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...EVA ANOVA QUARENTENA NO FIM DE 2020 ...FED ATA EM CENARIO PESSIMISTA ...

Conference Call Presentation

4th Quarter 2022

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



Earnings release

4Q 2022

ENGLISH CONFERENCE CALL



- February 13, 2023 (Monday)
- 11am (New York) / 1pm (Brasília)
- Phone 1: +55 11 4210-1803
- Phone 2: +1 412 717 9627
- Code: BTG Pactual

PORTUGUESE CONFERENCE CALL



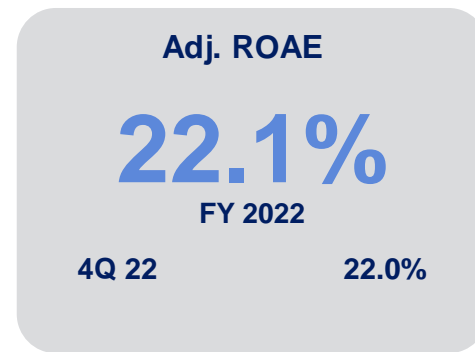
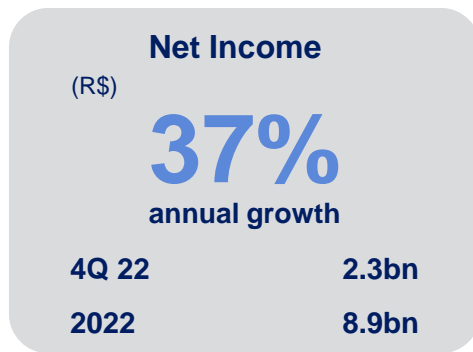
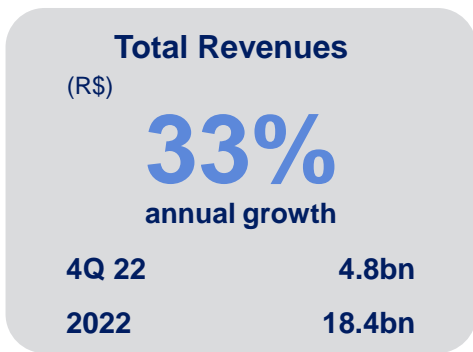
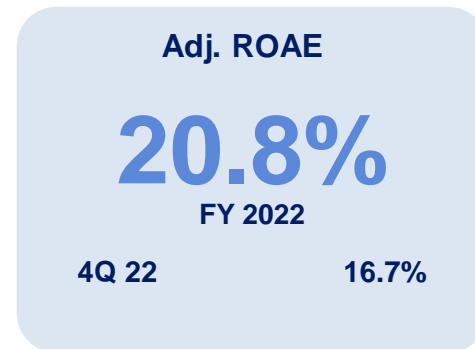
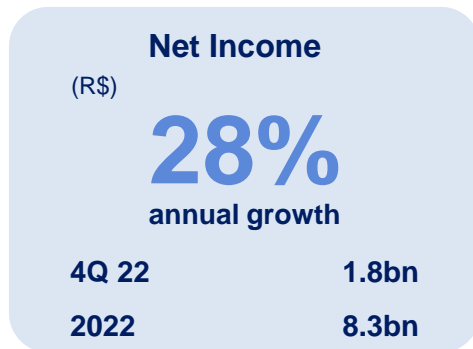
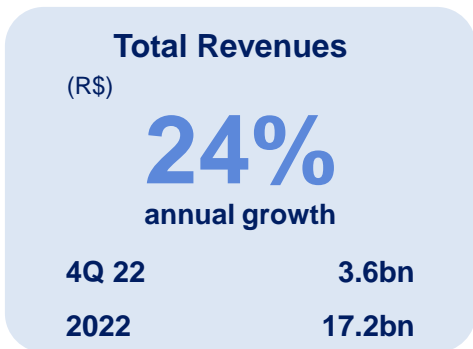
- February 13, 2023 (Monday)
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- Code: BTG Pactual

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



A year of record revenues and net income as we benefited from operational leverage and all-weather business mix



Detailed impact of non-recurring provision on quarterly result

This isolated event negatively impacted our net income for the quarter, but does not reflect the robust state of our business

Adjusted Net Income and ROAE (unaudited)	4Q 2022	Excluding Non Recurring Provision	4Q 2022 Excluding Non Recurring Provision
Investment Banking	484.7		484.7
Corporate & SME Lending	105.1	(1,123.0)	1,228.1
Sales and Trading	1,133.7	(77.0)	1,210.7
Asset Management	429.2		429.2
Wealth Management & Consumer Banking	686.1		686.1
Principal Investments	53.0		53.0
Participations	6.9		6.9
Interest and Other	727.7		727.7
Total revenues	3,626.4	(1,200.0)	4,826.4
Bonus	(346.6)	153.1	(499.8)
Salaries and benefits	(462.3)		(462.3)
Administrative and other	(596.4)		(596.4)
Goodwill amortization	-		-
Tax charges, other than income tax	(255.0)		(255.0)
Total operating expenses	(1,660.4)	153.1	(1,813.6)
Income before taxes	1,966.0	(1,046.9)	3,012.9
Income tax and social contribution	(198.6)	466.9	(665.5)
Net Income	1,767.4	(580.0)	2,347.4
Adjusted shareholder's equity EOP	42,372		42,952
Annualized ROAE	16.7%		22.0%

1 Provision related to supply-chain financing exposure

2 Provision related to other financial instruments

3 Lower bonus expenses

4 Lower income taxes due to provision and bonus adjustments

5 Total net income impact of the non-recurring provision

Sequentially strong quarterly net inflows led to an accumulated NNM of R\$254bn in 2022, reaching R\$1.3tn of total AuM/WuM

Net New Money

(R\$)

68bn

4Q 22

3Q 22	63bn
4Q 21	64bn
2022	254bn

AuM / AuA

(R\$)

28%

y-o-y growth

4Q 22	707bn
3Q 22	665bn
4Q 21	553bn

WuM

(R\$)

28%

y-o-y growth

4Q 22	546bn
3Q 22	509bn
4Q 21	428bn

Expansion of our funding base and credit portfolio, while maintaining a solid and well capitalized balance sheet

Unsecured Funding

(R\$)

14%

y-o-y growth

4Q 22	176bn
3Q 22	170bn
4Q 21	154bn

Corporate and SME Portfolio (R\$)

35%

y-o-y growth

	Total	SME
4Q 22	144bn	23bn
3Q 22	130bn	21bn
4Q 21	107bn	17bn

Basel Ratio

15.1%

4Q 22

Total Net Equity

4Q 22	42bn
3Q 22	42bn
4Q 21	37bn

2023 Perspectives

BTG Pactual expects solid revenue growth continuing to benefit from its all-weather business mix and increased operational leverage, despite a challenging scenario

- Given weaker expected capital markets activity, Investment Banking revenues should decrease in similar percentages as the 2021/22 decrease. If capital markets reopen during the year, this forecast will prove conservative
- Corporate & SME Lending revenues will grow given our dynamic credit risk management (taking into account macro, sector and company specific variables), tighter market underwriting standards, higher credit spreads and mid-teens portfolio growth
- WM, AM and S&T franchises will continue to grow as we benefit from the investments made in the last years, and increased market share in new client and product segments
- We will keep a stable headcount in backoffice areas resulting in additional efficiency gains

Therefore, we expect 2023 ROAE to be higher than in 2022, as revenues will grow at a faster pace than costs, while our capital and liquidity ratios remain at current or even more robust levels

Performance Summary

4Q 2022

Solid quarter even with non-recurring provision

1

Total revenues and adj. net income⁽¹⁾ of R\$3,626mn and R\$1,767mn, respectively

- Adj. ROAE⁽¹⁾: 16.7% or 22.0% excluding non-recurring provision
- Adj. net income per unit⁽¹⁾: R\$0.46
- Acc. net income: R\$1,644mn

2

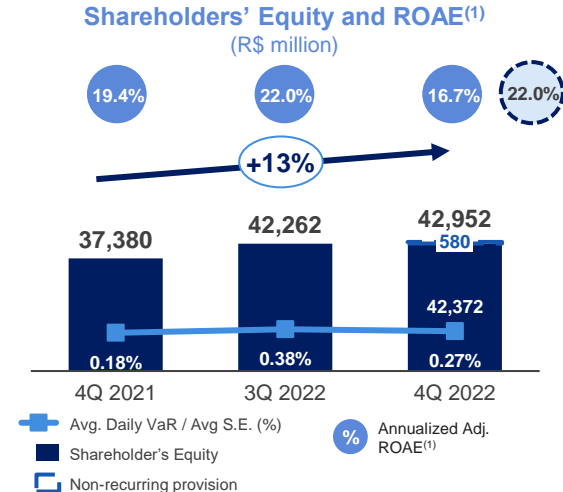
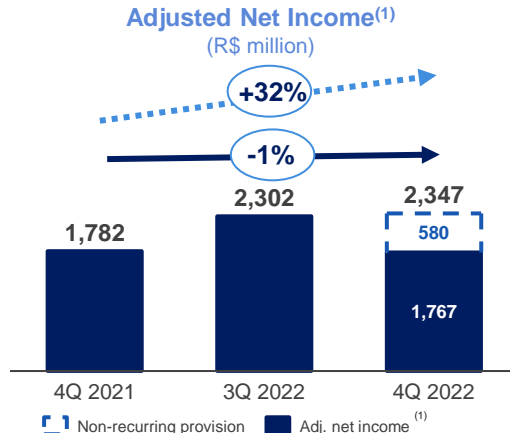
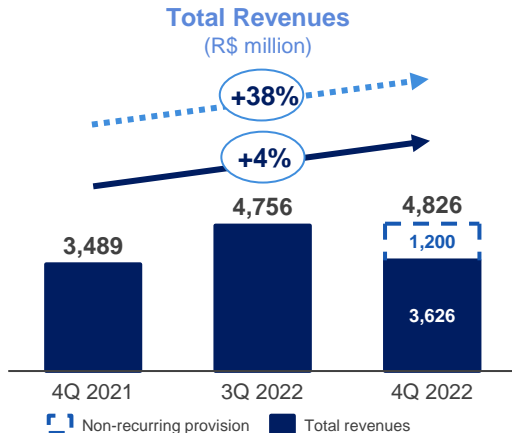
Adj. cost-to-income ratio⁽¹⁾, impacted by non-recurring provision in the quarter

- Adj. cost-to-income ratio⁽¹⁾: 45.8%
- Compensation ratio: 22.3%

3

Total assets were R\$450.6bn, BIS ratio was 15.1% and shareholders' equity reached R\$42.4bn

- JCP distribution of R\$1.3bn
- Average VaR was 0.27% of average adj. shareholders' equity



Note:
(1) Adjusted for goodwill amortization

Performance Summary

2022

Record yearly revenues and adj. net income, with a 20.8% ROAE⁽¹⁾

1

Total revenues and adj. net income⁽¹⁾ of R\$17,247mn and R\$8,306mn, respectively

- ROAE⁽¹⁾: 20.8% or 22.1% adj. for non-recurring provision
- Adj. net income per unit⁽¹⁾: R\$2.17
- Acc. net income: R\$7,842mn

2

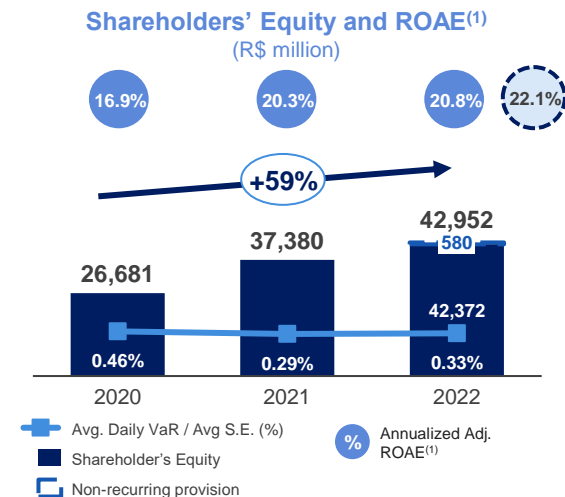
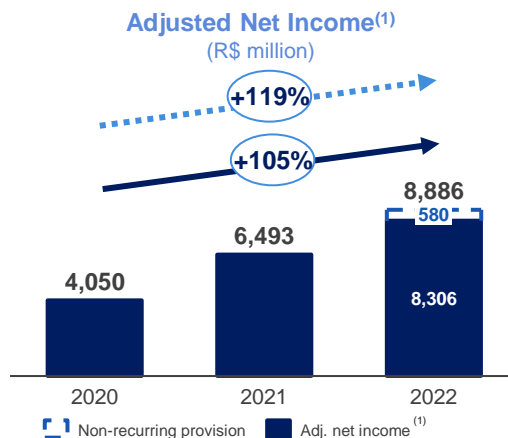
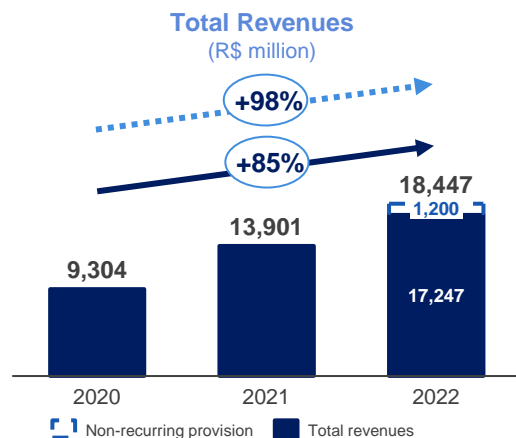
Adj. cost-to-income ratio⁽¹⁾ within historical levels despite continuous investments

- Adj. cost-to-income ratio⁽¹⁾: 40.1%
- Compensation ratio: 21.9%

3

Shareholders' equity increased 13.4% y-o-y and ended the period at R\$42.4bn

- Average daily VaR was 0.33% of average shareholders' equity

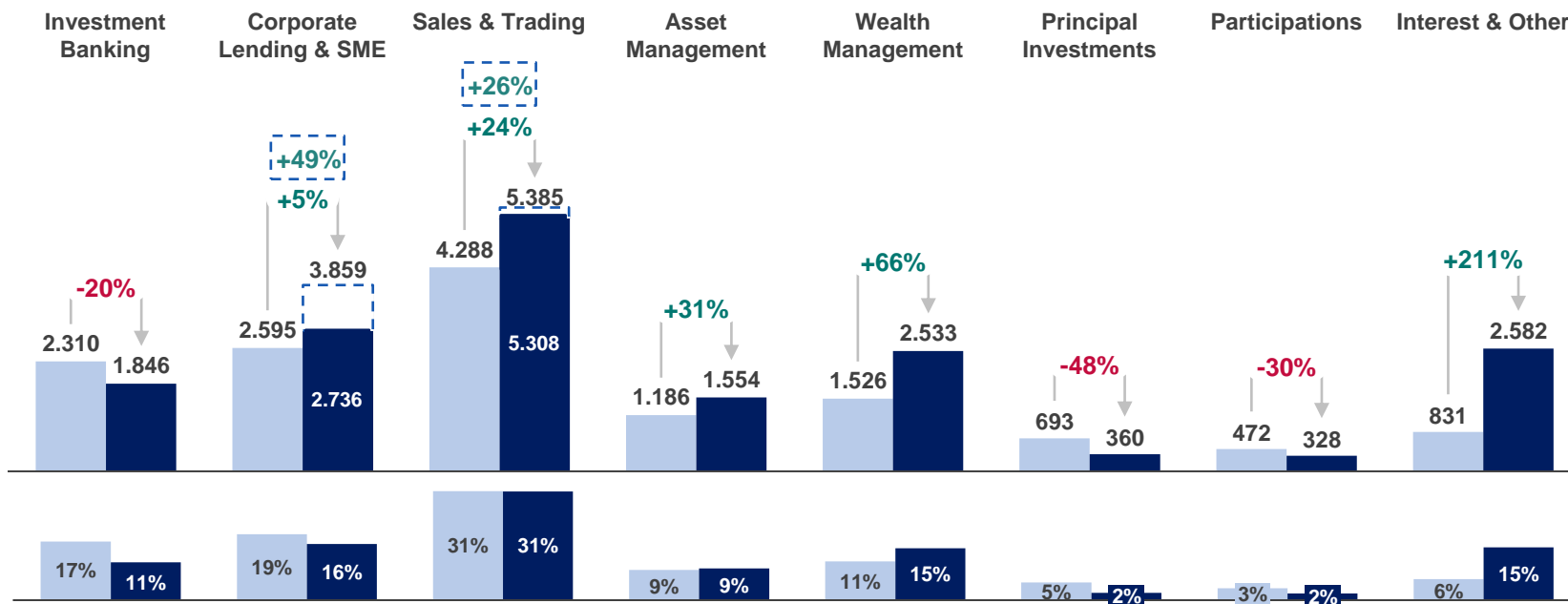


Revenue breakdown by business unit

Fast-growing client franchises contributed to revenue diversification and stronger synergies across our integrated business model

FY 2022 x FY 2021

Total Revenues⁽¹⁾ = R\$18.4 billion



Note:
(1) Excluding non-recurring provision

Legend: Non-recurring provision 2021 2022

ESG & Impact Investing Achievements

4Q 2022



Environmental Finance Awards 2022

Timberland Investment Group (TIG) received the 2022 Investment Team of the Year and ESG Initiative of the Year Awards - LatAm for its reforestation strategy. We were also recognized for the Impact Initiative of the Year - LatAm and Caribbean for being the first lead coordinator bank of a blue bond transaction in Brazil

ESG-labeled DCM issuances

We structured and distributed sixteen green labeled issuances during 2022, totaling US\$845 million in the quarter and US\$3.3 billion in 2022

Impact Investing Fund completed its third investment

BTG Pactual Impact Investing Fund invested in Bioelements, a company specialized in bioplastics that offers sustainable alternatives to plastics

BTG SOMA - our NGO acceleration and mentorship program

BTG SOMA reached its 5th edition and positively impacted 46 NGOs

INTELI – The tech and leadership college founded by BTG partners

INTELI concluded its first year of teaching with outstanding results and enjoys institutional support from BTG, including scholarships and student mentoring

Employee Engagement in SCR

More than 30% of BTG's workforce was involved in at least one corporate social responsibility initiative last year



BTG Pactual Business Units

Section 1



Investment Banking

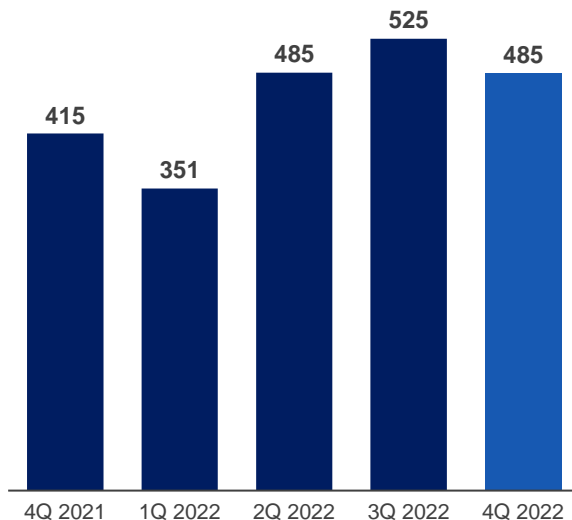
Record DCM and M&A revenues in FY2022

Highlights of 4Q 2022

- Despite current macroeconomic headwinds, our IB franchise delivered solid results, ending 2022 with the second largest yearly revenue in history
- Record revenues in DCM for the second consecutive quarter, as we concluded 32 transactions in the period
- Record M&A revenues in 2022, pipeline remains robust

Quarterly Revenues

(R\$ million)



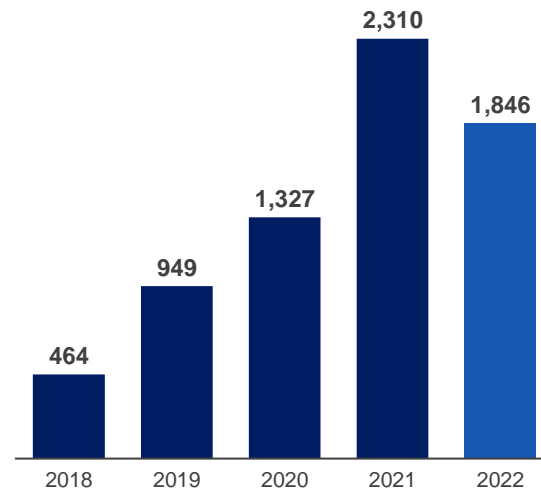
FY 2022

M&A

#1 in number of transactions in both Brazil and LatAm
#1 in volume of transactions in Brazil

Yearly Revenues

(R\$ million)



FY 2022

ECM

#1 in number of transactions in LatAm
#1 in volume of transactions in both Brazil and LatAm

Corporate & SME Lending

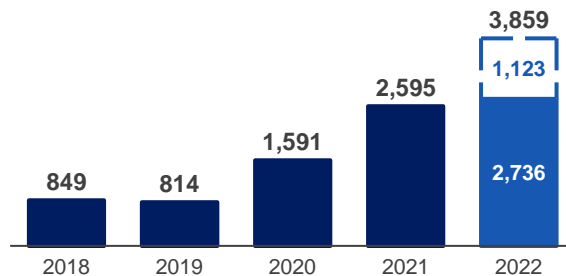
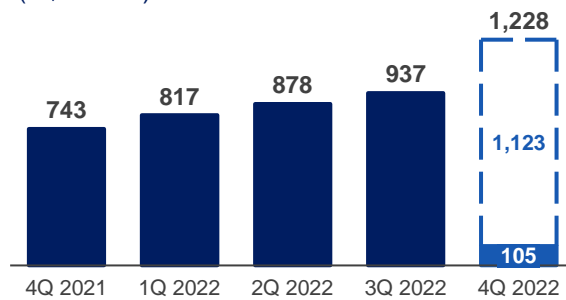
Recurring revenues continue to grow despite one-off loan loss provision

Highlights of 4Q 2022

- We provisioned R\$1.1 billion related to a specific credit exposure. Despite this setback, we remain confident in the strength and quality of our credit portfolio
- Recurring revenues continue to expand, supported by higher contribution from Special Situations. Revenues adjusted by the one-off provision would have reached R\$1.2bn, a 31.1% q-o-q growth
- Well-diversified portfolio even within the sectors

Revenues

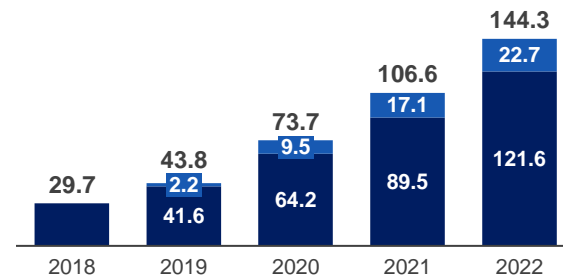
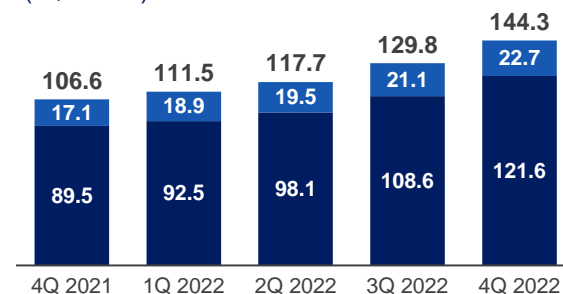
(R\$ million)



Non-recurring provision Total revenues

Corporate and SME Lending Portfolio

(R\$ billion)



SME Corporate Lending

Sales & Trading

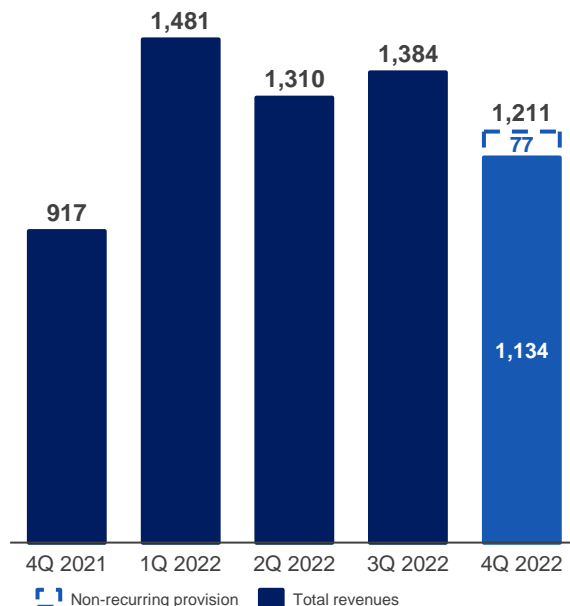
Record revenues in 2022 driven by client activity and efficient VaR allocation

Highlights of 4Q 2022

- Consistent performance achieving R\$1.1bn of revenues during the quarter, despite more challenging market conditions
- We provisioned R\$ 77mn related to other financial instruments
- Average daily VaR of 0.27% for the quarter, the lowest figure of the year and below historical levels
- Market risk component of RWA finished the quarter at 15.7%

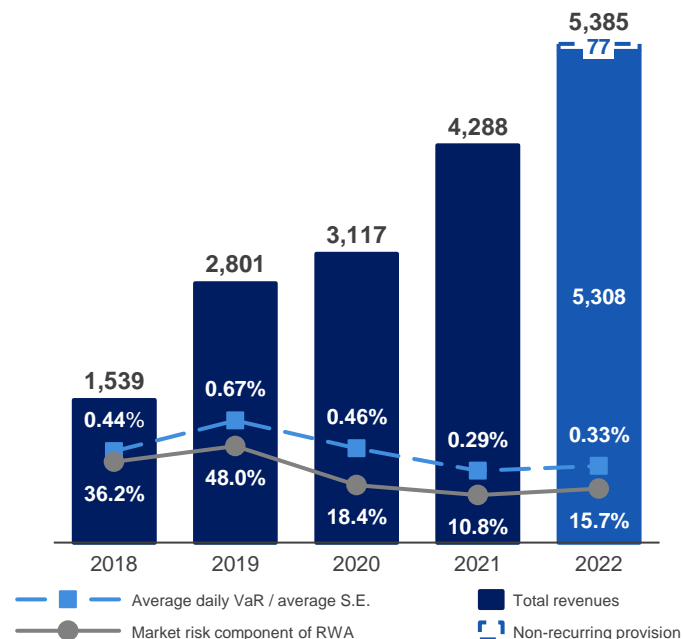
Quarterly Revenues

(R\$ million)



Yearly Revenues, VaR and Market Risk

(R\$ million)



Asset Management

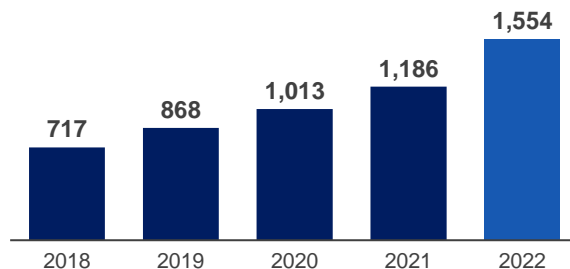
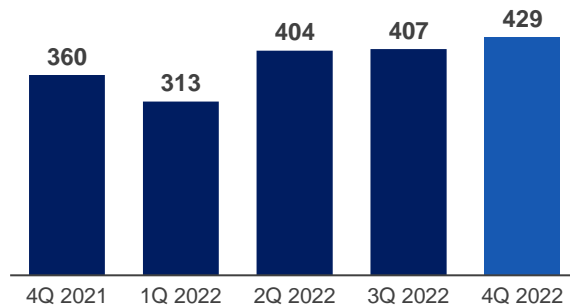
Record revenues for a single quarter and full year

Highlights of 4Q 2022

- Solid revenues of R\$429.2 million, up 5.3% q-o-q and 19.1% y-o-y mainly due to higher management fees and impact of performance fees recorded in December
- NNM was R\$33.0 billion in the quarter and R\$133.8 billion in FY22, impressive levels considering the more challenging macroeconomic scenario
- Strong net inflows especially in Alternative and Fixed Income funds managed by BTG Pactual Asset Management
- Four-year AuM/AuA CAGR reaches 36%

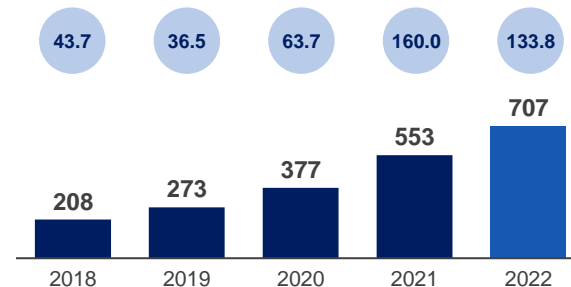
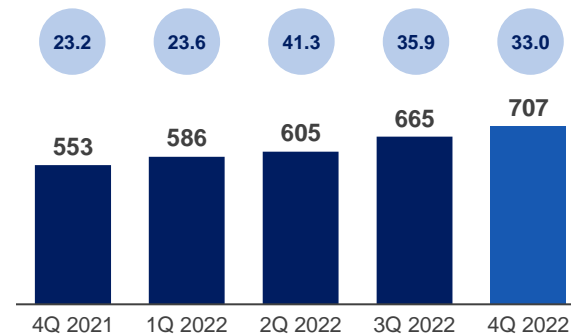
Revenues

(R\$ million)



AuM, AuA and NNM

(R\$ billion)



NNM ■ AuM/AuA

Wealth Management & Consumer Banking

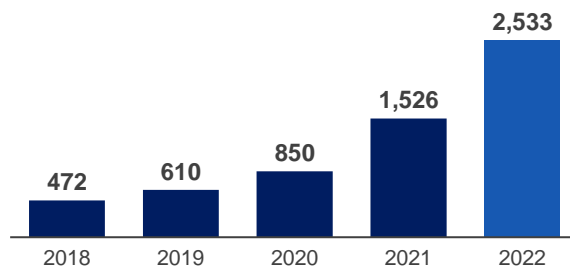
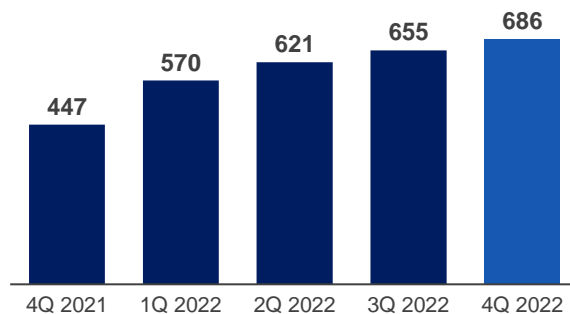
Highest quarterly net inflow of the year with consistently strong revenue generation

Highlights of 4Q 2022

- This quarter we have achieved the impressive mark of sixteen consecutive quarters registering revenue growth
- Record revenues of R\$686.1 million; four-year revenue CAGR reaches 52%
- Despite the challenging scenario, we have delivered the best quarterly net inflow of the year, reaching R\$35.0 billion
- Throughout the year, while WuM increased 27.7%, revenues grew 66.0%. Return on assets (ROAs) are positively impacted by our market share gains in the high-income retail segment

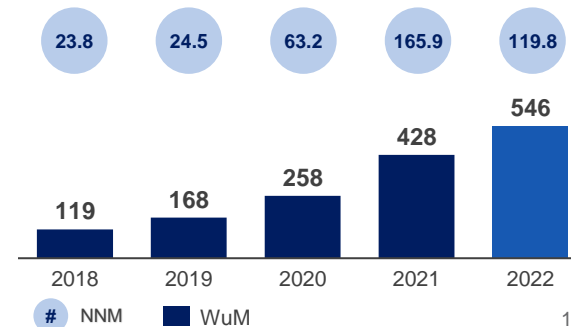
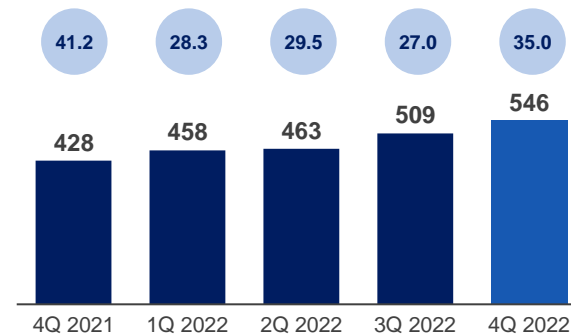
Revenues

(R\$ million)



WuM and NNM

(R\$ billion)



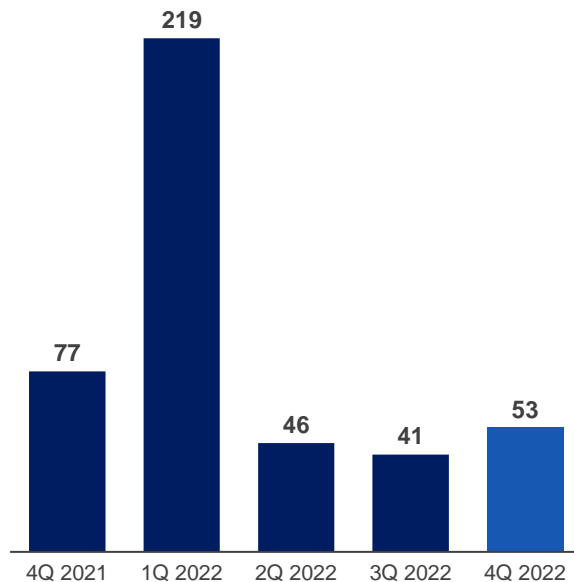
Principal Investments & Participations

Highlights of 4Q 2022

- Principal Investments posted revenues of R\$53.0mn, a slight increase over the previous quarter, but still impacted by higher internal funding costs
- Participations Earnings consists of equity pick up in:
 - Banco Pan: R\$126mn, net of R\$38mn goodwill amortization expense, and excluding the gains from the payroll loan portfolio acquired from Banco Pan
 - Too Seguros: R\$55.1mn
- Diversification of our lending portfolio with the agreement to acquire loans from Banco Pan

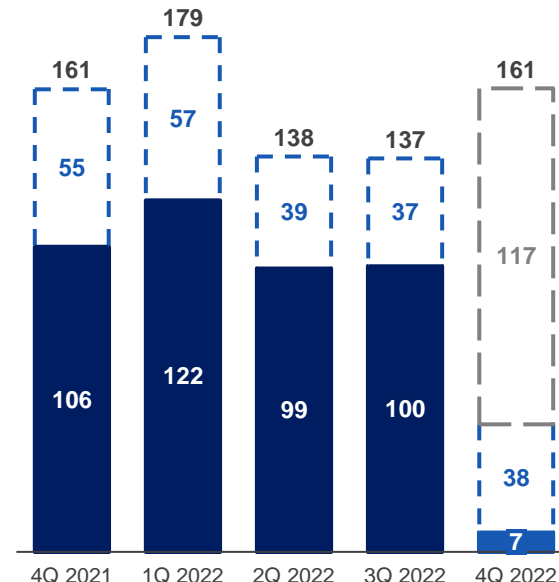
Principal Investments Revenues

(R\$ million)



Participations Earnings

(R\$ million)



Intercompany adjustments

Banco Pan goodwill amortization expense



Expenses

Section 2



Expenses and Main Ratios

Stable cost-to-income ratio for FY 2022 in a more challenging scenario reflects the efficiency of our business model

Highlights of 4Q 2022

- Total operating expenses lowered in the quarter as a result of R\$153.1 million bonus reduction
- S&B grew 3.9% q-o-q, due to a small increase in headcount, mostly inorganic
- A&O up 7.7% q-o-q mainly due to seasonal year-end costs
- Effective income tax rate was impacted by JCP distribution and non-recurring provision previously explained

Adjusted cost-to-income ratio⁽¹⁾ ended the year at 40.1%

(R\$ million)

(in R\$ mm, unless stated)	Quarter			4Q 2022 % change to		Year to Date		2022 % change to
	4Q 2021	3Q 2022	4Q 2022	4Q 2021	3Q 2022	2021	2022	2021
Bonus	(258)	(570)	(347)	34%	-39%	(2,019)	(1,997)	-1%
Salaries and benefits	(353)	(445)	(462)	31%	4%	(1,230)	(1,785)	45%
Administrative and other	(485)	(554)	(596)	23%	8%	(1,485)	(2,166)	46%
Goodwill amortization	(67)	(208)	(221)	231%	6%	(253)	(839)	231%
Tax charges, other than income tax	(177)	(244)	(255)	44%	5%	(733)	(968)	32%
Total operating expenses	(1,340)	(2,020)	(1,882)	40%	-7%	(5,719)	(7,756)	36%
Adjusted cost to income ratio	36%	38%	46%			39%	40%	
Compensation ratio	18%	21%	22%			23%	22%	
Income tax and social contribution	(405)	(549)	(101)			(1,839)	(1,649)	-10%
Effective income tax rate	18.8%	20.1%	5.8%			22.5%	17.4%	



Balance Sheet

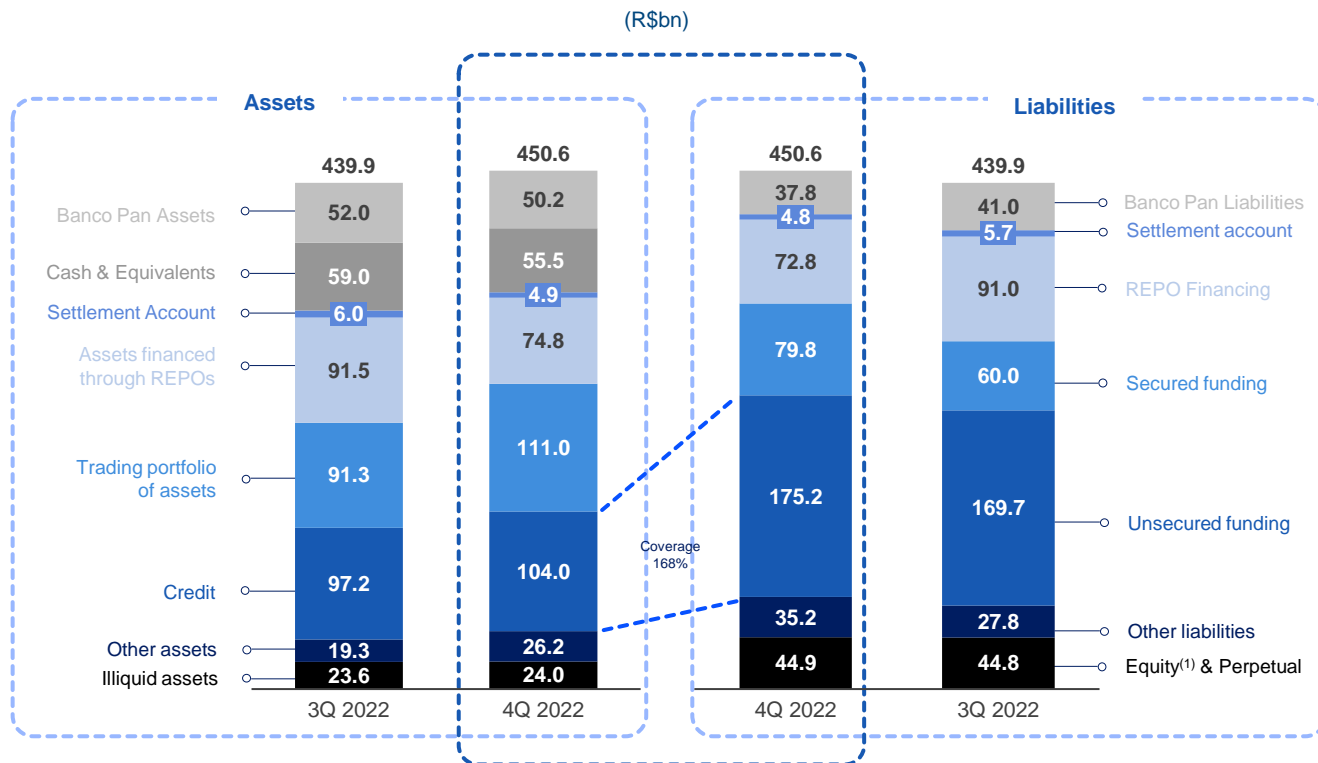
Section 3



Balance Sheet Analysis

Highlights of 4Q 2022

- Total assets (10.1x equity) increased 2.4% q-o-q
- Solid liquidity levels, with R\$55.5bn of cash and cash equivalents, (1.3x our Net Equity), resulting in a LCR of 233%
- Comfortable coverage ratio at 168% as our funding base grew to support the expansion of our credit portfolio
- Corporate Lending Portfolio represents 3.4x Net Equity, adequate levels given our funding profile which became much more stable as we increase our share of retail in total base



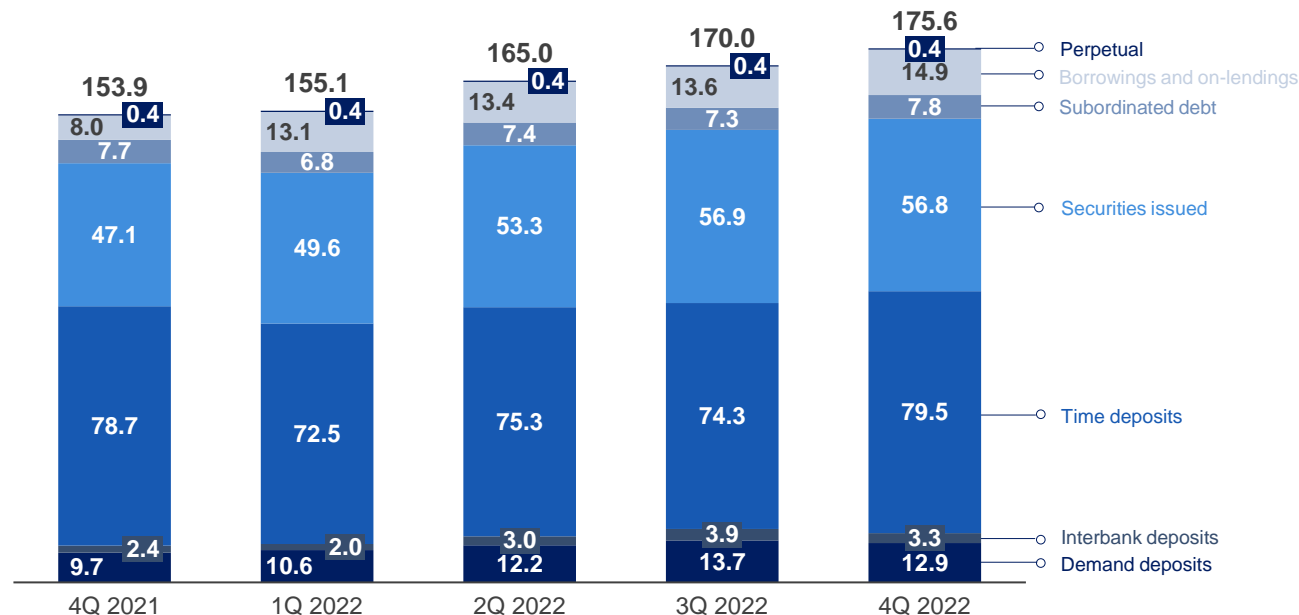
Unsecured Funding Base

Highlights of 4Q 2022

- Funding base reached R\$175.6bn, up 3.3% or R\$5.6bn in the quarter, concentrated in local BRL deposits
- Demand deposits at R\$12.9bn, representing 7.4% of total base
- Share of our retail funding continues to expand, reaching 26.3% of total funding base and 30.5% considering Banco Pan's funding base

Unsecured funding base grew R\$21.7bn (+14.1% y-o-y)

(R\$ billion)



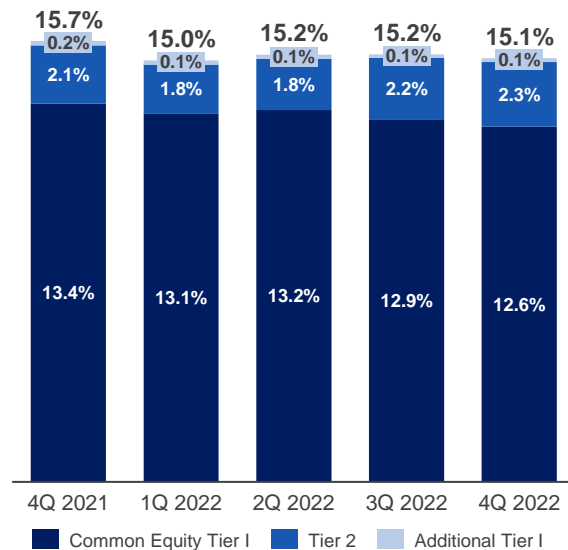
BIS Ratio and VaR

Highlights of 4Q 2022

- BIS capital ratio stable at 15.1% at the end of 4Q 2022, even after JCP distribution and impact of non-recurring provision
- Total average daily VaR at 0.27%, as we maintain a conservative risk allocation approach to our balance sheet

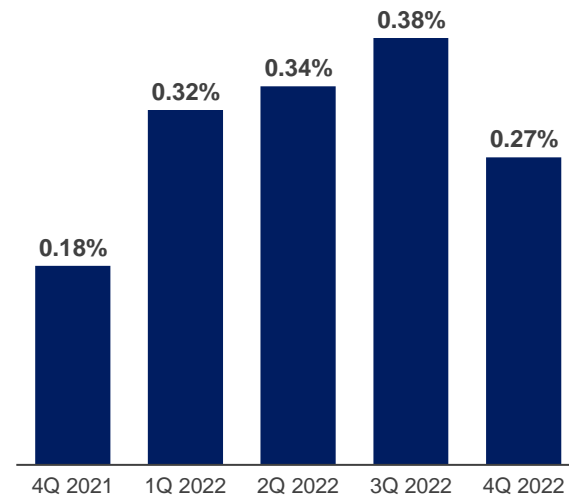
BIS Ratio

(%)



Average daily trading VaR

(% of average shareholders equity)



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