



Earnings Release

First Quarter 2022

May 09, 2022



btgpactual.com



Net New Money
(R\$)

52bn

1Q 22
302bn LTM

Total AuC
(R\$)

1.04tn

1Q 22
36% y-o-y growth

Adjusted Net Income
(R\$)

2.1bn

1Q 22
72% y-o-y growth

Total Revenues
(R\$)

4.4bn

1Q 22
56% y-o-y growth

Corporate & SME
Portfolio (R\$)

111bn

39% y-o-y growth
SME: 19bn

Unsecured Funding
(R\$)

155bn

28% y-o-y growth

Basel Ratio

15.0%

1Q 22

ROAE Adj

21.5%

1Q 22

Highlights

Banco BTG Pactual S.A. reported total revenues of R\$4,351.4 million and adjusted net income of R\$2,061.7 million for the quarter ended March 2022.

BTG Pactual's adjusted net income per unit and annualized adjusted return on average shareholders' equity ("Annualized ROAE") were R\$0.54 and 21.5%, respectively, for the quarter.

As of March 31, 2022, total assets of BTG Pactual were R\$391.3 billion, a 13.1% increase compared to December 31, 2021. Our BIS capital ratio was 15.0%.

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	
	1Q 2021	4Q 2021	1Q 2022	3M 2021	3M 2022
Total revenues	2,796	3,489	4,351	2,796	4,351
Net income	1,176	1,744	1,943	1,176	1,943
Adjusted Net income	1,197	1,782	2,062	1,197	2,062
Adjusted Net income per unit (R\$)	0.32	0.46	0.54	0.32	0.54
Annualized ROAE	16.8%	19.4%	21.5%	16.8%	21.5%
Adjusted cost to income ratio	41.8%	36.5%	39.0%	41.8%	39.0%
Shareholders' equity	30,414	37,380	39,300		
Total Number of Shares (# in '000)	11,184,161	11,506,120	11,503,576		
Number of Units (# in '000)	3,728,054	3,835,373	3,834,525		
Book Value per unit (R\$)	8.2	9.7	10.2		
BIS Capital Ratio	17.7%	15.7%	15.0%		
Total assets (in R\$ Billion)	279.8	346.1	391.3		
Total of WuM and AuM	767.3	980.5	1,043.8		

BTG Pactual Performance

Reinforcing our capacity to perform in every macro scenario, we are glad to announce another remarkable quarter, with all-time high revenue and net income since our IPO. As we continue to focus on the expansion of our client-related franchises, our total distribution capacity has surpassed the one trillion mark – only eighteen months after reaching the half trillion milestone – getting to R\$1,043.8 billion on March 31st, 2022.

Total revenues reached R\$4,351.4 million, 24.7% higher than the previous quarter and 55.6% above 1Q 2021. Our adjusted cost-to-income ratio ended the quarter at 39.0%, at lower bound of historical range. Annualized adjusted ROAE was 21.5%, the highest level in the last 6 years, and adjusted net income reached R\$2,061.7 million, our historical record.

The 1Q 2022 performance was robust across all business units: (i) Investment Banking reported revenues of R\$350.9 million, 15.4% below 4Q 2021, as a result of lower market activity in DCM, which is already picking up and an expected ECM cyclical, although we maintain the leading position in industry rankings; (ii) Corporate and SME Lending posted once more its best quarter since our IPO, with revenues of R\$816.6 million, 9.9% higher than 4Q 2021 (our previous record) while we grew our portfolio to R\$111.5 billion, focused on maintaining excellent asset quality; (iii) Sales & Trading had its best quarter since 2016, with revenues of R\$1,481.0 million, a 61.6% q-o-q growth and a 82.6% y-o-y growth, with record contribution from client activities, higher market volatility and efficient VaR allocation; (iv) Asset Management posted R\$313.1 million of revenues, a 18.3% y-o-y increase, while we continue to deliver solid net inflows and growing management fees, and a 13.1% q-o-q decrease due to natural seasonality of performance fees accrued in the last quarter of the year, and (v) Wealth Management & Consumer Banking revenues reached another record quarterly result of R\$570.4 million, 27.6% above the previous quarter and 93.5% higher than 1Q 2021, with solid net new money (NNM). Finally, both Principal Investments and Participations reported consistent performance, with revenues of R\$218.8 million and R\$122.5 million, respectively.

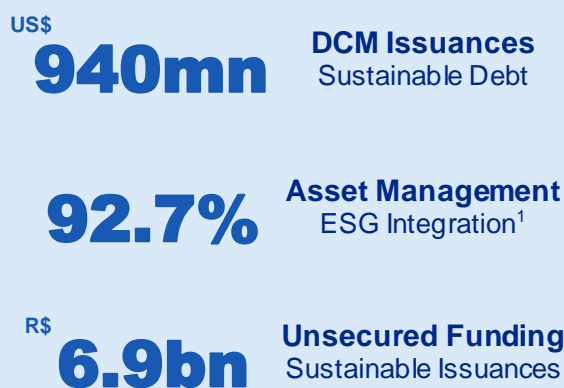
Our operating expenses were R\$1,911.0 million in 1Q 2022. The nominal quarterly growth was mainly due to (i) higher bonus provision following the strong operating performance, (ii) higher salaries and benefits expenses due to organic and inorganic personnel increase and year-end promotions, and (iii) higher goodwill amortization costs from the Empiricus consolidation. As a result, adjusted cost-to-income ratio reached 39.0%, while compensation ratio was 22.6% in the quarter, within historical average.

Accounting net income was R\$1,942.6 million in 1Q 2022, 11.4% above 4Q 2021 and 65.1% up when compared to 1Q 2021. Shareholders' equity ended the period at R\$39.3 billion, a 5.1% increase over the previous quarter, and a 29.2% y-o-y increase. Our liquidity coverage ratio ("LCR") was 166%, while the Basel ratio was 15.0%.

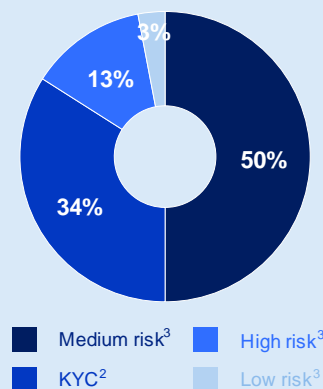
As we continue to expand our ESG & Impact Investing agenda, we have recently become a member of the Green and Social Bonds Principles of ICMA, the industry standard for green, social, and sustainable bond origination. In 1Q 2022, we have structured and distributed four green labeled issuances, three in the local market and one international, totaling US\$940 million. Since 2016, we have already originated US\$9.5 billion in sustainable debt. In March 2022, we have also launched a new Venture Debt Fund in Chile aimed at promoting positive social and environmental impact. The Fund’s investment process will follow our ESG & Impact Investing framework, aligned with IRIS+ (GIIN), 2x Challenge and ESG Key Indicators, in addition to contributing with the United Nations’ Sustainable Development Goals (SDGs).

In April, we also released our 2021 Annual Report. We have implemented countless improvements in this year’s report, including: (i) independent audit on ESG data, (ii) expansion of the volume of ESG indicators reported (129 indicators in 2021 versus 70 in 2020), (iii) improvements in human resources KPI reports, (iv) clear roadmap to the 2030 Agenda and SDG goals and (v) greater details on the integration of ESG factors in our business units. The 2021 Annual Report is available [here](#).

ESG & Impact Investing | Main KPIs 1Q22



Corporate & SME Lending Portfolio
Socio-Environmental Categories



Notes:

- (1) Percentage of AuM compliant with the *definition* of ESG Integration formulated by the *Principles for Responsible Investment (PRI)*
- (2) Know Your Client (KYC) analysis is made with an automated tool which uses public databases to assess ESG risk. We use information published by the Brazilian Ministry of the Economy, IBAMA, and Brazilian courts
- (3) Transactions classified in high, medium, and low socioenvironmental risks are submitted to additional rigorous technical analysis related to compliance and socioenvironmental and climate aspects, good market practices and nineteen sectorial policies developed by BTG Pactual

Adjusted Net Income and ROAE (unaudited)

Adjusted Net Income and ROAE (unaudited)	1Q 2022 Accounting	Non Recurring Items & Goodwill	1Q 2022 Adjusted
Investment Banking	350.9		350.9
Corporate & SME Lending	816.6		816.6
Sales and Trading	1,481.0		1,481.0
Asset Management	313.1		313.1
Wealth Management & Consumer Banking	570.4		570.4
Principal Investments	218.8		218.8
Participations	122.5		122.5
Interest and Other	478.2		478.2
Total revenues	4,351.4	-	4,351.4
Bonus	(546.1)		(546.1)
Salaries and benefits	(437.2)		(437.2)
Administrative and other	(475.8)		(475.8)
Goodwill amortization	(213.3)	213.3	-
Tax charges, other than income tax	(238.6)		(238.6)
Total operating expenses	(1,911.0)	213.3	(1,697.7)
Income before taxes	2,440.4	213.3	2,653.7
Income tax and social contribution	(497.8)	(94.1)	(592.0)
Net Income	1,942.6	119.2	2,061.7
Annualized ROAE	20.3%		21.5%

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

Non-Recurring Items & Goodwill

Goodwill: Mainly attributable to some of our most recent acquisitions, such as Empiricus, Necton, BTG Pactual Advisors and Fator.

Relevant Events

Improvement in Corporate Governance Structure

On February 16th, the Bank announced improvements on its corporate governance structure approved in the Annual Shareholders' meeting held on April 29th. The amendments are still subject to regulatory approvals.

1. Board of Directors: appointment to BTG Pactual's Board of Directors (i) of Mr. André Santos Esteves, as the new Chairman of the Board of Directors, and Mr. Nelson Jobim, current Chairman, will remain as a Board Member, and (ii) of Mr. João Marcello Dantas Leite, who will resign from his position as Chief Financial Officer of BTG Pactual, to be replaced by Mr. Renato Hermann Cohn, a BTG Pactual partner since 2001.
2. Committees: The Company's Board of Directors will be supported by the following committees in addition to those required by applicable law:
 - a. Strategy Committee, which will assist the Board in decisions regarding the business' long-term guidelines, headed by Board Member and Chief Executive Officer, Roberto Balls Sallouti;
 - b. Financial Committee, which will support the Board in decisions regarding the business' financial performance and long-term financial goals, headed by Board Member, João Marcello Dantas Leite;
 - c. Compliance Committee, which is responsible for recommending the best governance and compliance practices for BTG Pactual, headed by Board Member, Nelson Jobim; and
 - d. People Committee, which is responsible for recommending best practices in recruitment, retention, and career development, headed by Board Member, Mark Maletz.

BESA Project

On March 30th, we informed the commitment to acquire the ownership of Banco Econômico S.A. ("BESA"), as well as the ownership of its subsidiaries.

The Transaction is part of the investment strategy of BTG Pactual's Special Situations division, focuses on the acquisition and recovery of non-performing loan portfolios and purchase of alternative financial assets, which accumulates expertise in turnaround of financial institutions under special regime.

The conclusion and closing of the Transaction are subject to compliance with certain conditions, among which (i) the end of BESA's extrajudicial liquidation, which will be possible by the liquidation or settlement of its financial liabilities; and (ii) obtaining all the necessary regulatory approvals, including from the Central Bank of Brazil and Brazilian Antitrust Authority (CADE).

Consolidated Adjusted Revenues

Revenues in 1Q 2022 reached R\$4,351.4 million, a 24.7% quarter-over-quarter growth and a 55.6% year-over-year. Despite the usual seasonality which adversely affects some of our business areas in the first quarter, we posted a very strong overall performance. Corporate & SME Lending and Wealth Management & Consumer Banking posted record revenues, while Sales & Trading had its best quarter in six years.

Adjusted Revenues (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			1Q 2022 % change to		Year to Date		2022 % change to
	1Q 2021	4Q 2021	1Q 2022	1Q 2021	4Q 2021	2021	2022	2021
Investment Banking	484	415	351	-27%	-15%	484	351	-27%
Corporate & SME Lending	555	743	817	47%	10%	555	817	47%
Sales & Trading	811	917	1,481	83%	62%	811	1,481	83%
Asset Management	265	360	313	18%	-13%	265	313	18%
Wealth Management & Consumer Banking	295	447	570	94%	28%	295	570	94%
Principal Investments	238	77	219	-8%	184%	238	219	-8%
Participations	116	106	122	6%	15%	116	122	6%
Interest & Others	33	424	478	1358%	13%	33	478	1358%
Total revenues	2,796	3,489	4,351	56%	25%	2,796	4,351	56%

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)		
	1Q 2021	4Q 2021	1Q 2022	1Q 2021	4Q 2021	1Q 2022
Financial Advisory (M&A) ⁽⁴⁾	13	21	17	16,934	8,217	7,117
Equity Underwriting (ECM)	19	4	9	1,190	373	753
Debt Underwriting (DCM)	25	39	15	1,704	3,429	1,158

BTG Pactual Announced Transactions (unaudited)	Number of Transactions ^{(1),(3)}		Value ^{(2),(3)} (US\$ mln)	
	3M 2021	3M 2022	3M 2021	3M 2022
Financial Advisory (M&A) ⁽⁴⁾	13	17	16,934	7,117
Equity Underwriting (ECM)	19	9	1,190	753
Debt Underwriting (DCM)	25	15	1,704	1,158

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

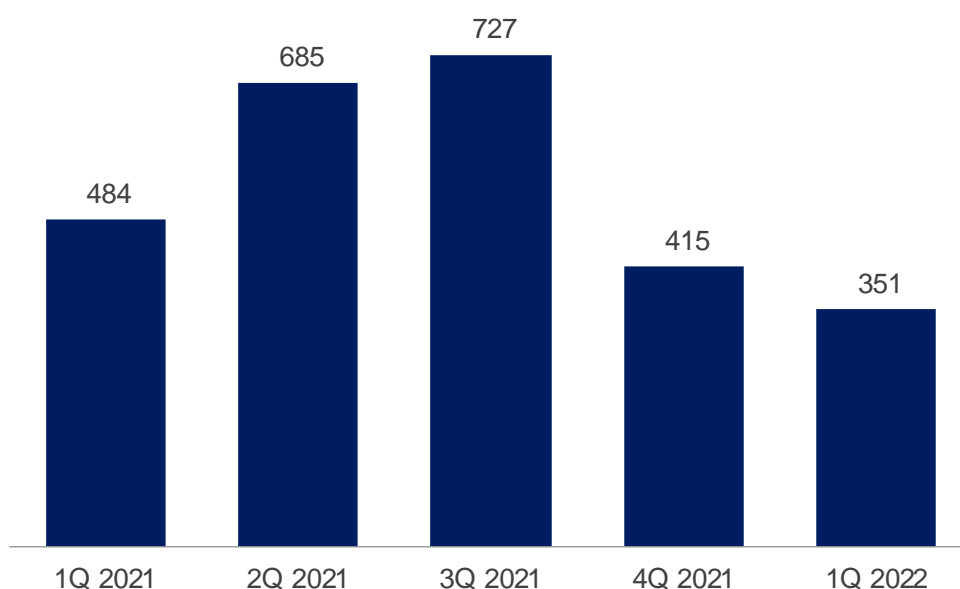
Notes:

- (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 1Q 2022 market share highlights

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

Revenues (in R\$ million)



1Q 2022 vs. 4Q 2021

Investment Banking revenues reached R\$350.9 million, a 15.4% decrease compared to 4Q 2021. The lower quarterly revenue is a result of weaker activity in Debt Capital Markets (DCM), although we foresee a strong pipeline ahead, and an expected cyclicality in Equity Capital Markets (ECM). Revenues from Financial Advisory have grown quarter-over-quarter and we have a large deal pipeline for the year.

Despite the lower contribution from Investment Banking this quarter, we maintained our leading positions in both ECM and Financial Advisory.

1Q 2022 vs. 1Q 2021

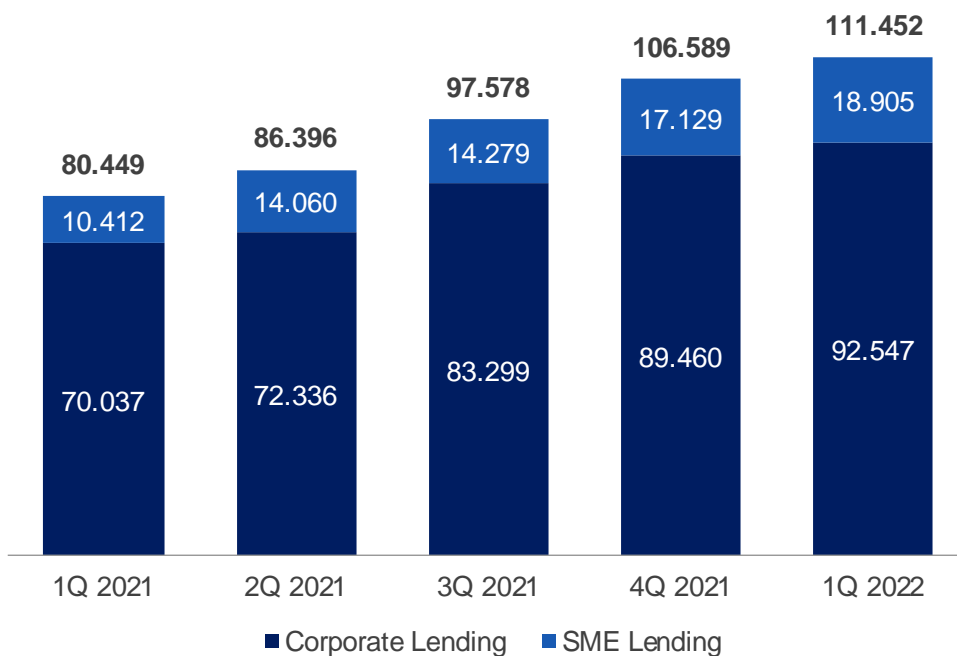
Investment banking revenues decreased 27.4% compared to 1Q 2021, when we delivered R\$483.6 million. The lower activity in both DCM and ECM explains the y-o-y revenue decline in the period as previously explained, partially offset by higher contributions from Financial Advisory.

Corporate and SME Lending

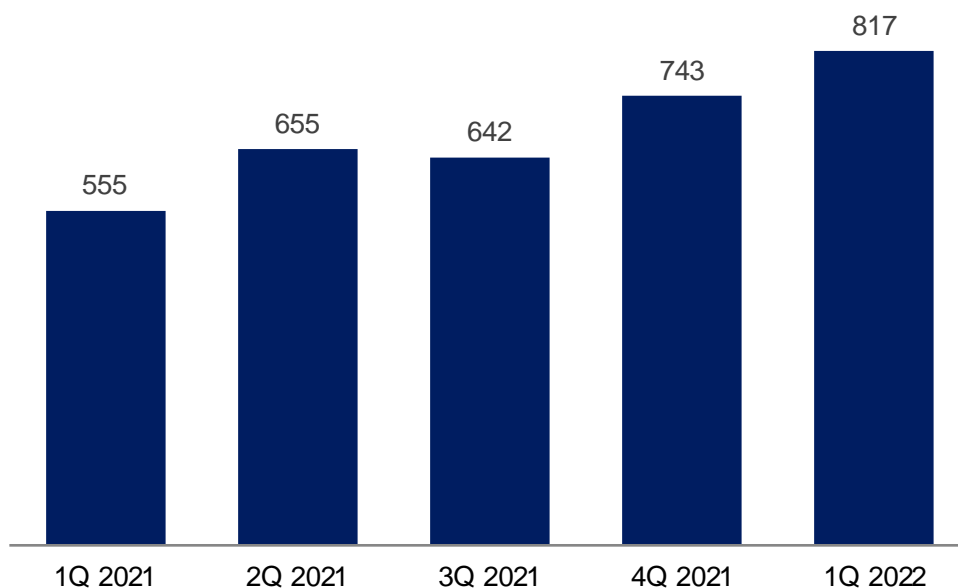
During the quarter, Corporate and SME Lending portfolio grew 4.6%, reaching R\$111.5 billion, compared to R\$106.6 billion in 4Q 2021. Our Corporate Lending portfolio, focused on investment-grade counterparties, grew 3.5% quarter-over-quarter maintaining the same high-quality asset base, as well as competitive spreads and adequate levels of provisions. We do not foresee changes in the asset quality of our Corporate Lending portfolio in the near future.

The SME Lending portfolio grew 10.4% q-o-q, despite the usual year-end seasonality. Our fully digital consumer banking account for SMEs, BTG Empresas, has a quasi-complete product offering and has been attracting corporate clients who seek a differentiated customer experience.

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



Revenues (in R\$ million)



1Q 2022 vs. 4Q 2021

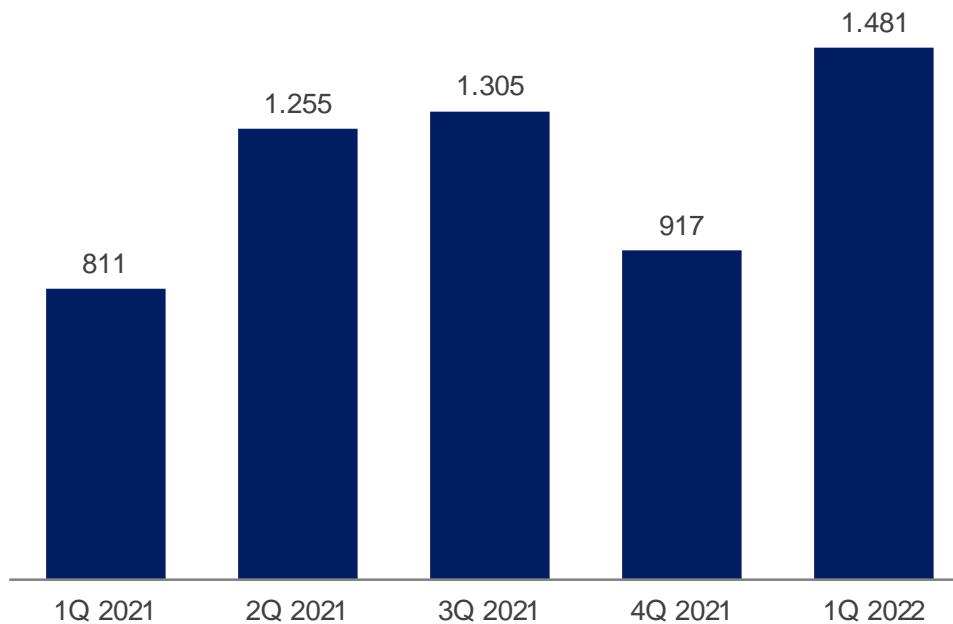
Corporate and SME Lending reported yet another record revenue of R\$818.6 million, 9.9% above 4Q 2021, our previous record. The superior result is mainly due to higher recurring revenues as we keep expanding our portfolio, combined with a very diversified product portfolio. The Corporate & SME Lending book maintains a high asset quality with very competitive spreads and adequate provisioning levels.

1Q 2022 vs. 1Q 2021

Revenues from Corporate and SME Lending increased by 47.2% year-over-year due to an increase in accrual revenues as we grew the portfolio with higher spreads while maintaining adequate levels of provision.

Sales & Trading

Revenues (in R\$ million)



1Q 2022 vs. 4Q 2021

Sales & Trading posted revenues of R\$1,481.0 million in 1Q 2022, a 61.6% increase from a solid 4Q 2021. We had very good overall performance in the quarter driven by record client (fee and flow-based) activities, market volatility and efficient VaR allocation.

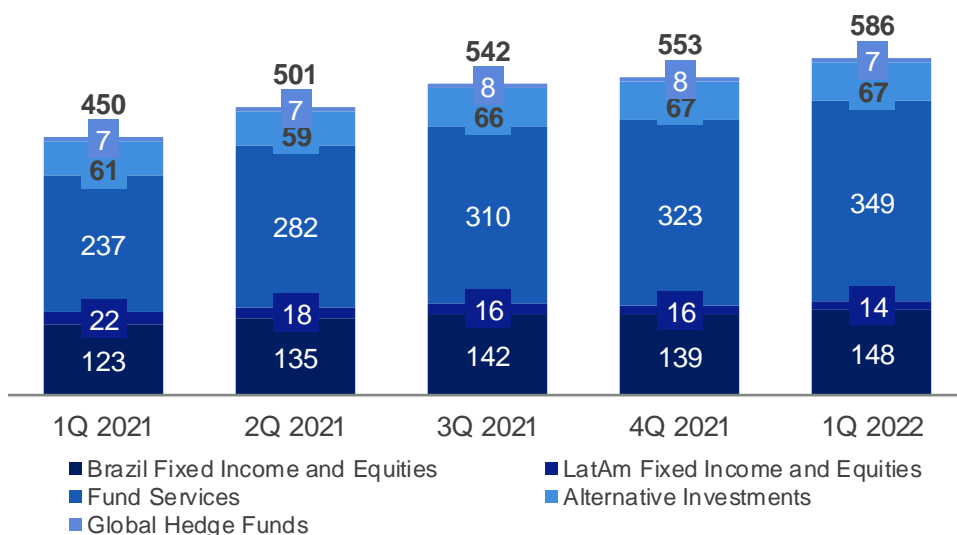
1Q 2022 vs. 1Q 2021

Sales & Trading revenues increased 82.6% year-over-year to R\$1,481.0 million, compared to R\$810.9 million in 1Q 2021. Growth was due to better overall performance, especially in our client franchises.

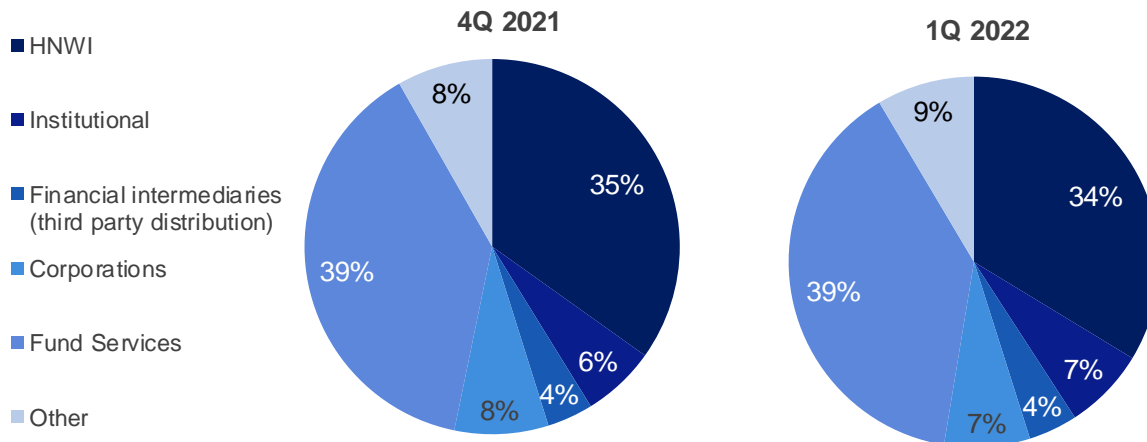
Asset Management

In 1Q 2022, total Assets under Management (AuM and AuA) reached R\$585.7 billion, a 6.0% quarterly growth and a 30.2% increase compared to 1Q 2021. AuM/AuA benefitted from solid net inflows - despite expected negative seasonality - as well as from appreciation in asset prices. Our managed funds continue to attract client inflows, especially in Brazil Fixed Income and Alternative Investments strategies. NNM was R\$23.6 billion in the quarter, adding up to R\$140.7 billion in the last twelve months.

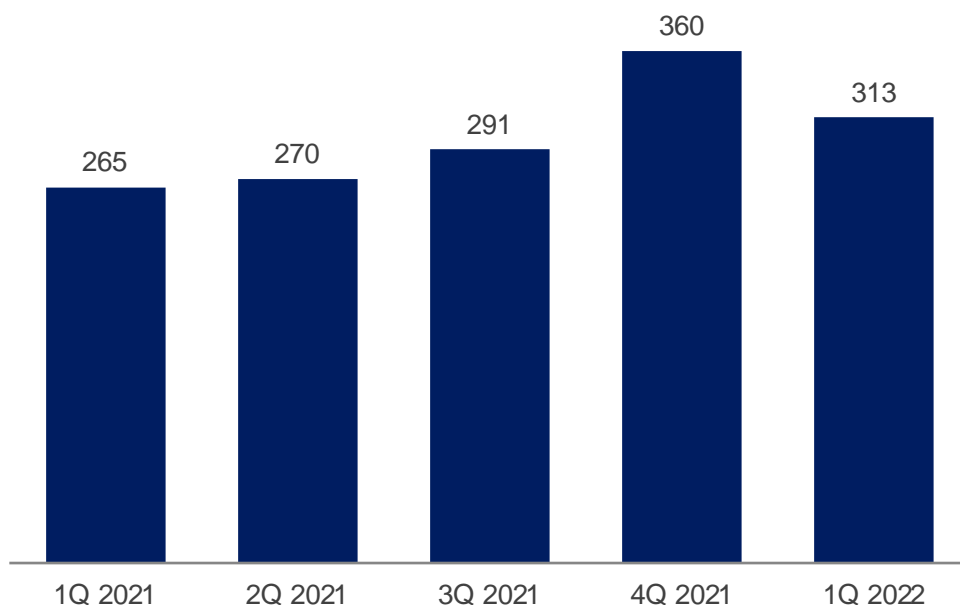
AuM & AuA by Asset Class (in R\$ billion)



AuM and AuA by Type of Client



Revenues (in R\$ million)



1Q 2022 vs. 4Q 2021

Asset Management revenues decreased 13.1% in the period to R\$313.1 million. The decrease is attributable to business seasonality, as performance fees are recorded at the end of each fund's fiscal year, most of which take place in June and December. Management fees grew in the quarter, in line with the 6.0% growth of AuM/AuA. ROAs by asset class remained stable during the quarter.

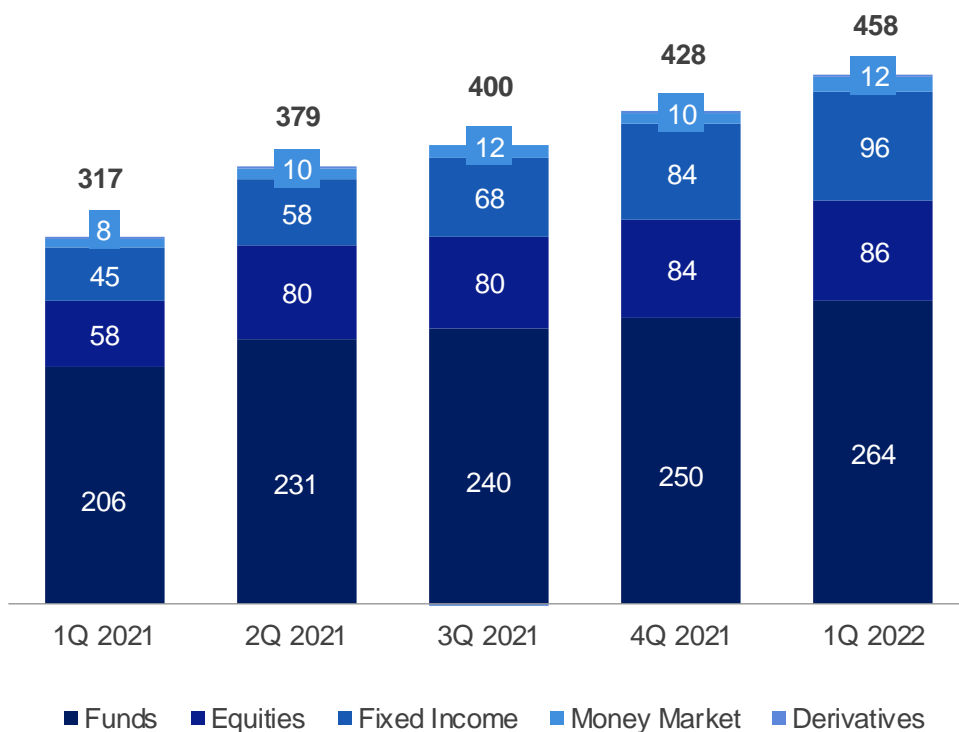
1Q 2022 vs. 1Q 2021

Asset Management revenues increased 18.3% from R\$264.7 million in 1Q 2021 to R\$313.1 million in 1Q 2022, while total AuA/AuM grew 30.2% in the period. The higher growth of total asset base vis-a-vis revenues is consistent with AuA growing at a faster pace than AuM. ROAs by asset class have also remained stable throughout the year.

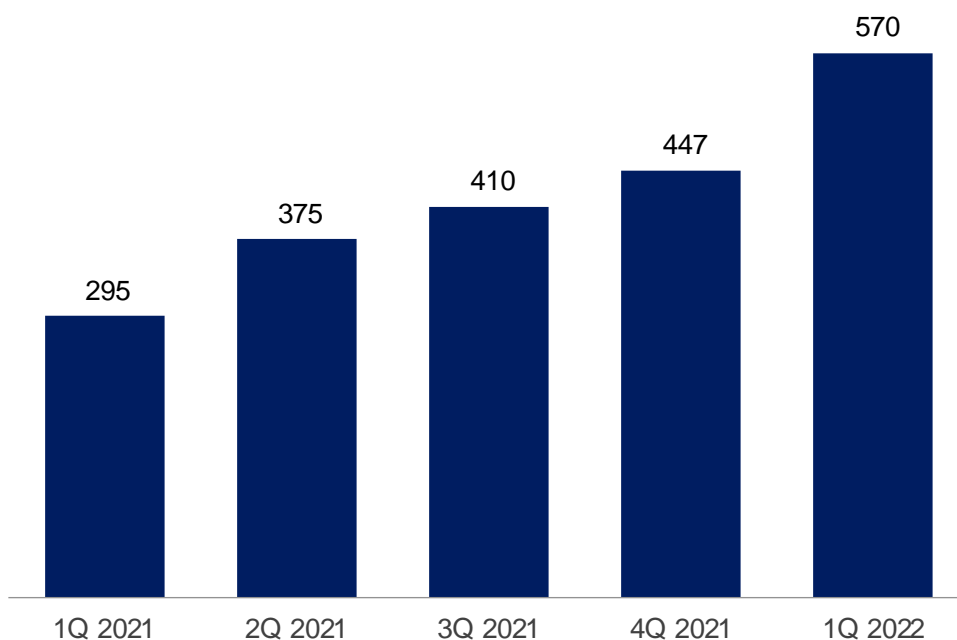
Wealth Management & Consumer Banking

During the quarter, Wealth under Management (WuM) increased 7.1%, from R\$427.8 billion to R\$458.1 billion. WuM benefited from another solid quarter of net inflows of R\$28.3 billion, despite expected negative seasonality. Over the last twelve months, total NNM sums up to R\$161.2 billion as we continue to gain market share in both the Private Banking and the Upper Income Retail segments.

WuM Breakdown (in R\$ billion)



Revenues (in R\$ million)



1Q 2022 vs. 4Q 2021

Wealth Management & Consumer Banking posted all-time high revenues of R\$570.4 million, as we continue to gain market share especially in the high-income retail segment, increase product offering and consolidate Empiricus' revenues.

1Q 2022 vs. 1Q 2021

Wealth Management & Consumer Banking revenues increased 93.5% in the period, compared to R\$294.7 million in 1Q 2021, following the 44.3% increase in WuM compared to the same period a year ago. Throughout the year, we reported higher contribution from brokerage and trading activities and ROAs per asset type remain stable.

Principal Investments

1Q 2022 vs. 4Q 2021

Principal Investments revenues increased 184.3% q-o-q from R\$77.0 million to R\$218.8 million. Revenues consisted of equity pick up from investments, mainly from Prime and Eneva. Our Global Markets strategy (seed investments) performed better this quarter than in the preceding one.

1Q 2022 vs. 1Q 2021

Principal Investments revenues decreased 8.2% compared to 1Q 2021, when we had gains of R\$238.4 million. The lower result was due to lower contribution from investments.

Participations

1Q 2022 vs. 4Q 2021

Participations reported revenues of R\$122.5 million, a 15.2% increase compared to 4Q 2021. Revenues in 1Q 2022 consisted of (i) R\$81.5 million gains from Banco Pan, which includes a R\$57 million goodwill amortization expense, (ii) R\$20.2 million gains from Too Seguros and Pan Corretora, and (iii) R\$20.8 million gains from our remaining stake in EFG.

1Q 2022 vs. 1Q 2021

Participations gains were R\$122.5 million in 1Q 2022, compared to R\$115.9 million in 1Q 2021. Gains increased 5.6% in line with higher contribution from Too Seguros/Pan Corretora and EFG equity stakes.

Interest & Others

1Q 2022 vs. 4Q 2021

Revenues from Interest & Others were R\$478.2 million in 1Q 2022, compared to R\$423.8 million in 4Q 2021. The increase was mainly due to the SELIC interest rate rise during the period as well as the 5.1% increase in the shareholder's equity. Interest & Others' revenues correspond mainly to interest rates of the Central Bank of Brazil applied over our tangible equity (i.e. internal cost of funding).

1Q 2022 vs. 1Q 2021

Revenues from Interest & Others increased over 14x y-o-y, mainly due to higher interest rates as well as the 29.2% increase in shareholder's equity from R\$30.4 billion to R\$39.3 billion.

Adjusted Operating Expenses

Adjusted Operating Expenses (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			1Q 2022 % change to		Year to Date		3M 2022 % change to
	1Q 2021	4Q 2021	1Q 2022	1Q 2021	4Q 2021	3M 2021	3M 2022	3M 2021
Bonus	(462)	(258)	(546)	18%	111%	(462)	(546)	18%
Salaries and benefits	(266)	(353)	(437)	64.5%	24.0%	(266)	(437)	65%
Administrative and other	(288)	(485)	(476)	65.4%	-1.8%	(288)	(476)	65%
Goodwill amortization	(30.6)	(66.9)	(213)	597.8%	218.8%	(31)	(213)	598%
Tax charges, other than income tax	(153)	(177)	(239)	55.8%	34.5%	(153)	(239)	56%
Total operating expenses	(1,198.6)	(1,339.8)	(1,911)	59.4%	42.6%	(1,199)	(1,911)	59%
Adjusted cost to income ratio	42%	36%	39%	-7%	7%	42%	39%	-7%
Compensation ratio	26%	18%	23%	-13%	29%	26%	23%	-13%
Total number of employees	3,824	5,211	6,293	65%	21%	3,824	6,293	65%
Partners and associate partners	260	291	288	11%	-1%	260	288	11%
Employees	3,564	4,920	6,005	68%	22%	3,564	6,005	68%

Bonus

In 1Q 2022, bonus expenses were R\$546.1 million, a 18.3% year-over-year increase. The bonus expense growth is mostly attributed to higher overall performance, especially in our client franchises. Our compensation ratio remained within historical levels despite the higher nominal bonus expense. Our bonuses are determined in accordance with our profit-sharing program, and are calculated as a percentage of our adjusted, or operating, revenues (which exclude Interest & Other revenues), subtracted by operating expenses.

Salaries and benefits

Staff costs increased 24.0% in the quarter and 64.5% compared to 1Q 2021, mostly due to organic and inorganic personnel increase and year-end promotions. Expenses related to salaries and benefits were R\$437.2 million in 1Q 2022 and R\$352.6 million in 4Q 2021, compared to R\$265.8 million in 1Q 2021.

Administrative and other

Total administrative and other expenses decreased 1.8% in the quarter, from R\$484.6 million in 4Q 2021 to R\$475.8 million in 1Q 2022, even though we continue to invest in the infrastructure of our digital platforms. When compared to 1Q 2021, expenses increased 65.4% as a result of our increased technology investments.

Goodwill amortization

In 1Q 2022, we recorded goodwill amortization expenses totaling R\$213.3 million, three times larger than the previous quarter as we started to amortize the Empiricus acquisition goodwill. Other acquisitions, such as Necton, Fator and BTG Pactual Advisors also impacted goodwill amortization in 1Q 2022.

Tax charges, other than income tax

Tax charges, other than income tax, were R\$238.6 million or 5.5% of total revenues compared to R\$177.3 million in 4Q 2021, or 5.1% of total revenues.

Adjusted Income Taxes

Adjusted Income Tax (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			Year to Date	
	1Q 2021	4Q 2021	1Q 2022	2021	2022
Income before taxes	1,597	2,149	2,440	1,597	2,440
Income tax and social contribution	(421)	(405)	(497.8)	(421)	(498)
Effective income tax rate	26.3%	18.8%	20.4%	26.3%	20.4%

Our effective income tax rate for the quarter was 20.4% (representing an income tax expense of R\$497.8 million), compared to an effective tax rate of 18.8% in 4Q 2021 and 26.3% in 1Q 2021. The increase in tax rate this quarter was mainly due to a less favorable revenues mix, with proportionally more revenues subject to high corporate tax rates in the period.

Balance Sheet

Our total assets increased 13.1%, from R\$346.1 billion at the end of 4Q 2021 to R\$391.3 billion at the end of 1Q 2022, mainly due to an increase of 27.1% in Trading Portfolio Assets from R\$69.1 billion to R\$87.8 billion, and a 27.9% increase in our Assets Financed Through REPO, from R\$53.5 billion to R\$68.4 billion. Our leverage ratio increased from 9.3x in 4Q 2021 to 10.0x net equity in 1Q 2022.

On the liability side, our Trading Portfolio liabilities and our Repo Financing increased in line with the assets as mentioned above.

Shareholders' equity increased from R\$37.4 billion at the end of 4Q 2021 to R\$39.3 billion at the end of 1Q 2022, mostly impacted by the net income of R\$1,942.6 million in the quarter.

Risk and Capital Management

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

Market Risk – Value-at-risk

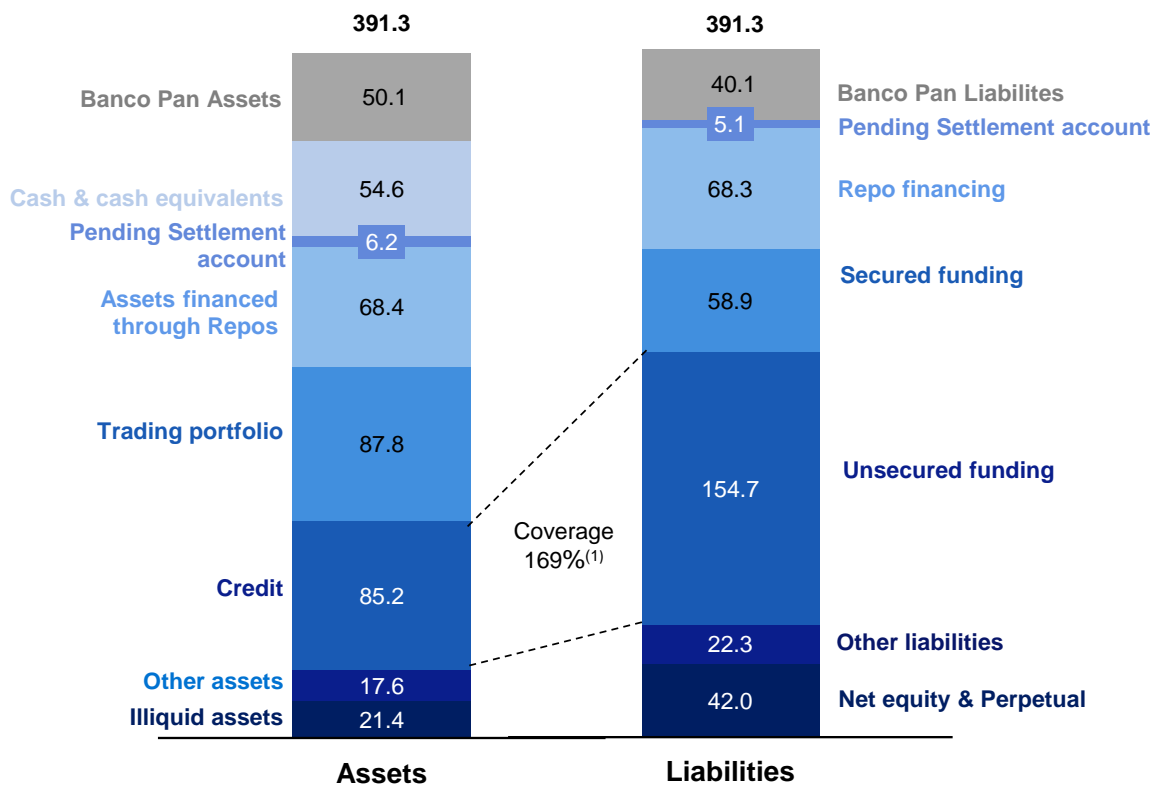
Value-at-risk (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter		
	1Q 2021	4Q 2021	1Q 2022
Total average daily VaR	126.7	65.1	120.9
Average daily VaR as a % of average equity	0.44%	0.18%	0.32%

Our total average daily VaR increased 85.7% compared to 4Q 2021 (our record low). As a percentage of average equity, our VaR increased to 0.32%, still below our historical levels. BTG Pactual's performance has been much less dependent on the trading activity than it used to.

Liquidity Risk Analysis

The chart below summarizes the composition of assets and liabilities as of March 31st, 2022:

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

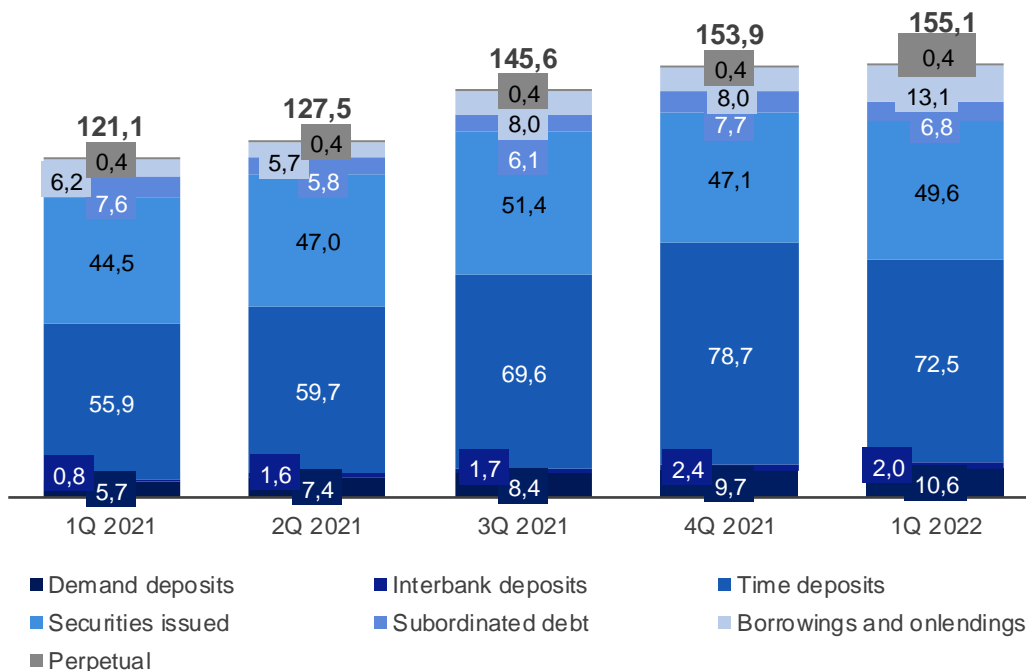


Note:

1. Excludes demand deposits

Unsecured Funding Analysis

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



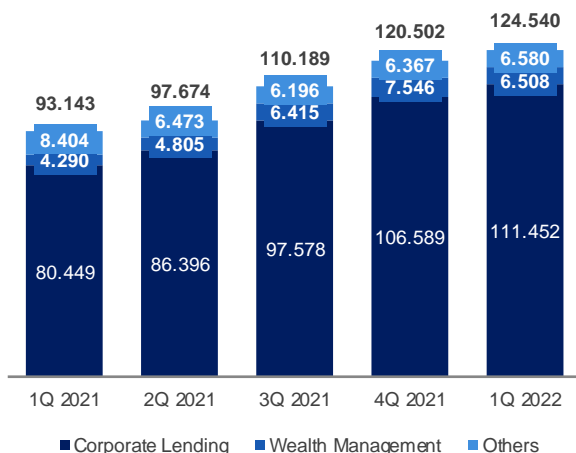
Our total unsecured funding increased from R\$153.9 billion at the end of 4Q 2021 to R\$155.1 billion at the end of 1Q 2022. US dollar depreciation of 16.3% in the quarter contributed to slower growth in our unsecured funding base.

BTG Pactual Broader Credit Portfolio

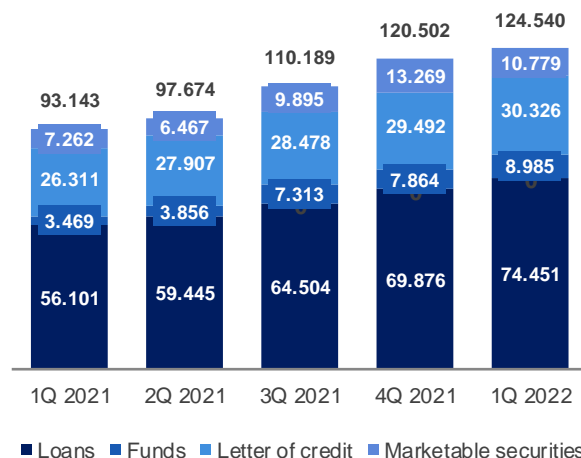
Our broader credit portfolio is comprised of loans, receivables, advances on foreign exchange contracts, letters of credit and marketable securities bearing credit exposures (including debentures, promissory notes, real estate bonds, and investments in credit receivable funds – FIDCs).

The balance of our broader credit portfolio increased 3.4% compared to the previous quarter, from R\$120.5 billion to R\$124.5 billion, and 33.7% compared to 1Q 2021.

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



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



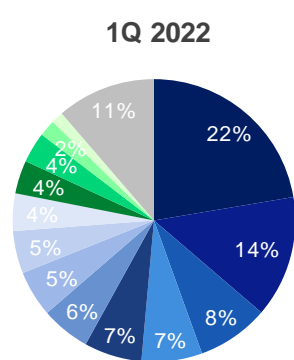
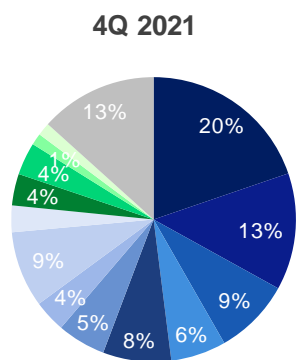
Notes:

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)

- Utilities
- Financials
- Retail
- Agribusiness
- Food & Beverage
- Wealth Management
- Telecom
- Infrastructure
- Oil & Gas
- Metals & Mining
- Real Estate
- Government
- Forest Products & Paper
- Others



Credit Risk

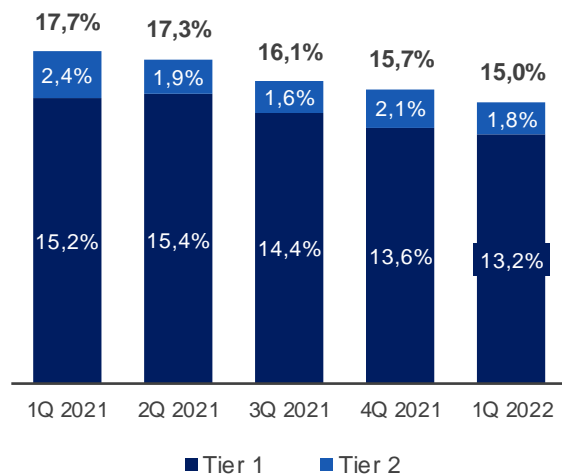
The following table shows the distribution of our credit exposures as of March 31st, 2022 by credit rating. The ratings below reflect our internal assessment, consistently applied in accordance with the Brazilian Central Bank standard ratings scale:

Rating (unaudited) (in R\$ million)	1Q 2022
AA	69,269
A	30,617
B	18,381
C	3,067
D	1,561
E	359
F	709
G	152
H	423
Total	124,540

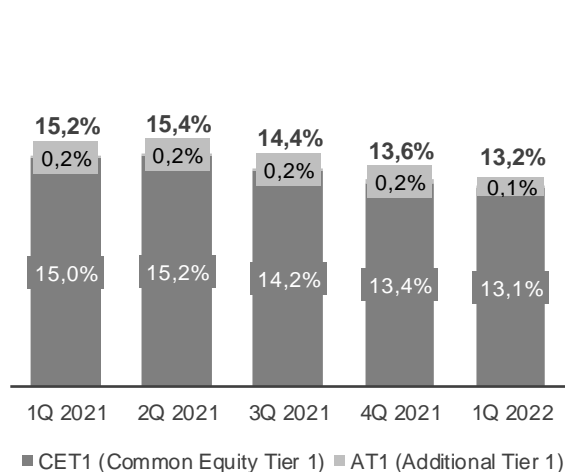
Capital Management

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 15.0% at the end of 1Q 2022. Our liquidity coverage ratio (LCR) ended the quarter at 166%.

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			1Q 2022 % change to	
	1Q 2021	4Q 2021	1Q 2022	1Q 2021	4Q 2021
Assets					
Cash and bank deposits	2,607	3,220	3,536	36%	10%
Interbank investments	47,931	54,141	47,939	0%	-11%
Marketable securities and derivatives	87,902	111,514	157,664	79%	41%
Interbank transactions	5,945	12,737	12,624	112%	-1%
Loans	54,398	99,078	102,349	88%	3%
Other receivables	66,787	51,972	53,101	-20%	2%
Other assets	1,210	1,420	1,540	27%	8%
Permanent assets	13,024	12,060	12,595	-3%	4%
Total assets	279,804	346,143	391,349	40%	13%
Liabilities					
Deposits	62,794	109,555	107,202	71%	-2%
Open market funding	54,066	60,161	75,886	40%	26%
Funds from securities issued and accepted	49,174	57,463	60,322	23%	5%
Interbank transactions	386	3,802	4,076	955%	7%
Loans and onlendings	6,811	8,997	13,959	105%	55%
Derivatives	6,683	8,120	26,230	292%	223%
Subordinated liabilities	3,689	2,512	2,207	-40%	-12%
Other liabilities	64,984	54,636	57,853	-11%	6%
Deferred income	244	382	-	-100%	-100%
Shareholders' equity	30,414	37,380	39,300	29%	5%
Non-controlling interest	558	3,135	4,314	672%	38%
Total liabilities	279,804	346,143	391,349	40%	13%

Adjusted Income Statement (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			1Q 2022 % change to		Year to Date		3M 2022 % change to
	1Q 2021	4Q 2021	1Q 2022	1Q 2021	4Q 2021	3M 2021	3M 2022	3M 2021
Investment Banking	484	415	351	-27%	-15%	484	351	-27%
Corporate and SME Lending	555	743	817	47%	10%	555	817	47%
Sales & Trading	811	917	1,481	83%	62%	811	1,481	83%
Asset Management	265	360	313	18%	-13%	265	313	18%
Wealth Management & Consumer Banking	295	447	570	94%	28%	295	570	94%
Principal Investments	238	77	219	-8%	184%	238	219	-8%
Participations	116	106	122	6%	15%	116	122	6%
Interest & Others	33	424	478	1358%	13%	33	478	1358%
Total revenues	2,796	3,489	4,351	56%	25%	2,796	4,351	56%
Bonus	(462)	(258)	(546)	18%	111%	(462)	(546)	18%
Salaries and benefits	(266)	(353)	(437)	65%	24%	(266)	(437)	65%
Administrative and other	(288)	(485)	(476)	65%	-2%	(288)	(476)	65%
Goodwill amortization	(31)	(67)	(213)	598%	219%	(31)	(213)	598%
Tax charges, other than income tax	(153)	(177)	(239)	56%	35%	(153)	(238.6)	56%
Total operating expenses	(1,199)	(1,340)	(1,911)	59%	43%	(1,199)	(1,911)	59%
Income before taxes	1,597	2,149	2,440	53%	14%	1,597	2,440	53%
Income tax and social contribution	(421)	(405)	(498)	18%	23%	(421)	(498)	18%
Net Income	1,176	1,744	1,943	65%	11%	1,176	1,943	65%

Income Statement (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Banco BTG Pactual S.A.	
	4Q 2021	1Q 2022
Financial income	12,252	11,116
Financial expenses	(8,712)	(6,547)
Gross financial income	3,540	4,569
Other operating income (expenses)	(957)	(2,138)
Operating income (expenses)	2,583	2,431
Non-operating income/(expenses)	15	930
Income before taxes and profit sharing	2,598	3,360
Income and social contribution taxes	(399)	(685)
Statutory profit sharing	(246)	(535)
Non-controlling interest	(208)	(197)
Net income	1,744	1,943

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 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 – First Quarter 2022

May 09th, 2022 (before trading hours)

English Conference Call

May 09th, 2022 (Monday)

12:00 PM (New York) / 01:00 PM (Brasília)

Phone 1: +55 11 4210-1803

Phone 2: +55 11 4090-1621

Code: BTG

Portuguese Conference Call

May 09th, 2022 (Monday)

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

Phone 1: +55 11 4210-1803

Phone 2: +55 11 4090-1621

Code: BTG

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

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

Investor Relations

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