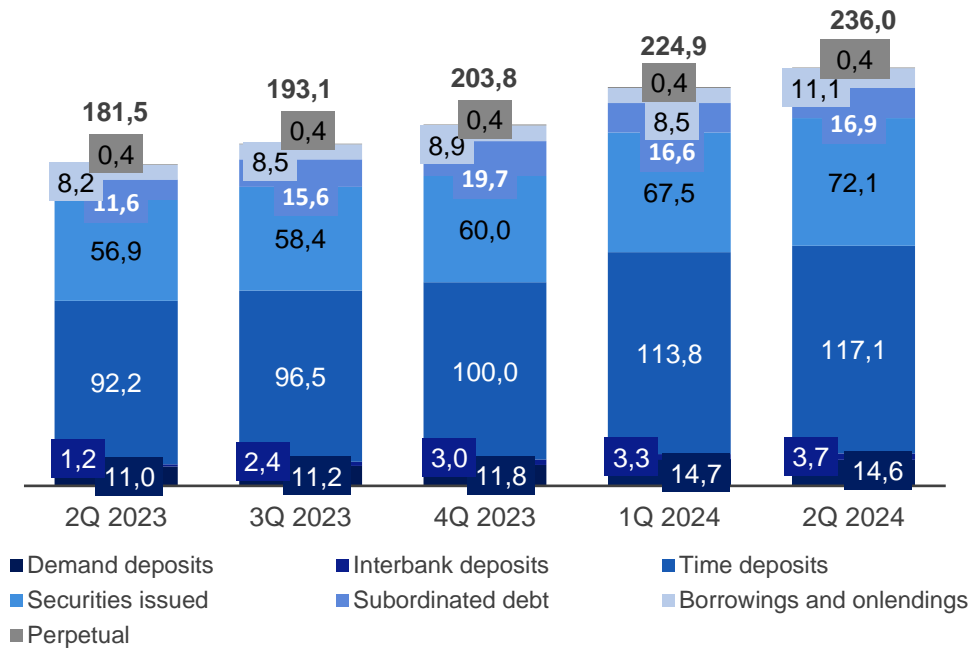
The chart below summarizes the composition of assets and liabilities as of June 30th, 2024:

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



Unsecured Funding Analysis

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



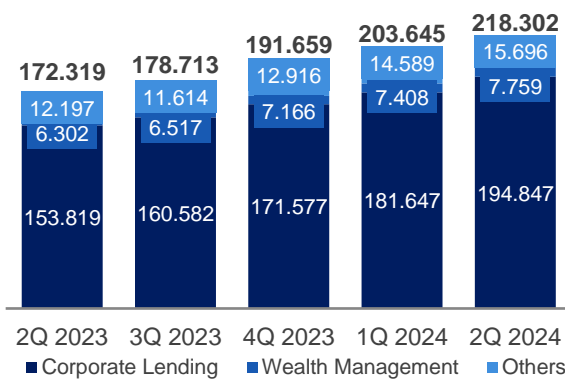
Total unsecured funding increased from R\$224.9 billion at the end of 1Q 2024 to R\$236.0 billion at the end of 2Q 2024. The strong growth was mainly due to the increase in both Securities Issued, impacted by the US\$500mn 5Y Senior Unsecured Note issued in April, and Time Deposits, concentrated in local markets.

BTG Pactual Broader Credit Portfolio

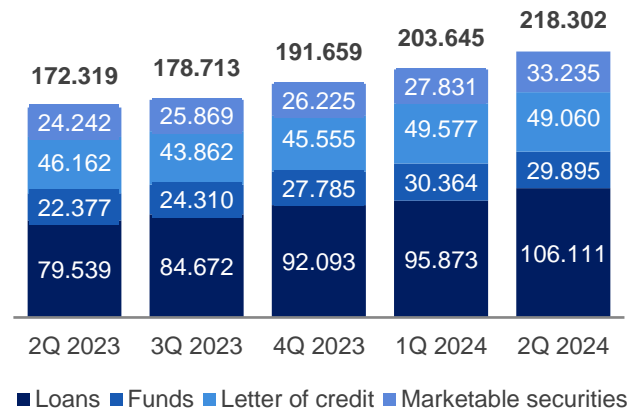
Our broader credit portfolio is comprised of loans, receivables, advances on foreign exchange contracts, letters of credit and marketable securities bearing credit exposures (including debentures, promissory notes, real estate bonds, and investments in credit receivable funds – FIDCs).

The balance of our broader credit portfolio increased 7.2% compared to the previous quarter, from R\$203.6 billion to R\$218.3 billion, and 26.7% compared to 2Q 2023.

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



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

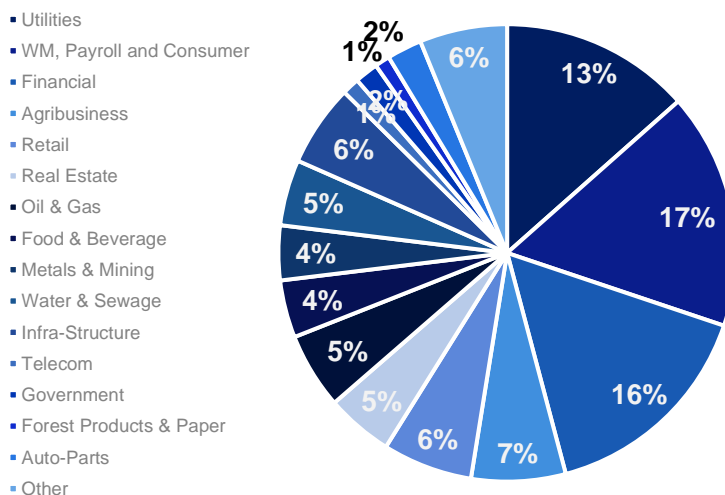


Notes:

Others: includes interbank deposits, Merchant Banking structured transactions and others

Wealth Management impacts WM results, others impact Sales & Trading and Merchant Banking results

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



Credit Risk

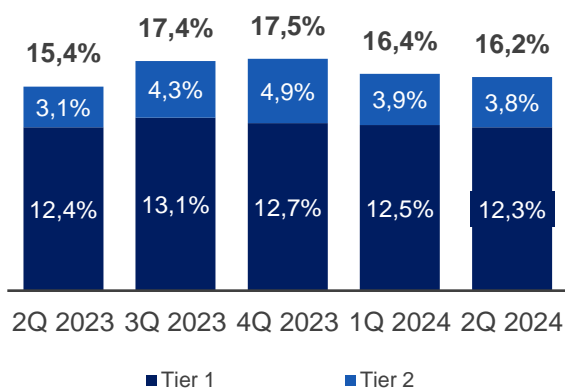
The following table shows the distribution of our credit exposures as of June 30th, 2024, by credit rating. The ratings below reflect our internal assessment, consistently applied in accordance with the Brazilian Central Bank standard ratings scale:

Rating (unaudited) (in R\$ million)	2Q 2024
AA	112,769
A	61,297
B	34,408
C	3,130
D	3,123
E	169
F	2,028
G	741
H	637
Total	218,302

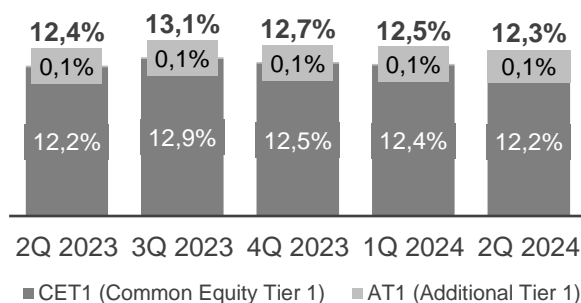
Capital Management

BTG Pactual complies with standards of capital requirements established by the Brazilian Central Bank that are consistent with those proposed by the Basel Committee on Banking Supervision, under the Basel Capital Accord. Our BIS capital ratios, calculated in accordance with the Brazilian Central Bank standards and regulations, are applicable only to BTG Pactual. The BIS capital ratio was 16.2% at the end of 2Q 2024. Our liquidity coverage ratio (LCR) ended the quarter at 191.0%.

Basel Ratio (unaudited)
(%)



Tier 1: CET1 & AT1 (unaudited)
(%)



Exhibits

Basis for Presentation

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

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

Key Performance Indicators (“KPIs”) and Ratios

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

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

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

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

Selected Financial Data

Balance Sheet (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			2Q 2024 % change to	
	2Q 2023	1Q 2024	2Q 2024	2Q 2023	1Q 2024
Assets					
Cash and bank deposits	3,813	2,904	4,268	12%	47%
Interbank investments	60,411	97,245	66,021	9%	-32%
Marketable securities and derivatives	197,870	226,863	266,374	35%	17%
Interbank transactions	22,280	24,875	28,208	27%	13%
Loans	107,931	133,043	142,951	32%	7%
Other receivables	67,475	68,448	78,024	16%	14%
Other assets	1,857	1,949	1,829	-2%	-6%
Permanent assets	12,915	12,351	12,689	-2%	3%
Total assets	474,552	567,677	600,363	27%	6%
Liabilities					
Deposits	124,030	150,566	152,983	23%	2%
Open market funding	98,021	114,533	131,887	35%	15%
Funds from securities issued and accepted	68,167	83,536	88,066	29%	5%
Interbank transactions	3,650	3,429	3,565	-2%	4%
Loans and onlendings	12,660	15,719	16,792	33%	7%
Derivatives	29,785	45,728	37,775	27%	-17%
Subordinated liabilities	560	480	559	0%	17%
Other liabilities	86,238	97,700	110,931	29%	14%
Deferred income	-	-	-	n.a.	n.a.
Shareholders' equity	46,708	51,962	53,076	14%	2%
Non-controlling interest	4,731	4,024	4,729	0%	18%
Total liabilities	474,552	567,677	600,363	27%	6%

Adjusted Income Statement (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			2Q 2024 % change to		Year to Date		6M 2024 % change to
	2Q 2023	1Q 2024	2Q 2024	2Q 2023	1Q 2024	6M 2023	6M 2024	6M 2023
Investment Banking	306	654	558	82%	-15%	566	1,212	114%
Corporate Lending & Business Banking	1,277	1,436	1,534	20%	7%	2,469	2,970	20%
Sales & Trading	1,887	1,371	1,388	-26%	1%	3,372	2,759	-18%
Asset Management	431	574	548	27%	-5%	873	1,122	29%
Wealth Management & Personal Banking	727	879	928	28%	6%	1,421	1,807	27%
Principal Investments	72	-	-	-100%	n.a.	126	-	-100%
Participations	(54)	176	224	n.a.	28%	(124)	400	n.a.
Interest & Others	797	801	810	2%	1%	1,542	1,611	4%
Total revenues	5,443	5,891	5,990	10%	2%	10,246	11,881	16%
Bonus	(681)	(635)	(623)	-9%	-2%	(1,206)	(1,258)	4%
Salaries and benefits	(536)	(615)	(625)	17%	2%	(1,065)	(1,240)	16%
Administrative and other	(625)	(653)	(656)	5%	0%	(1,224)	(1,309)	7%
Goodwill amortization	(246)	(210)	(229)	-7%	9%	(478)	(439)	-8%
Tax charges, other than income tax	(299)	(305)	(331)	11%	9%	(534)	(636)	19%
Total operating expenses	(2,386)	(2,419)	(2,464)	3%	2%	(4,508)	(4,883)	8%
Income before taxes	3,057	3,473	3,525	15%	2%	5,737	6,998	22%
Income tax and social contribution	(615)	(699)	(702)	14%	0%	(1,163)	(1,401)	21%
Net Income	2,441	2,774	2,823	16%	2%	4,574	5,597	22%

Income Statement (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Banco BTG Pactual S.A.	
	1Q 2024	2Q 2024
Financial income	16,305	16,035
Financial expenses	(10,877)	(11,023)
Gross financial income	5,427	5,012
Other operating income (expenses)	(1,375)	(409)
Operating income (expenses)	4,052	4,603
Non-operating income/(expenses)	2	(509)
Income before taxes and profit sharing	4,054	4,094
Income and social contribution taxes	(565)	(606)
Statutory profit sharing	(644)	(635)
Non-controlling interest	(71)	(30)
Net income	2,774	2,823

Note: (1) 1Q and 2Q 2024 includes Principal Investments revenues

Selected Presentation Differences

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

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

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

Forward-looking statements

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

Rounding

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

Glossary

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



Earnings Release – Second Quarter 2024

August 14th, 2024 (before trading hours)

English Conference Call

(With simultaneous translation)

August 14th, 2024 (Wednesday)

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

Webcast: <https://nucleodeimagem.com.br/btg/2q24.html>

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

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

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