



IBOV FUT 101295.000 -0.81 BIT 11849.510 -1.23 VIX 22.100 2.74 BPAC11 84.160 1.80 BPAN4 8.800 1.90  
...EVA ANOVA QUARENTENA NO FIM DE 2020 ...FED ATA EM CENARIO PESSIMISTA ...

# Conference Call Presentation

## 4<sup>th</sup> Quarter 2021

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



# Earnings Release

## Fourth Quarter 2021

### ENGLISH CONFERENCE CALL



- February 16, 2022 (Tuesday)
- 11am (New York) / 1pm (Brasília)
- Phone: +55 (11) 4935-1146

### PORTUGUESE CONFERENCE CALL



- February 16, 2022 (Tuesday)
- 09am (New York) / 11am (Brasília)
- Phone: +55 (11) 4935-1146

**Webcast:** The conference call audio will be broadcast live via a webcast system available on our website [www.btgpactual.com/ir](http://www.btgpactual.com/ir)

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



# Sequentially strong net inflows led us to an unprecedented R\$326bn of NNM in 2021 – total AuM/WuM reached R\$980bn

## Net New Money

(R\$)

**64bn**

4Q 21

4Q 20	46bn
2021	326bn
2020	127bn

## AuM / AuA

(R\$)

**47%**

y-o-y growth

4Q 21	553bn
3Q 21	542bn
4Q 20	377bn

## WuM

(R\$)

**66%**

y-o-y growth

4Q 21	428bn
3Q 21	400bn
4Q 20	258bn

# Another quarter of record net income, high operational leverage and strong revenue generation

## Total Revenues

(R\$)

# 49%

annual growth

4Q 21	3.5bn
4Q 20	2.8bn
2021	13.9bn
2020	9.3bn

## Adj. Net Income<sup>(1)</sup>

(R\$)

# 60%

annual growth

4Q 21	1.8bn
4Q 20	1.3bn
2021	6.5bn
2020	4.0bn

## Annualized Adj. ROAE

# 20.3%

FY 2021

4Q 21	19.4%
4Q 20	19.1%
2020	16.9%

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

## Unsecured Funding

(R\$)

# 44%

y-o-y growth

4Q 21	154bn
3Q 21	146bn
4Q 20	107bn

## Corporate and SME Portfolio (R\$)

# 45%

y-o-y growth

	Total	SME
4Q 21	107bn	17bn
3Q 21	98bn	14bn
4Q 20	74bn	9bn

## Basel Ratio

# 15.7%

4Q 21

### Total Reg. K

4Q 21	39bn
3Q 21	36bn
4Q 20	26bn

# Performance Summary

## 4Q 2021

Another strong quarter of revenues and earnings, with a 19.4% annualized adjusted ROAE

1

Total revenues and adj. net income of R\$3,489mn and R\$1,782mn, respectively

- Annualized adj. ROAE<sup>(1,2)</sup>: 19.4%
- Adj. net income per unit<sup>(1)</sup>: R\$0.46
- Acc. net income: R\$1,744mn

2

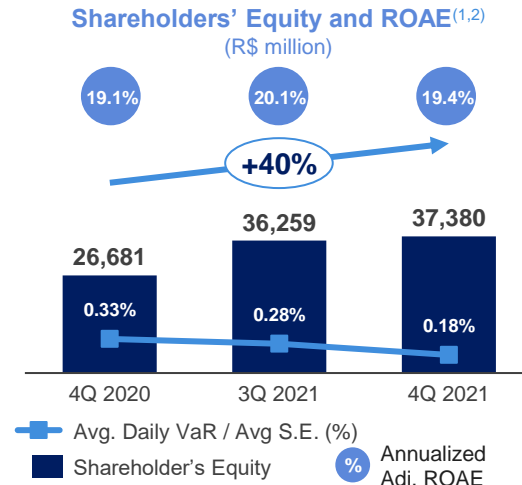
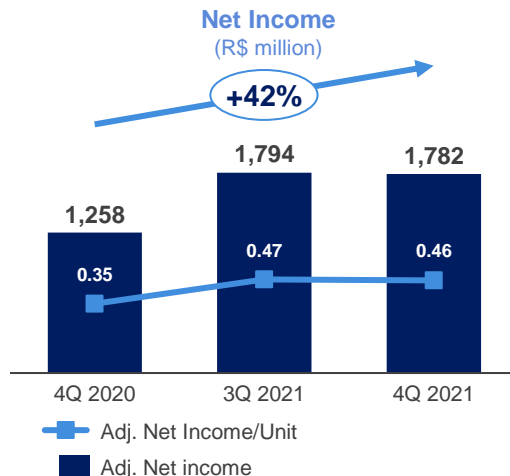
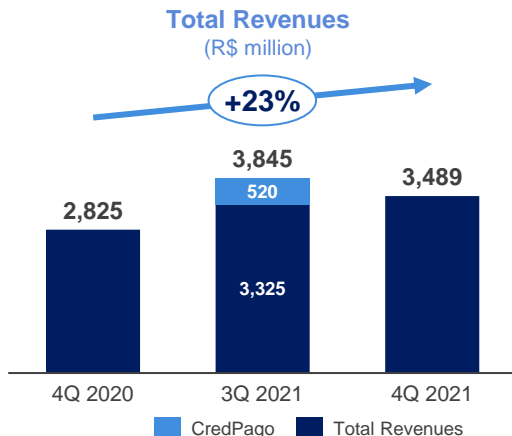
Efficient cost-to-income ratio, below our historical average, notwithstanding significant tech investments

- Cost-to-income ratio: 38.4%
- Compensation ratio: 17.5%

3

Total assets were R\$346.1bn, BIS ratio was 15.7% and shareholders' equity reached R\$37.4bn

- Average VaR was R\$65.1mn, or 0.18% of average shareholders' equity
- Capital increase of R\$250mn



Notes:

(1) Balance sheet items present data as of the end of the period.

(2) Annualized adjusted ROAE and net income per unit uses adjusted net income as the basis for the calculations.

# Performance Summary

2021

Record of revenues and net income, with 20.3% ROAE

1

Total revenues and adj. net income of R\$13,901mn and R\$6,493mn, respectively

- Annualized adj. ROAE<sup>(1,2)</sup>: 20.3%
- Adj. net income per unit<sup>(1)</sup>: R\$1.69
- Acc. net income: R\$6,342mn

2

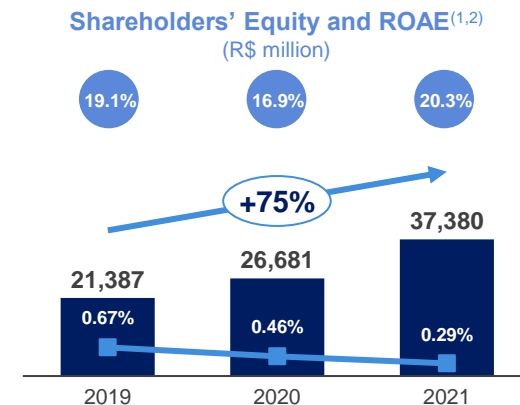
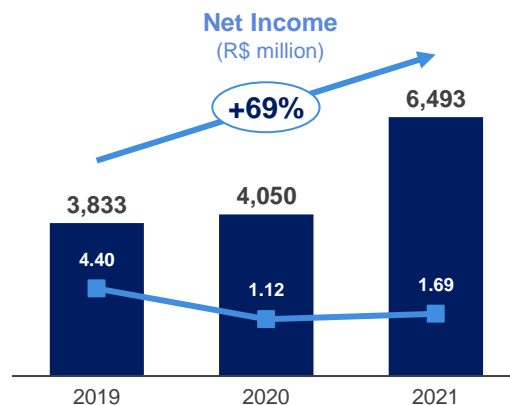
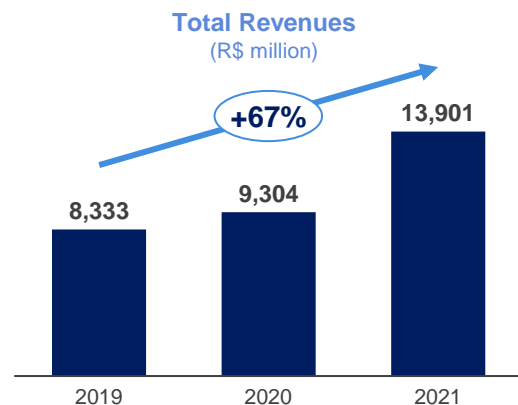
CIR within historical levels, despite substantial investments in innovative products and services

- Cost-to-income ratio: 41.1%
- Compensation ratio: 23.4%

3

Shareholders' equity increased 40.1% y-o-y and ended the period at R\$37.4bn

- Reflecting the JCP provision of R\$1,863mn and two follow-on offerings of R\$5.5bn



—■ Adj. Net Income/Unit  
■ Adj. Net income

—■ Avg. Daily VaR / Avg S.E. (%)  
■ Shareholder's Equity  
● Annualized Adj. ROAE



Notes:

(1) Balance sheet items present data as of the end of the period.

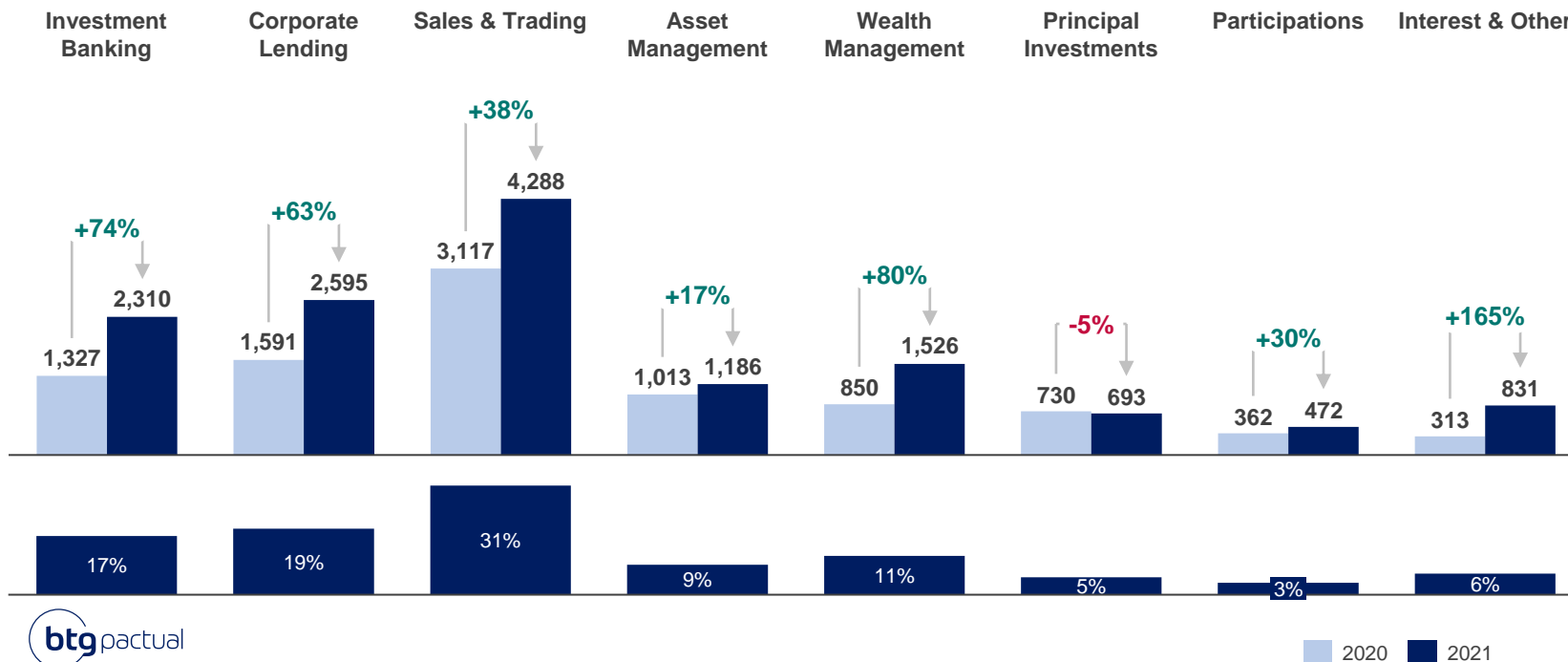
(2) Annualized adjusted ROAE and net income per unit uses adjusted net income as the basis for the calculations.

# Revenue breakdown by business unit

Client franchises continue to grow as a percentage of total revenues, generating more diversification and lower volatility

FY 2021 x FY 2020

Total Revenues = R\$13.9 billion





# ESG & Impact Investing Accomplishments



## 2021 Awards



**Global Finance:**  
Outstanding Sustainable Financing in Emerging Markets



**Environmental Finance:**  
Impact Initiative of the Year | Latin America and Caribbean



**Institutional Investor:**  
Best ESG Team LatAm

### BTGP Pactual is a member of ISE B3 for the 2<sup>nd</sup> consecutive year

BTGP is listed in the Corporate Sustainability Index (ISE B3). This prestigious index includes companies with best ESG practices from the Brazilian stock market

### Release of the first Green Financing Report

One year after our first green issuance, BTGP has already allocated 71% of the US\$550mn raised in renewable energy, water and sanitation projects

### US\$350mn distributed in Sustainable Finance

Another strong quarter in the distribution of ESG labeled debt, reaching a cumulative total of US\$5bn in 2021

### Carbon Disclosure Program



In 2021, BTGP was awarded a “B” grade, as a result of coordinated actions on climate risks and opportunities

### Expansion of eligible credit portfolio and launch of sustainable deposits

BTGP reached R\$10.2bn of total eligible credit portfolio (+57% y-o-y) and raised R\$1.5bn in the first phase of our innovative sustainable deposits' initiative

### BTGP Pactual and Delta signed a sustainable fuel agreement



We signed the first sustainable aviation fuel (SAF) agreement in Latin America with Delta Airlines, which reinforces the commitment of both companies to lead and contribute to a more sustainable future in the travel industry

# Consumer Banking Achievements

We have built the best digital banking experience for Brazil's high-income retail customers...



## Cards

- 8 Card Design Options
- Additional Credit Card
- Apple Pay, Google Pay, Samsung Pay and Garmin Pay
- Modular Benefits including mileage programs and IOF discount on international expenses



## Checking Account

- PIX
- Paycheck portability
- DDA

## Lending & Credit

- Limite+ | Overdraft
- Personal Loans
- Home Equity

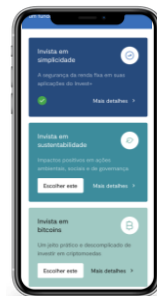
## Finanças+ | PFM

- Payments / expenses categorization
- Spending limits and alerts set-up by category (customizable)



## Invest+ | Cashback

- Cashback available for all 3 credit card variants
- Invest+ | 3 fund options: Fixed Income, ESG and Bitcoin – managed by BTG Asset Management



## Other | Engagement

- Subscription | Membership Plans: 3 available combos (including a freemium)
- Lifestyle pillar (Marketplace, T&E)
- Credit card insurances



## 2021 Awards



**Elected Best Customer Experience in 2021**

*22 companies evaluated; digital players included*

**Elected Most Customer Centric Bank in Brazil**



**Elected Best Customer Service**

**Excellence in Customer Loyalty and Retention | Excellence in People Management**



Excellence Program

**First place in: Card Not Present New Flows**



**App Store | 4.9**



**Google Play | 4.6**

*Best Retail Bank app in Brazil*

... in less than one year

# Branding consolidation expected next month

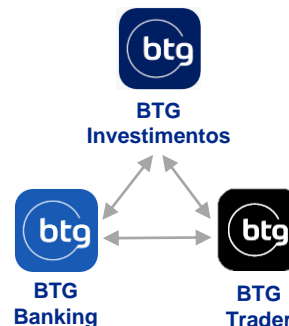
We have decided to consolidate our brands to amplify awareness...



## Brands



## Channels



... and our apps will become seamlessly integrated

## 2022 Perspectives

BTG Pactual will benefit from being an all-weather equity story

- **We expect some changes in our revenue mix given we are entering a higher interest rate macro scenario**
- **Our business will continue to benefit from the investments we've made in the last 3 years and the scale our client franchises have achieved**
- **As a result, we will continue to grow significantly our asset and wealth management revenues, and our credit and interest income**
- **Therefore, we expect strong top-line and earnings growth for 2022, resulting in a ~20% ROAE, while maintaining a robust and liquid balance sheet**



# BTG Pactual Business Units

Section 1



# Investment Banking

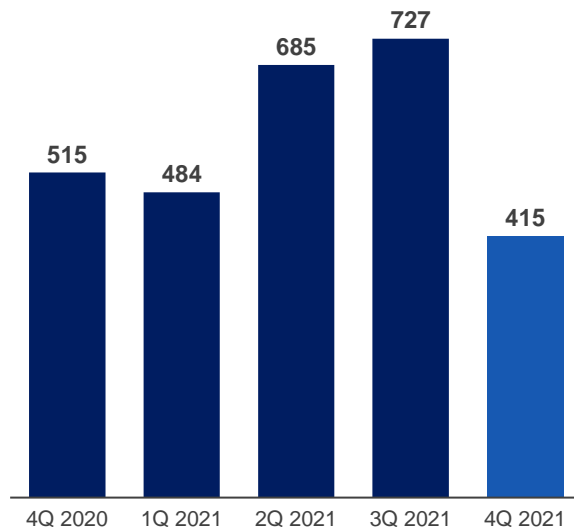
## Solid results with record number of transactions in DCM local market

### Highlights of 4Q 2021

- In DCM, we concluded 39 transactions during the quarter, increasing our market share while we continue to grow our distribution capacity
- Both ECM and M&A had smaller contribution to revenues in the quarter, impacted by lower market activities
- Fourth consecutive year of record-breaking revenues

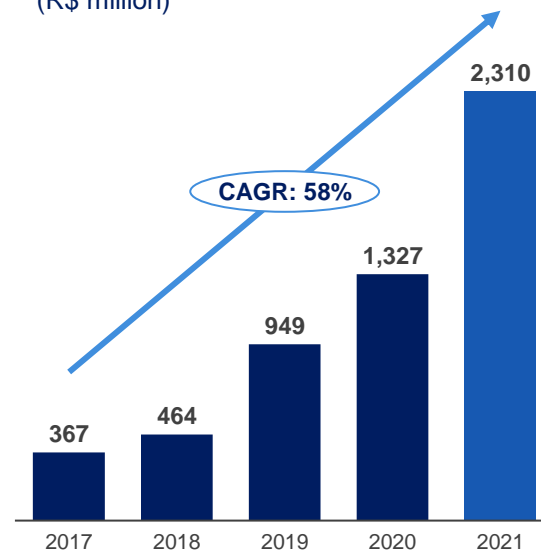
### Quarterly Revenues

(R\$ million)



### Yearly Revenues

(R\$ million)



FY 2021

### M&A

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

FY 2021

### ECM

- #2 in number of transactions in both Brazil and LatAm
- #2 in volume of transactions in LatAm

FY 2021

### DCM

- #2 in volume of transactions in DCM Intl.
- #3 in number of transactions in DCM Local (Brazil)

# Corporate & SME Lending

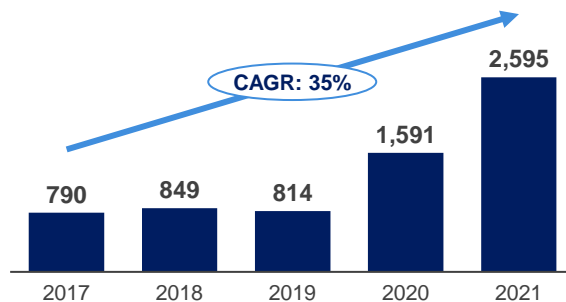
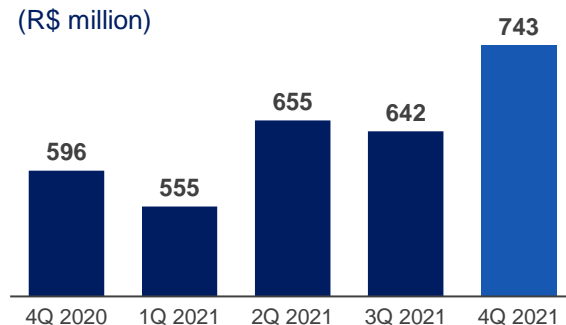
Record revenues for a single quarter and a full year, with significant portfolio expansion and good asset quality

## Highlights of 4Q 2021

- Corporate & SME Lending portfolio grew 9.2% q-o-q and 44.6% y-o-y, with competitive spreads and strong asset quality, resulting in lower levels of provision requirements
- Record revenues with strong contribution from Special Situations strategy
- SME Lending portfolio grew 20% q-o-q on digitally-originated supplier financing, and 80% y-o-y, increasing significantly our market share in the product
- LatAm represents 20% of total credit portfolio

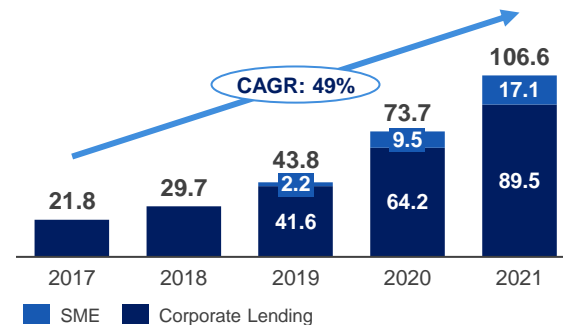
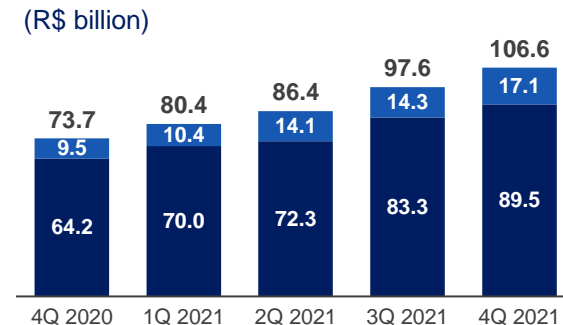
## Revenues

(R\$ million)



## Corporate and SME Lending Portfolio

(R\$ billion)



■ SME ■ Corporate Lending

# Sales & Trading

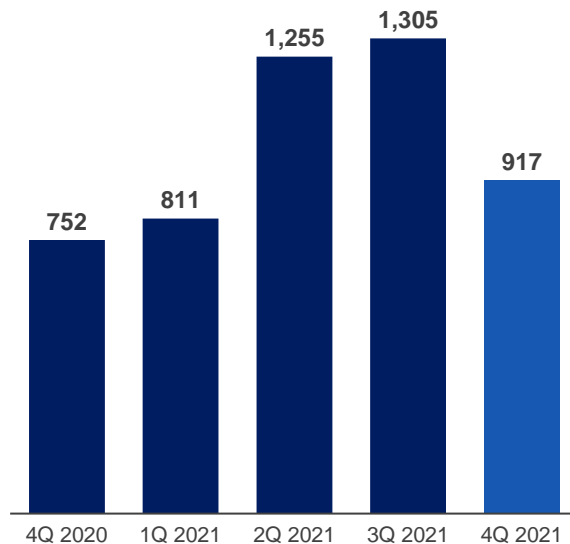
Strong performance, with the lowest risk allocation in a quarter and for the year

## Highlights of 4Q 2021

- Client-related franchises becoming increasingly relevant in total S&T revenues
- Maintaining a conservative risk allocation strategy: we ended the quarter with VaR usage at 0.18%
- Solid contribution from our Fixed Income desk
- Lower volumes in 4Q21 versus the previous quarter, consistent with market dynamics at year-end
- Further contributions of CredPago's sale<sup>1</sup> will materialize in 2022 and 2023 with marginal impact each quarter

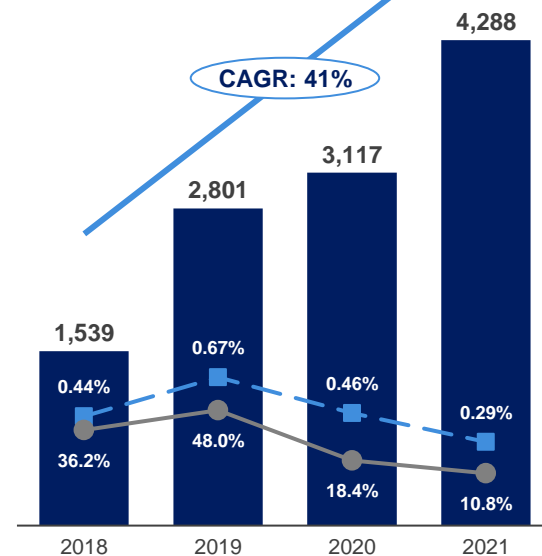
## Quarterly Revenues

(R\$ million)



## Yearly Revenues, VaR and Market Risk

(R\$ million)



- ■ — Average daily VaR / average S.E.
- ● — Market risk component of RWA
- Total Revenues



# Asset Management

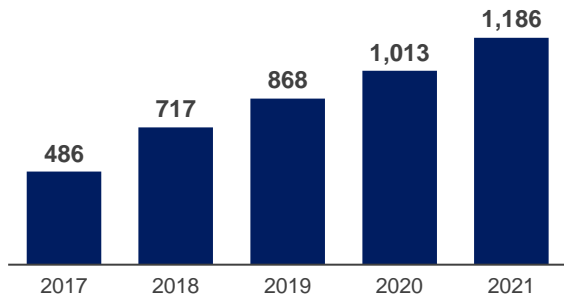
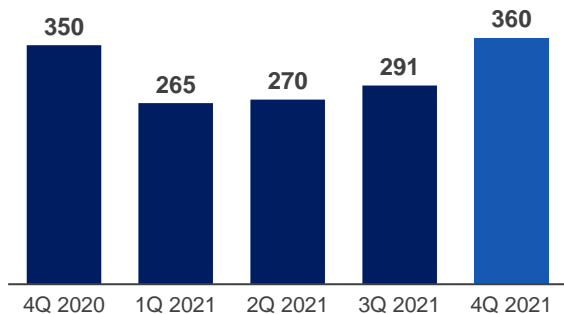
## Consistent growth in AuM/AuA

### Highlights of 4Q 2021

- Revenues up 23.9% q-o-q due to higher management fees and performance fees accrued in December
- NNM was R\$23.2 billion in the quarter and totaled R\$160.0 billion in 2021, 151.1% above 2020
- ROAs by asset class have increased q-o-q
- Strong inflows in asset administration and fund services mandates

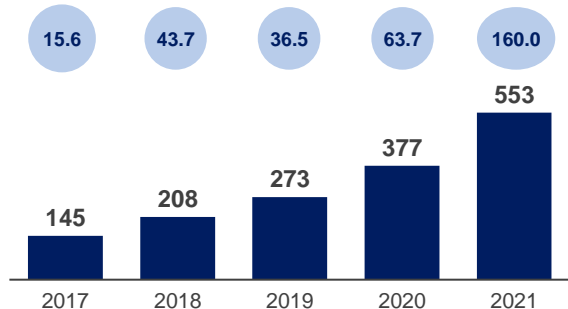
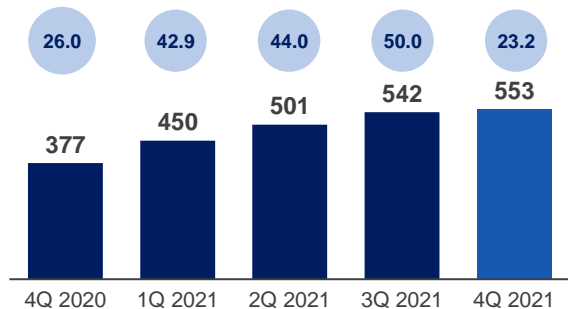
### Revenues

(R\$ million)



### AuM, AuA and NNM

(R\$ billion)



# NNM    ■ AuM/AuA

# Wealth Management & Consumer Banking

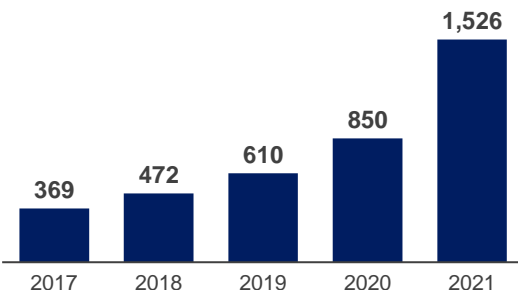
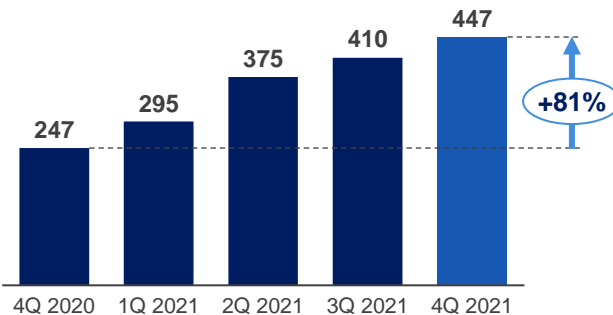
Record revenues for a single quarter and full year, with impressive levels of NNM

## Highlights of 4Q 2021

- Record revenues of R\$447.1mn, up 9.2% q-o-q and 80.9% y-o-y
- Another quarter of strong NNM - R\$41.2bn, totaling an impressive mark of R\$165.9bn in 2021
- NNM includes ~R\$12bn from the Empiricus/Vitreo acquisition approved by regulators in Dec/21
- Consumer Banking updates:
  - ✓ Launch of BTG+ Shop, in partnership with Mosaico/Buscapé
  - ✓ Launch of credit card insurance products
  - ✓ Partnership with Estapar: cashback to customers

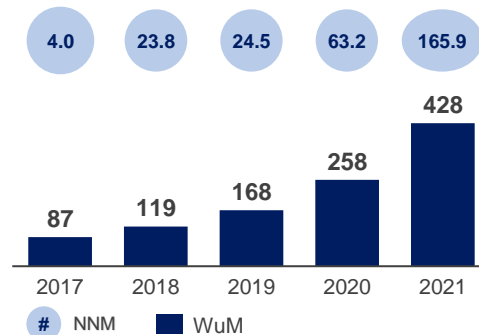
## Revenues

(R\$ million)



## WuM and NNM

(R\$ billion)



# Principal Investments & Participations

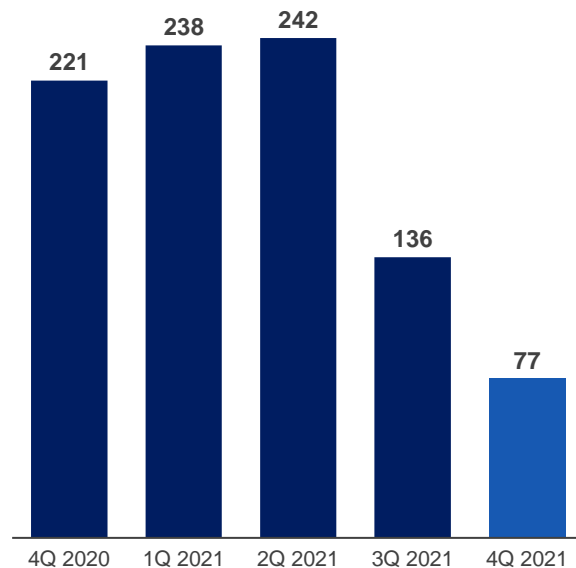
## Banco Pan and Too Seguros continue to deliver good results

### Highlights of 4Q 2021

- Principal Investments posted revenues of R\$77.0mn driven by positive equity pick up from Prime Oil and Eneva, partially offset by lower contribution from our Global Markets strategy
- Participations Earnings consists of equity pick up in:
  - Banco Pan: R\$83.0mn, including R\$55mn of goodwill amortization expense
  - Too Seguros: R\$23.3mn

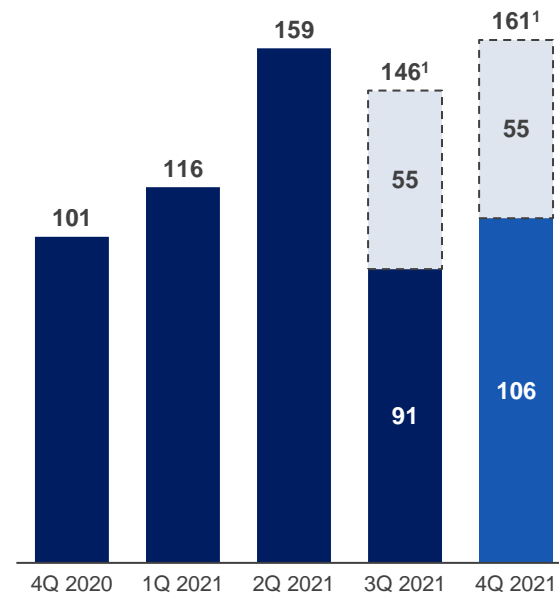
### Principal Investments Revenues

(R\$ million)



### Participations Earnings

(R\$ million)



 Banco Pan Goodwill Amortization Expense



# Expenses

Section 2



# Expenses and Main Ratios

Expansion of cost base consistently below our revenue growth, resulting in a lower cost-to-income, which underlines the efficiency of our business model

## Highlights of 4Q 2021

- S&B grew 10.4% q-o-q, due to increase in headcount and higher wages (Brazilian bank union agreement)
- A&O up 21.7% q-o-q mainly due to outsourced IT consulting costs
- Effective income tax positively impacted by additional JCP (interest on equity) distribution and a more favorable revenues mix

## Cost-to-income ratio at 38.4% and compensation ratio of 17.5%

(R\$ million)

(in R\$ mm, unless stated)	Quarter			4Q 2021 % change to		Year to Date		12M 2021 % change to
	4Q 2020	3Q 2021	4Q 2021	4Q 2020	3Q 2021	12M 2020	12M 2021	12M 2020
Bonus	(363)	(641)	(258)	-29%	-60%	(1,333)	(2,019)	51%
Salaries and benefits	(249)	(319)	(353)	42%	10%	(909)	(1,230)	35%
Administrative and other	(309)	(398)	(485)	57%	22%	(1,056)	(1,485)	41%
Goodwill amortization	(27)	(91)	(67)	152%	-26%	(64)	(253)	294%
Tax charges, other than income tax	(84)	(188)	(177)	111%	-5%	(440)	(733)	66%
<b>Total operating expenses</b>	<b>(1,031)</b>	<b>(1,637)</b>	<b>(1,340)</b>	<b>30%</b>	<b>-18%</b>	<b>(3,802)</b>	<b>(5,719)</b>	<b>50%</b>
Normalized Cost to income ratio	37%	43%	38%			41%	41%	
Compensation ratio	22%	25%	18%			24%	23%	
<b>Income tax and social contribution</b>	<b>(565)</b>	<b>(465)</b>	<b>(405)</b>			<b>(1,525)</b>	<b>(1,839)</b>	<b>21%</b>
Effective income tax rate	31.5%	21.1%	18.8%			27.7%	22.5%	



# Balance Sheet

## Section 3

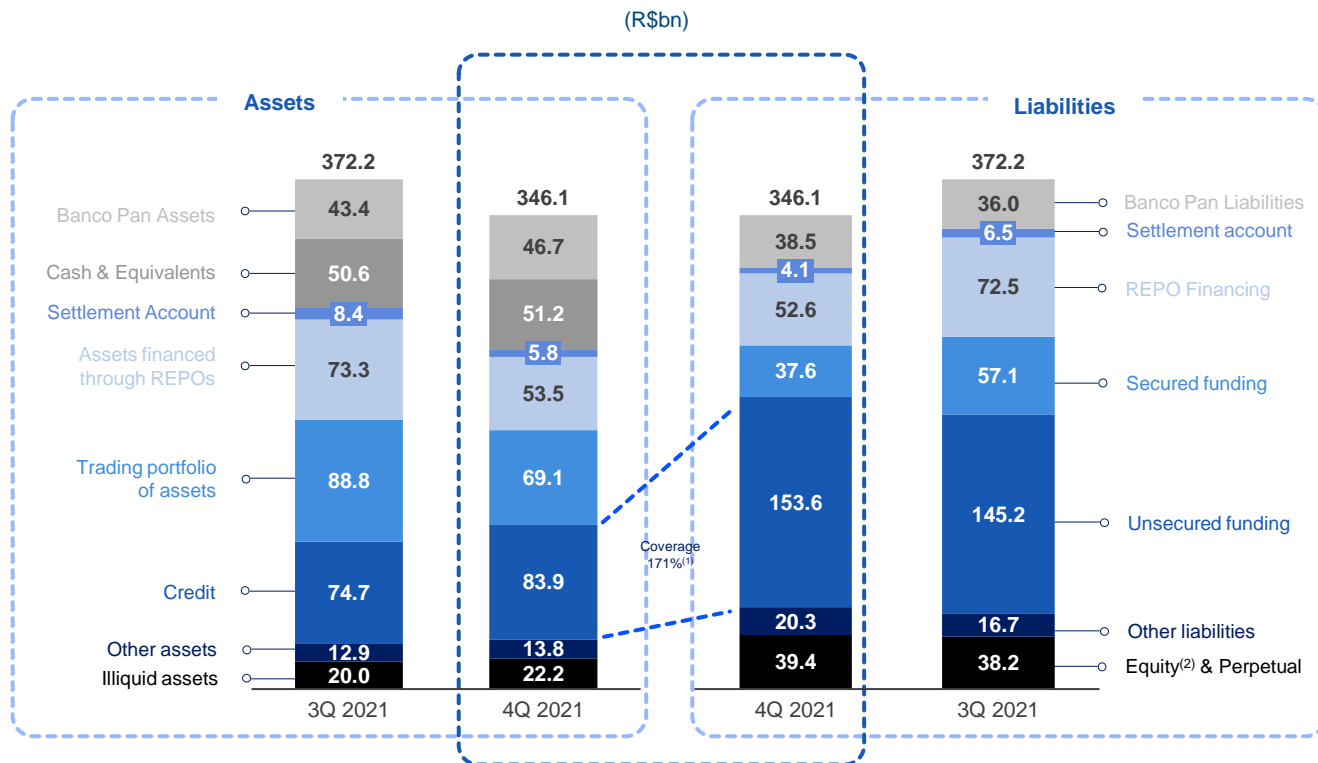




# Balance Sheet Analysis

## Highlights of 4Q 2021

- Total assets (9.3x equity) decreased 7% q-o-q due to a deleveraging on our trading portfolio and assets financed through REPOs, consistent with the lower market activity in 4Q21
- Solid liquidity levels, with R\$51.2bn of cash and cash equivalents, (1.4x our Net Equity), resulting in a LCR of 183%
- On balance sheet credit portfolio growth (+R\$9.2bn) in line with unsecured funding base (+R\$8.3bn) expansion, resulting in a comfortable coverage ratio of 171%
- Corporate Lending Portfolio represents 2.9x Net Equity



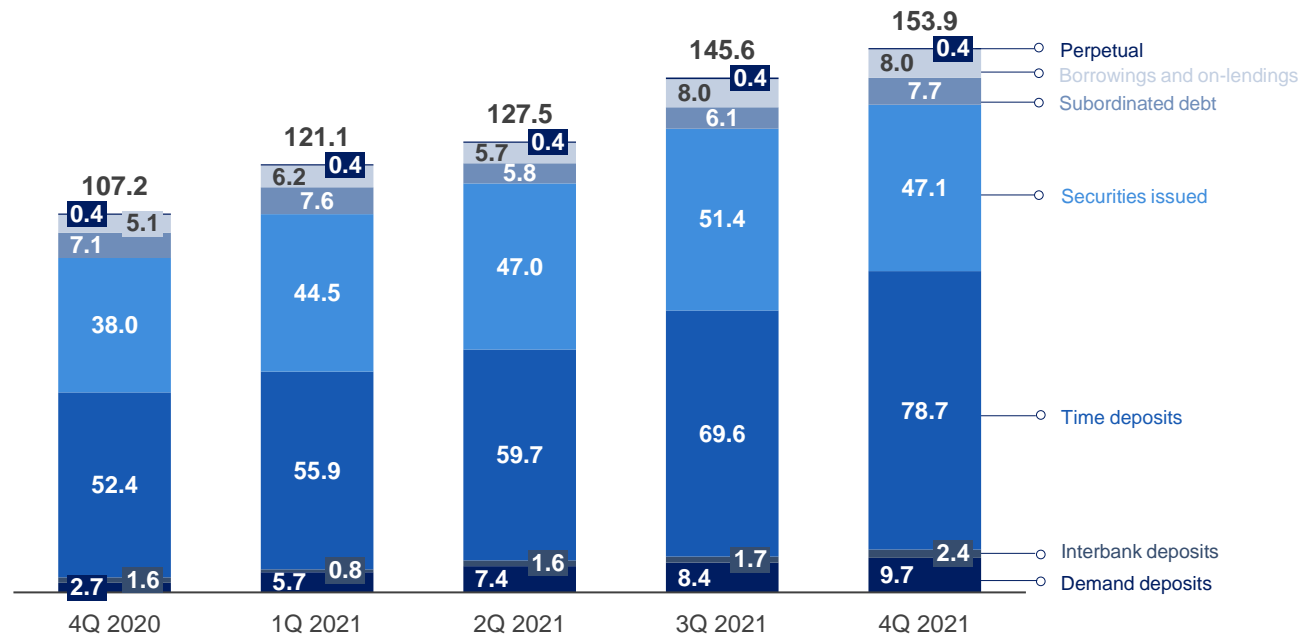
# Unsecured Funding Base

## Highlights of 4Q 2021

- Demand deposits reached R\$9.7bn, a 15.9% q-o-q growth, representing 6.3% of total base
- Funding base grew 5.7%, or R\$8.4bn in the quarter, concentrated in local BRL deposits
- Share of our retail funding continues to expand, reaching 19% of total funding base and 30% considering Banco Pan's funding base
- In February we announced a US\$200mn agreement with JICA<sup>1</sup> to expand our SME activities in Latin America

## Unsecured funding base grew R\$8.4bn (+5.7% q-o-q)

(R\$ billion)





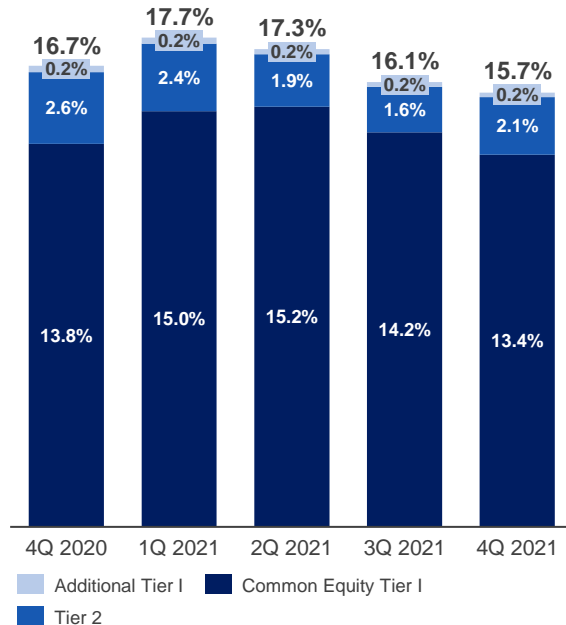
# BIS Ratio and VaR

## Highlights of 4Q 2021

- BIS capital ratio decreased to 15.7% at the end of 4Q 2021, with CET1 at 13.4%
- Total average daily VaR as a % of average equity was our lowest ever, as we maintain a conservative risk allocation approach to our balance sheet

## BIS Ratio

(%)



## Average daily trading VaR

(% of average shareholders equity)

