



Earnings Release

Second Quarter 2022

August 09, 2022



btgpactual.com



Net New Money
(R\$)

71bn

2Q 22
275bn LTM

Total AuC
(R\$)

1.07tn

2Q 22
21% y-o-y growth

Adjusted Net Income
(R\$)

2.2bn

2Q 22
27% y-o-y growth

Total Revenues
(R\$)

4.5bn

2Q 22
20% y-o-y growth

Corporate & SME
Portfolio (R\$)

118bn

36% y-o-y growth
SME: 20bn

Unsecured Funding
(R\$)

165bn

29% y-o-y growth

Basel Ratio

15.2%

2Q 22

ROAE Adj

21.6%

2Q 22

Highlights

Banco BTG Pactual S.A. reported total revenues of R\$4,512.8 million and adjusted net income of R\$2,175.3 million for the quarter ended June 2022.

BTG Pactual's adjusted net income per unit and annualized adjusted return on average shareholders' equity ("Annualized ROAE") were R\$0.57 and 21.6%, respectively, for the quarter.

As of June 30, 2022, total assets of BTG Pactual were R\$454.8 billion, a 16.2% increase compared to March 31, 2022. Our BIS capital ratio was 15.2%.

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 2021	1Q 2022	2Q 2022	6M 2021	6M 2022
Total revenues	3,771	4,351	4,513	6,567	8,864
Net income	1,678	1,943	2,067	2,855	4,010
Adjusted Net income	1,719	2,062	2,175	2,916	4,237
Adjusted Net income per unit (R\$)	0.45	0.54	0.57	0.76	1.11
Annualized ROAE	21.0%	21.5%	21.6%	18.9%	21.5%
Adjusted cost to income ratio	39.2%	39.0%	38.7%	40.3%	38.9%
Shareholders' equity	35,041	39,300	41,359		
Total Number of Shares (# in '000)	11,476,985	11,503,576	11,496,481		
Number of Units (# in '000)	3,825,662	3,834,525	3,832,160		
Book Value per unit (R\$)	9.2	10.2	10.8		
BIS Capital Ratio	17.3%	15.0%	15.2%		
Total assets (in R\$ Billion)	335.2	391.3	454.8		
Total of WuM and AuM	880.3	1,043.8	1,067.6		

BTG Pactual Performance

BTG Pactual is pleased to report another historic quarter, with outstanding revenue generation and profitability, and strong net inflows. Throughout the previous quarters, we have announced sequentially strong results led especially by the growth of our client franchises, this quarter was no different. As we continue to gain space in the upper income retail segment while maintaining our leadership status in wholesale, our revenue stream becomes even more consistent and diversified. In 2Q 2022, we posted once again record revenues and net income for a single quarter despite the volatile international and local macroeconomic scenario, which reinforces the resilience and consistency of our business.

The 2Q 2022 performance was especially strong in our fee-based business units: (i) Investment Banking reported revenues of R\$485.3 million, a 38.3% q-o-q increase with growing contribution from DCM and M&A; (ii) Corporate & SME Lending posted record revenues of R\$877.5 million, up 7.5% quarterly as our portfolio, with competitive spreads and adequate provisioning levels, continues to grow – from R\$111.5 billion in the previous quarter to R\$117.7 billion in 2Q 2022; (iii) Sales & Trading registered, once more, strong revenue generation of R\$1,309.5 million with high activity from our institutional client base due to market volatility; (iv) Asset Management posted the strongest revenue generation in the past seven years, with growing management fees and some performance fees accruals. Total AuM surpassed the six hundred billion milestone, reaching R\$605.1 billion in 2Q 2022 with net inflows of R\$41.3 billion; (v) Wealth Management reported record revenues of R\$621.5 million, with strong NNM levels that led our WuM to R\$462.5 billion. Principal Investment and Participations continued to deliver solid results, with revenues of R\$46.4 million and R\$98.9 million, respectively.

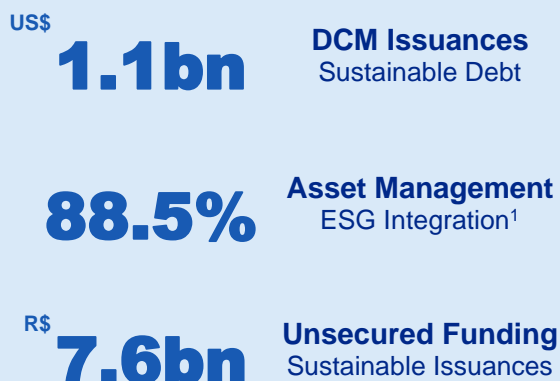
Operating expenses reached R\$1,943.1 million, flat when compared to 1Q 2022. Quarter-over-quarter, our adjusted cost-to-income ratio (which excludes goodwill amortization impacts) remained stable at 38.7% (compared to 39.0% on 1Q 2022), an efficient level given our continued technology investments and human capital growth. Adjusted cost-to-income ratio remains below our historical levels. Compensation ratio for 2Q 2022 was 21.6%, below the previous quarter.

Accounting net income reached a record R\$2,067.2 million, 6.4% above 1Q 2022 and 23.2% higher than the same quarter last year. Shareholder's equity finished the period at R\$41.4 billion, a quarterly and annual growth of 5.2% and 18.0%, respectively. Our liquidity coverage ratio ("LCR") was 228%, while the Basel ratio increased to 15.2%.

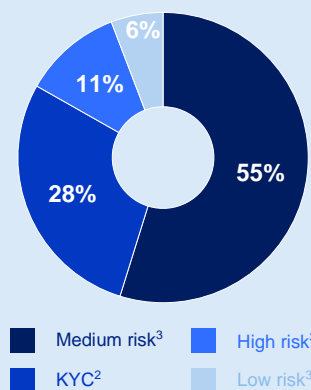
We are also glad to announce that, throughout this semester, we have received a record number of awards from the most prestigious local and international publishers. We won the most relevant categories of Institutional Investors 2022 rankings. Furthermore, Euromoney ranked us the Best Bank in the Emerging Markets, Latin America, and Brazil, while The Banker ranked us the #1 bank in Brazil for growth, profitability asset quality, leverage, and soundness. These awards recognize BTG Pactual as the leading service provider in Brazil and Latin America across different business units.

This quarter, we focused on delivering an even more robust ESG agenda. We have structured and distributed five green-labeled debt issuances for our clients, totaling US\$1.1 billion in volume. Our Sustainable Financing Program (*Programa de Captação Sustentável*), the first initiative of its kind in Latin America, continues to grow: we raised R\$1.9 billion of sustainable deposits from 33 partner companies on the second phase of the program, reaching R\$3.5 billion issued since the beginning of the year. Furthermore, we have also launched an ESG Emerging Markets Bond Fund, dedicated to local sustainable finance issuances, such as green, social, sustainable and SLB bonds. Finally, this quarter BTG Pactual was, once more, recognized by Global Finance as reference on ESG in the region. The most recent awards include: (i) Outstanding Leadership in Sustainable Finance in Latin America, (ii) Outstanding Leadership in Green Bonds in Latin America, (iii) Outstanding Leadership in Sustainable Bonds in Latin America, and (iv) Sustainable Finance Leadership in Brazil.

ESG & Impact Investing | Main KPIs 2Q22



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)	2Q 2022 Accounting	Non Recurring Items & Goodwill	2Q 2022 Adjusted	6M 2022 Adjusted
Investment Banking	485.3		485.3	836.2
Corporate & SME Lending	877.5		877.5	1,694.2
Sales and Trading	1,309.5		1,309.5	2,790.5
Asset Management	404.4		404.4	717.4
Wealth Management & Consumer Banking	621.5		621.5	1,191.8
Principal Investments	46.4		46.4	265.2
Participations	98.9		98.9	221.3
Interest and Other	669.3		669.3	1,147.5
Total revenues	4,512.8	-	4,512.8	8,864.2
Bonus	(534.8)		(534.8)	(1,080.9)
Salaries and benefits	(440.9)		(440.9)	(878.1)
Administrative and other	(540.1)		(540.1)	(1,015.9)
Goodwill amortization	(196.5)	196.5	-	-
Tax charges, other than income tax	(230.8)		(230.8)	(469.3)
Total operating expenses	(1,943.1)	196.5	(1,746.6)	(3,444.3)
Income before taxes	2,569.7	196.5	2,766.2	5,419.9
Income tax and social contribution	(502.4)	(88.4)	(590.9)	(1,182.8)
Net Income	2,067.2	108.1	2,175.3	4,237.1
Annualized ROAE	20.5%		21.6%	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.

Consolidated Adjusted Revenues

Revenues in 2Q 2022 were R\$4,512.8 million, our quarterly record and 3.7% above 1Q 2022, the previous record. Year-over-year, revenues grew by 19.7%, an outstanding performance given the more challenging macroeconomic scenario. It's worth noting that client franchises' revenues continue to grow as a percentage of total revenues, generating more diversification and lower volatility.

Adjusted Revenues (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			2Q 2022 % change to		Year to Date		6M 2022 % change to
	2Q 2021	1Q 2022	2Q 2022	2Q 2021	1Q 2022	6M 2021	6M 2022	6M 2021
Investment Banking	685	351	485	-29%	38%	1,169	836	-28%
Corporate & SME Lending	655	817	878	34%	7%	1,210	1,694	40%
Sales & Trading	1,255	1,481	1,310	4%	-12%	2,066	2,791	35%
Asset Management	270	313	404	50%	29%	535	717	34%
Wealth Management & Consumer Banking	375	570	621	66%	9%	670	1,192	78%
Principal Investments	242	219	46	-81%	-79%	480	265	-45%
Participations	159	122	99	-38%	-19%	275	221	-19%
Interest & Others	130	478	669	414%	40%	163	1,147	604%
Total revenues	3,771	4,351	4,513	20%	4%	6,567	8,864	35%

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 2021	1Q 2022	2Q 2022	2Q 2021	1Q 2022	2Q 2022
Financial Advisory (M&A) ⁽⁴⁾	15	17	23	4,671	7,117	3,035
Equity Underwriting (ECM)	20	9	5	1,497	753	740
Debt Underwriting (DCM)	31	15	33	2,037	1,158	1,981

BTG Pactual Announced Transactions (unaudited)	Number of Transactions ^{(1),(3)}		Value ^{(2),(3)} (US\$ mln)	
	6M 2021	6M 2022	6M 2021	6M 2022
Financial Advisory (M&A) ⁽⁴⁾	28	40	21,605	10,153
Equity Underwriting (ECM)	39	14	2,688	1,493
Debt Underwriting (DCM)	56	48	3,741	3,139

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

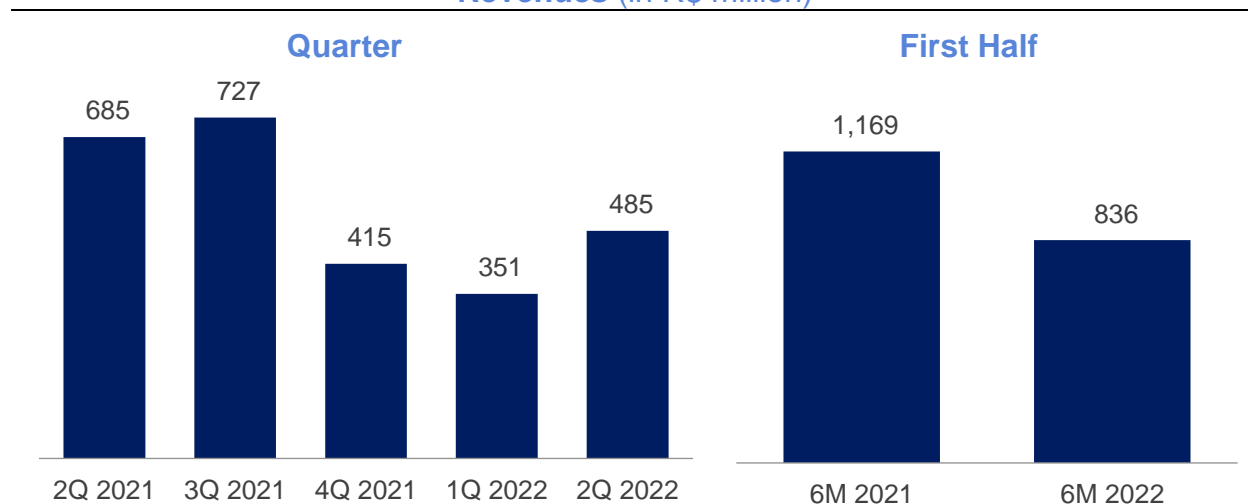
Notes:

- (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 2Q 2022 market share highlights

M&A: #1 in number of transactions in both Brazil and LatAm, and #2 in volume of transactions in Brazil
 ECM: #1 in number of transactions in LatAm
 DCM: #2 in volume of transactions in Brazil

Revenues (in R\$ million)



2Q 2022 vs. 1Q 2022

Investment Banking revenues were R\$485.3 million, a 38.3% increase compared to the previous quarter. The growth in quarterly revenues is a result of: (i) stronger activity in Debt Capital Markets (DCM), as we saw a rebound from the low levels of activity in 1Q 2022, and (ii) higher contribution from Financial Advisory and, to a lesser extent, from Equity Capital Markets (ECM).

This quarter, we have maintained our leading position in industry rankings, which is supported by our integrated business model.

2Q 2022 vs. 2Q 2021

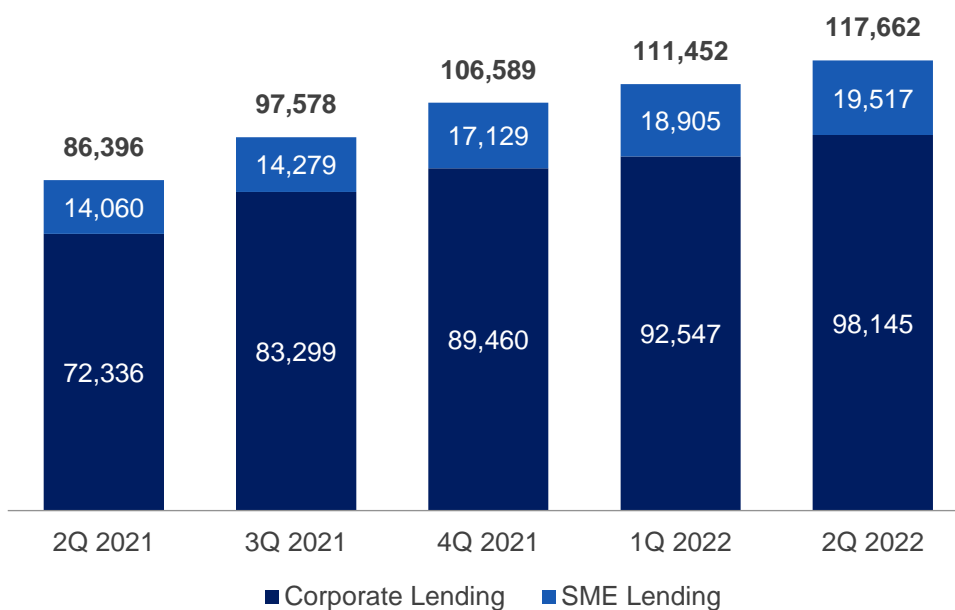
Investment banking revenues decreased 29.2% compared to the same quarter last year, when we delivered R\$685.2 million – the second-best performance in our history. The lower market activity in ECM explains the y-o-y revenue decline.

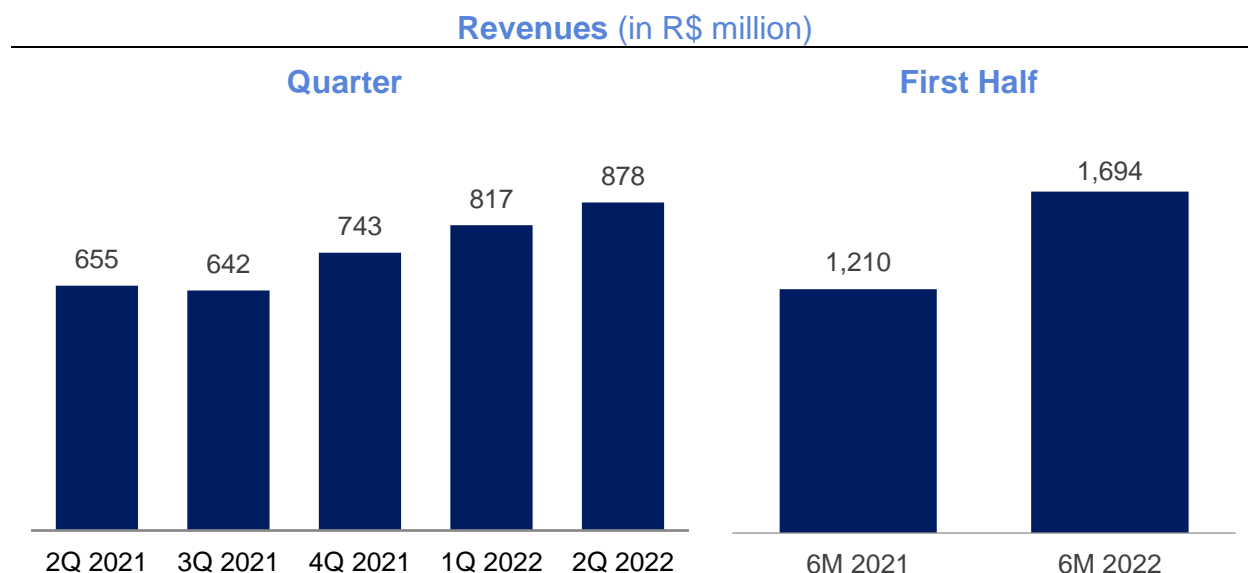
Corporate & SME Lending

In 2Q 2022, the Corporate & SME Lending portfolio grew 5.6%, in line with the previous quarter, reaching R\$117.7 billion. Our Corporate Lending portfolio grew 6.0% this quarter as we kept our selective approach focused on large and investment-grade counterparties. As a result, we maintained a very good asset quality, with competitive net spreads and adequate provisioning levels.

This quarter, the SME Lending portfolio grew 3.2% q-o-q to R\$19.5 billion. We still operate essentially with a single product – supply chain financing – although we foresee growth opportunities in other credit products.

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





2Q 2022 vs. 1Q 2022

Corporate and SME Lending posted its best quarter ever, with revenues of R\$877.5 million, 7.5% above 1Q 2022, our previous record. Revenue generation in the Corporate & SME Lending business continues to increase as we grow the portfolio and maintain the same asset quality, spreads and provisioning levels.

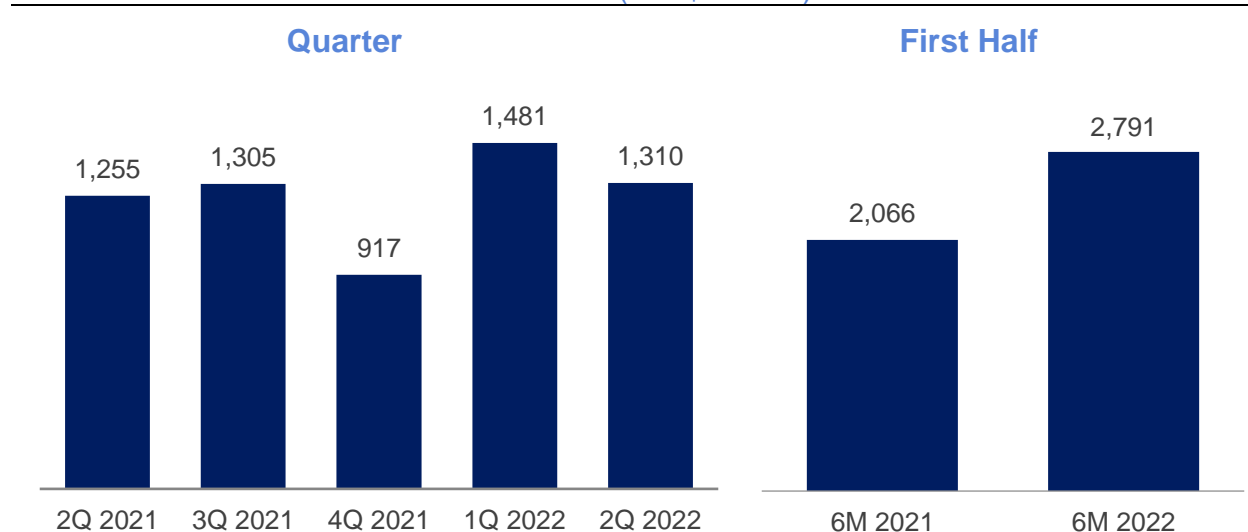
It's worth mentioning that, given the profile of our credit portfolio, we don't foresee any change or concerns regarding delinquency ratio, despite the turbulent macro scenario in Brazil.

2Q 2022 vs. 2Q 2021

Revenues from Corporate and SME Lending increased 34.0% y-o-y, in line with the Corporate & SME Lending portfolio expansion of 36.2% in the period.

Sales & Trading

Revenues (in R\$ million)



2Q 2022 vs. 1Q 2022

Sales & Trading posted strong revenues of R\$1,309.5 million. Despite the 11.6% decline compared to 1Q 2022, our best result since 2016, we posted very good performance as client activity remained high and we have allocated risk efficiently - we ended the quarter with VaR as a percentage of average equity of 0.34%.

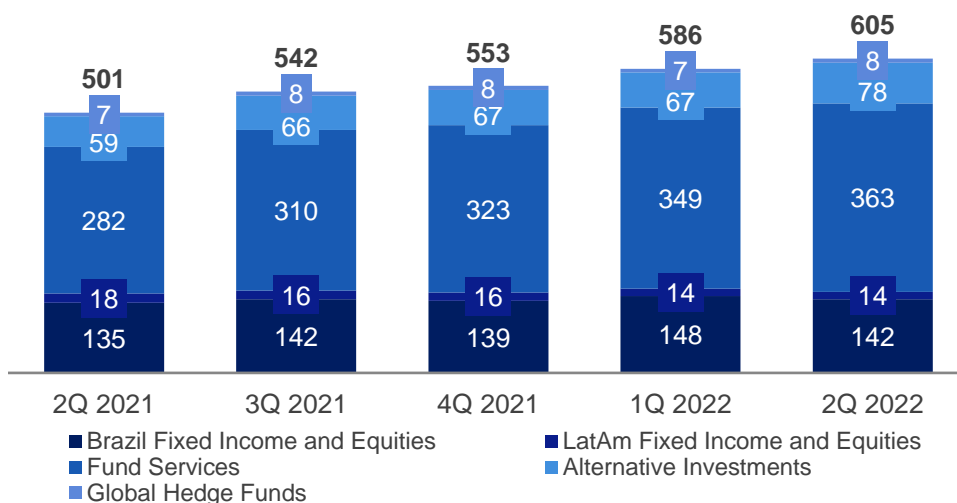
2Q 2022 vs. 2Q 2021

Sales & Trading revenues increased 4.3% y-o-y from R\$1,255.0 million to R\$1,309.5 million. Year-over-year growth was mainly due to higher contribution from our institutional client franchises.

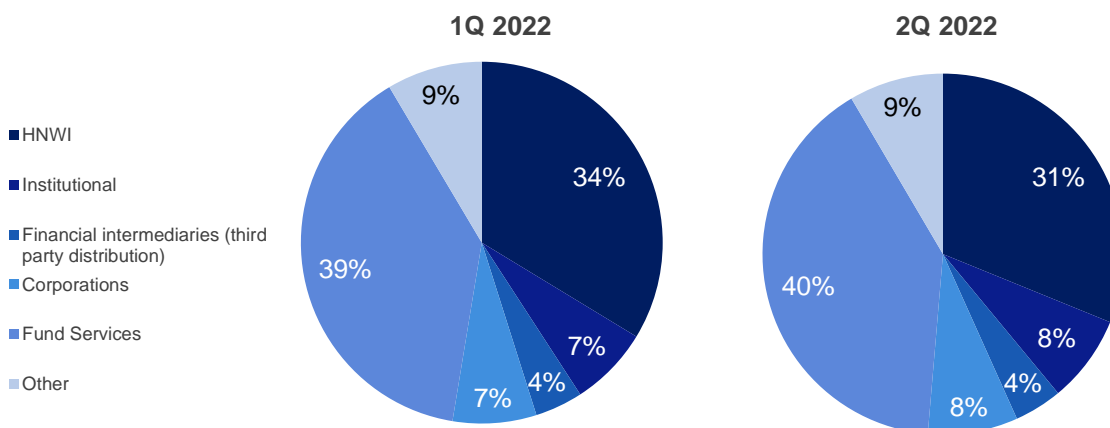
Asset Management

This quarter, total Assets Under Management (AuM) surpassed the six hundred billion milestone, reaching R\$605.1 billion, a 3.3% q-o-q growth and a 20.7% y-o-y growth. In 2Q 2022, we registered a significant Net New Money (NNM) figure of R\$41.3 billion. During the quarter, we saw both Alternative Investments and Brazil Fixed Income strategies contributing to NNM, and we continued to expand our market share in the Fund Services business.

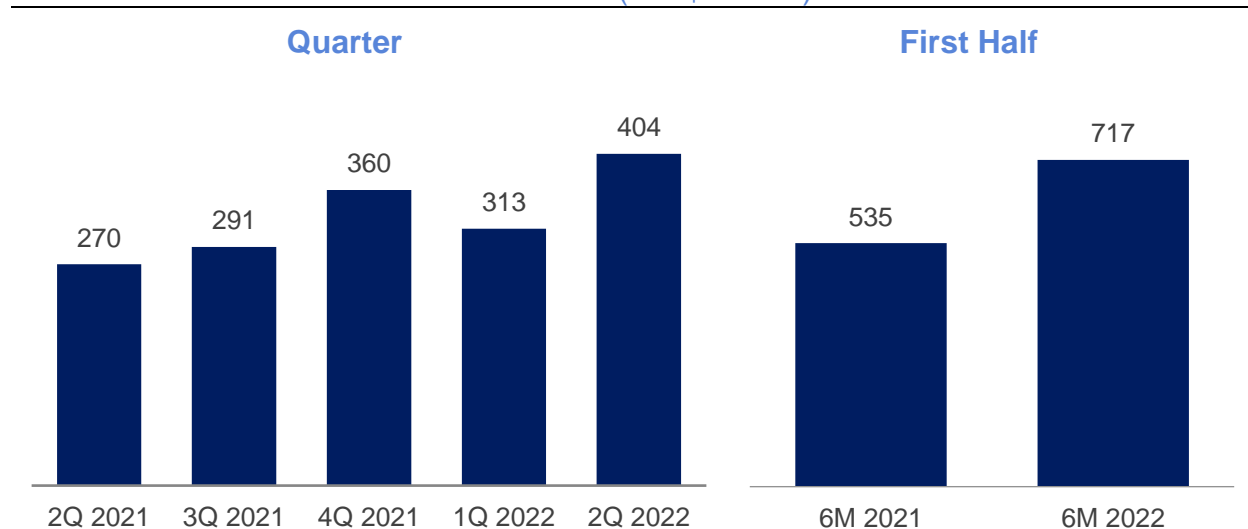
AuM & AuA by Asset Class (in R\$ billion)



AuM and AuA by Type of Client



Revenues (in R\$ million)



2Q 2022 vs. 1Q 2022

Asset Management revenues increased 29.2% in the period from R\$313.1 million to R\$404.4 million. The quarterly increase was mainly due to business seasonality, as we accrued some performance fees in the second quarter of each year. Management fees continue to grow in line with total AuM/AuA growth.

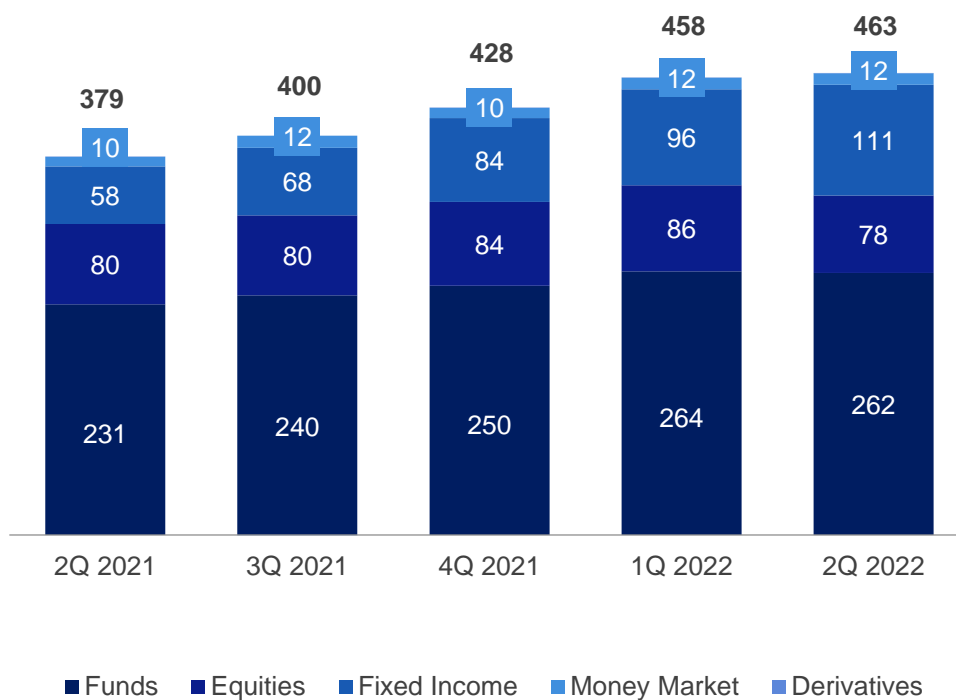
2Q 2022 vs. 2Q 2021

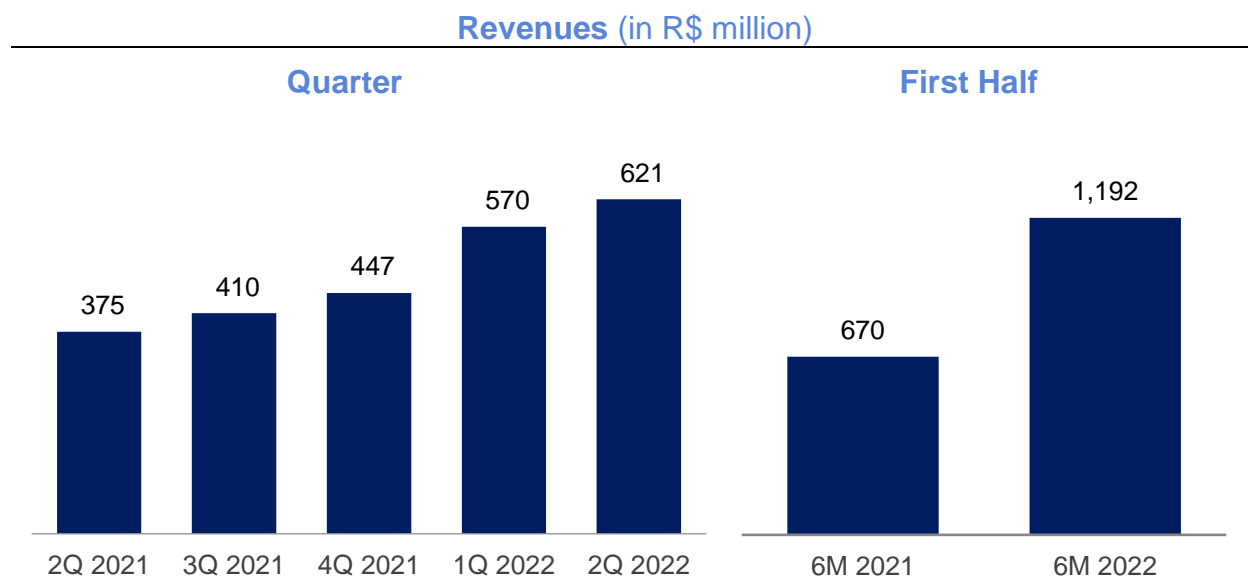
Asset Management revenues increased 49.8% from R\$269.9 million in 2Q 2021 to R\$404.4 million in 2Q 2022, while total AuA/AuM grew 20.7% in the period. Year-over-year, revenues grew at a higher pace than assets mainly because we registered better performance fees this quarter than in 2Q 2021.

Wealth Management & Consumer Banking

Wealth under Management (WuM) continue to grow, reaching R\$462.5 billion. We posted solid net inflows of R\$29.5 billion in 2Q 2022, despite high market volatility - local equity market declined by ~19% and the S&P 500 tumbled ~16%. The quarter was marked by one of the largest NNM figures on our upper income retail segment.

WuM Breakdown (in R\$ billion)





2Q 2022 vs. 1Q 2022

Wealth Management & Consumer Banking renewed its record in revenues for the 14th consecutive time, achieving R\$621.5 million, a 9.0% q-o-q growth. The higher revenue contribution was mainly due to WuM expansion, especially in the high-income retail segment, with higher ROAs.

2Q 2022 vs. 2Q 2021

Wealth Management & Consumer Banking revenues increased 65.8% in the period to R\$621.5 million, compared to R\$374.9 million in 2Q 2021. The growth is attributable to a 22.1% expansion of total WuM, higher market share in the upper income retail segment, and new revenue contribution from the Empiricus consolidation.

Principal Investments

2Q 2022 vs. 1Q 2022

Principal Investments revenues declined 78.8% q-o-q from R\$218.8 million to R\$46.4 million. Revenues consisted of equity pick up from investments, as well as from subpar performance from our Global Markets strategy (seed investments).

2Q 2022 vs. 2Q 2021

Principal Investments revenues decreased 80.8% compared to 2Q 2021, when we registered revenues of R\$242.0 million. The lower result was due to inferior contribution from our Global Markets strategy, as previously explained, as well as higher internal funding cost.

Participations

2Q 2022 vs. 1Q 2022

Participations reported gains of R\$98.9 million, a 19.3% decline compared to 1Q 2022. Revenues in 2Q 2022 consisted of (i) R\$77.3 million gains from Banco Pan, which includes a R\$39.2 million goodwill amortization expense, and (ii) R\$21.6 million gains from Too Seguros and Pan Corretora.

2Q 2022 vs. 2Q 2021

Participations gains were R\$98.9 million in 2Q 2022, compared to R\$158.8 million in 2Q 2021. Gains declined 37.8% y-o-y as a result of lower contribution from Banco Pan and EFG.

Interest & Others

2Q 2022 vs. 1Q 2022

Revenues from Interest & Others were R\$669.3 million in 2Q 2022, a 40.0% q-o-q growth, compared to R\$478.2 million in 1Q 2022. The increase was mainly due to the SELIC interest rate rise during the period as well as the 5.2% growth 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).

2Q 2022 vs. 1Q 2022

Revenues from Interest & Others increased over 5x yearly, mainly due to higher interest rates as well as the 18.0% increase in shareholder's equity from R\$35.0 billion to R\$41.4 billion.

Adjusted Operating Expenses

Adjusted Operating Expenses (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			2Q 2022 % change to		Year to Date		6M 2022 % change to
	2Q 2021	1Q 2022	2Q 2022	2Q 2021	1Q 2022	6M 2021	6M 2022	6M 2021
Bonus	(658)	(546)	(535)	-19%	-2%	(1,119)	(1,081)	-3%
Salaries and benefits	(292)	(437)	(441)	51%	1%	(558)	(878)	57%
Administrative and other	(315)	(476)	(540)	72%	14%	(602)	(1,016)	69%
Goodwill amortization	(65.1)	(213.3)	(197)	202%	-8%	(96)	(410)	328%
Tax charges, other than income tax	(214)	(239)	(231)	8%	-3%	(368)	(469)	28%
Total operating expenses	(1,544)	(1,911)	(1,943)	26%	2%	(2,742)	(3,854)	41%
Adjusted cost to income ratio	39%	39%	39%	-1%	-1%	40%	39%	-4%
Compensation ratio	25%	23%	22%	-14%	-4%	26%	22%	-13%
Total number of employees	4,175	6,293	6,430	54%	2%	4,175	6,430	54%
Partners and associate partners	258	288	284	10%	-1%	258	284	10%
Employees	3,917	6,005	6,146	57%	2%	3,917	6,146	57%

Bonus

This quarter, bonus expenses were R\$534.8 million, a quarterly and yearly decrease of 2.1% and 18.7%, respectively. The bonus expense reduction q-o-q is attributed to higher Interest & Other revenues (as a percentage of total revenues) coupled with higher administrative expenses. 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. Our compensation ratio ended the quarter at 21.6%, in line with historical levels.

Salaries and benefits

Salaries and benefits remained flat q-o-q and increased 51.1% compared to the same quarter one year ago. The year-over-year growth is due to personnel increase, as we added more than two thousand people throughout this period, including Empiricus employees. Expenses related to salaries and benefits were R\$440.9 million in 2Q 2022 and R\$437.2 million in 1Q 2022, compared to R\$291.9 million in 2Q 2021.

Administrative and other

Total administrative and other expenses increased 13.5% in the quarter, from R\$475.8 million to R\$540.1 million in 2Q 2022. The growth is mainly due IT related costs. When compared to 2Q 2021, expenses increased 71.7%, as explained previously.

Goodwill amortization

In 2Q 2022, we recorded goodwill amortization expenses of R\$196.5 million, 7.9% lower than the previous quarter. Goodwill amortizations considers our recent acquisitions, such as Empiricus/Vitreo, Necton, Fator and BTG Pactual Advisors.

Tax charges, other than income tax

Tax charges, other than income tax, were R\$230.8 million or 5.1% of total revenues compared to R\$238.6 million in 1Q 2022, or 5.5% of total revenues.

Adjusted Income Taxes

Adjusted Income Tax (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			Year to Date	
	2Q 2021	1Q 2022	2Q 2022	6M 2021	6M 2022
Income before taxes	2,227	2,440	2,570	3,824	5,010
Income tax and social contribution	(549)	(498)	(502)	(970)	(1,000)
Effective income tax rate	24.6%	20.4%	19.6%	25.4%	20.0%

Our effective income tax rate for the quarter was 19.6% (representing an income tax expense of R\$502.4 million), compared to an effective tax rate of 20.4% in 1Q 2022 and 24.6% in 2Q 2021. The decrease in the effective tax rate this quarter was mainly due to a more favorable revenues mix, with proportionally less revenues subject to high corporate tax rates in the period.

Balance Sheet

Total assets increased 16.2%, from R\$391.3 billion at the end of 1Q 2022 to R\$454.8 billion at the end of 2Q 2022, mainly due to an increase of 39.8% in Trading Portfolio Assets from R\$87.8 billion to R\$122.8 billion, and a 20.5% increase in our Assets Financed Through REPO, from R\$68.4 billion to R\$82.4 billion. Leverage ratio was 10.4x in 2Q 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\$39.3 billion at the end of 1Q 2022 to R\$41.4 billion at the end of 2Q 2022, mostly impacted by the net income of R\$2,067.2 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

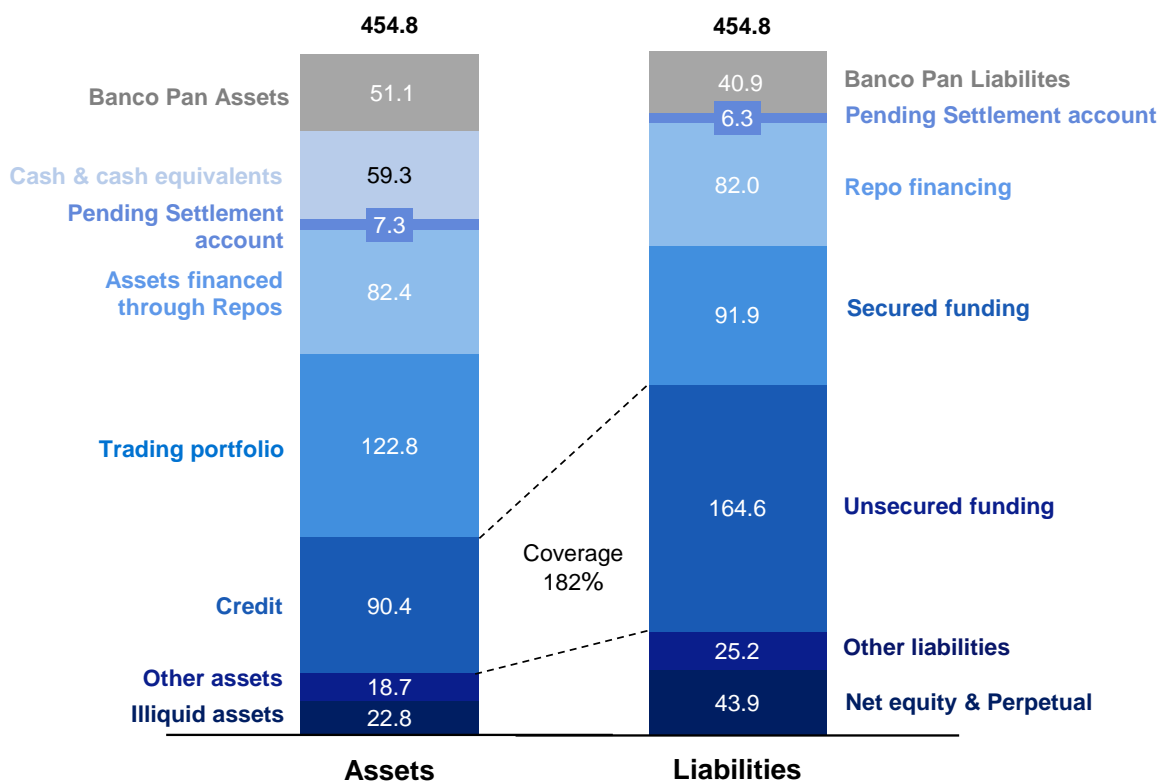
Value-at-risk (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter		
	2Q 2021	1Q 2022	2Q 2022
Total average daily VaR	80.6	120.9	135.7
Average daily VaR as a % of average equity	0.25%	0.32%	0.34%

Our total average daily VaR increased 12.2% compared to 1Q 2022. As a percentage of average equity, our VaR increased from 0.32% to 0.34%, still below our historical levels.

Liquidity Risk Analysis

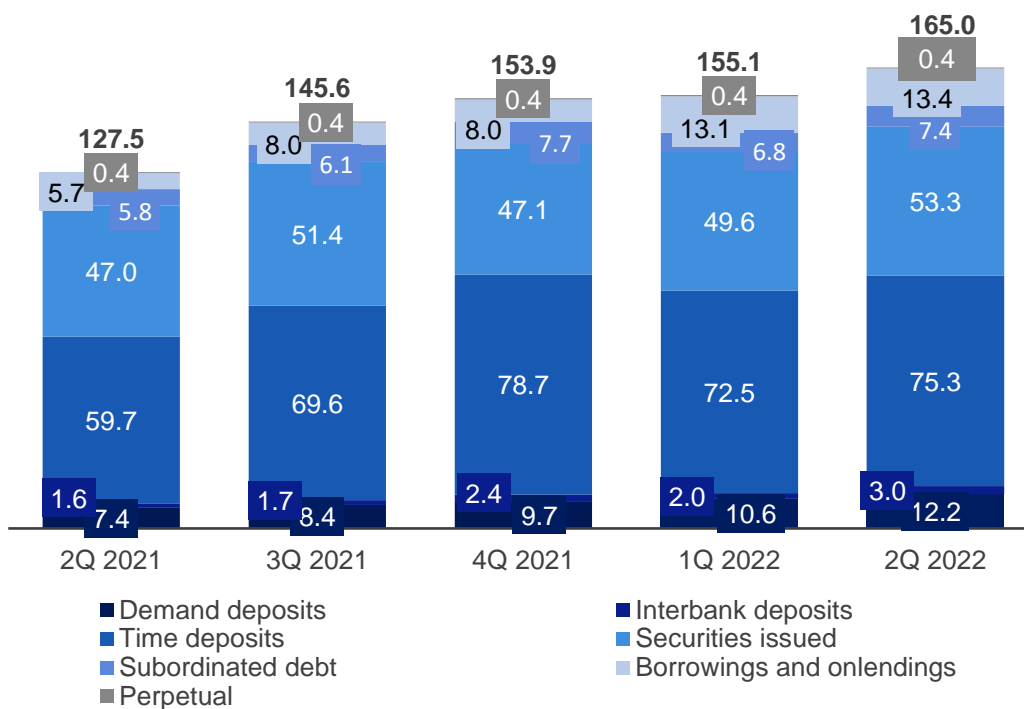
The chart below summarizes the composition of assets and liabilities as of June 30th, 2022:

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



Unsecured Funding Analysis

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



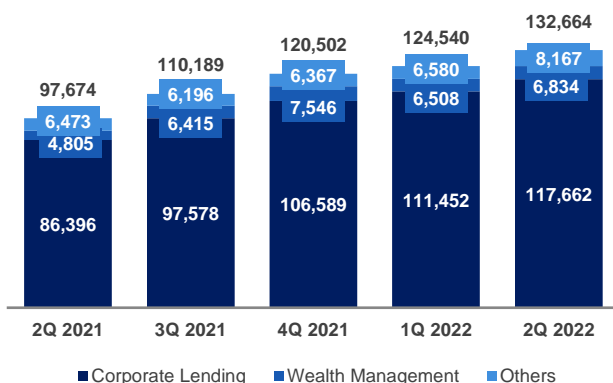
Total unsecured funding increased from R\$155.1 billion at the end of 1Q 2022 to R\$165.0 billion at the end of 2Q 2022. Inflows remained strong especially in local BRL - in deposits and securities issued.

BTG Pactual Broader Credit Portfolio

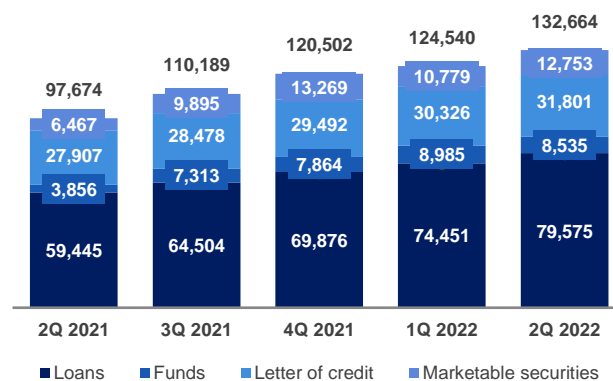
Broader credit portfolio is comprised of loans, receivables, advances on foreign exchange contracts, letters of credit and marketable securities bearing credit exposures (including debentures, promissory notes, real estate bonds, and investments in credit receivable funds – FIDCs).

The balance of our broader credit portfolio increased 6.5% compared to the previous quarter, from R\$124.5 billion to R\$132.7 billion, and 35.8% compared to 2Q 2021.

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



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



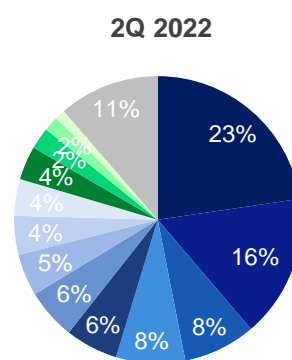
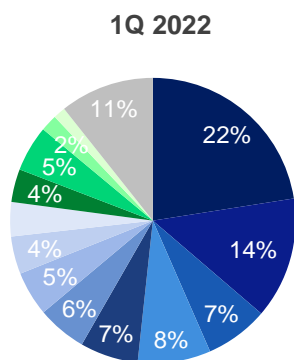
Notes:

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



Credit Risk

The following table shows the distribution of our credit exposures as of June 30th, 2022 by credit rating. The ratings below reflect our internal assessment, consistently applied in accordance with the Brazilian Central Bank standard ratings scale:

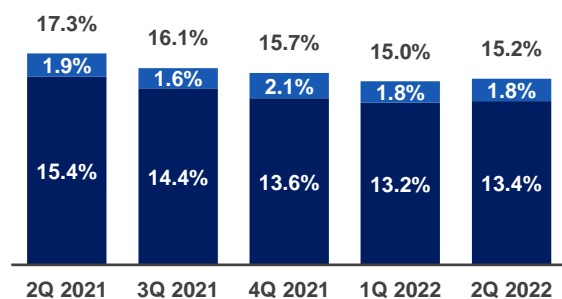
Rating (unaudited) (in R\$ million)	2Q 2022
AA	64,630
A	39,928
B	21,831
C	2,545
D	1,805
E	391
F	1,007
G	164
H	363
Total	132,664

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 15.2% at the end of 2Q 2022. Our liquidity coverage ratio (LCR) ended the quarter at 228%.

Basel Ratio (unaudited)

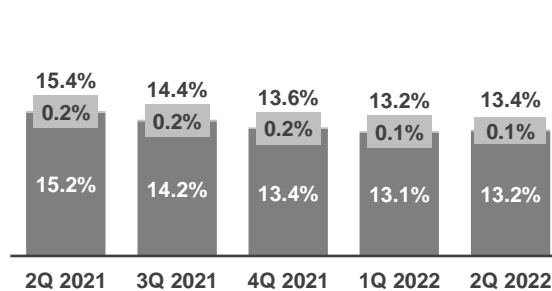
(%)



■ Tier 1 ■ Tier 2

Tier 1: CET1 & AT1 (unaudited)

(%)



■ AT1 (Additional Tier 1) ■ CET1 (Common Equity Tier 1)

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 total operating expenses by total revenues.
Compensation ratio	It is computed by dividing the sum of bonus and salaries and benefits expenses by 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 2022 % change to	
	2Q 2021	1Q 2022	2Q 2022	2Q 2021	1Q 2022
Assets					
Cash and bank deposits	5,296	3,536	2,489	-53%	-30%
Interbank investments	41,839	47,939	53,736	28%	12%
Marketable securities and derivatives	126,671	157,664	164,762	30%	5%
Interbank transactions	8,550	12,624	16,404	92%	30%
Loans	87,543	102,349	107,121	22%	5%
Other receivables	54,486	53,101	95,734	76%	80%
Other assets	1,271	1,540	1,496	18%	-3%
Permanent assets	9,540	12,595	13,084	37%	4%
Total assets	335,195	391,349	454,827	36%	16%
Liabilities					
Deposits	97,776	107,202	112,604	15%	5%
Open market funding	62,908	75,886	89,338	42%	18%
Funds from securities issued and accepted	57,981	60,322	65,807	13%	9%
Interbank transactions	2,462	4,076	3,941	60%	-3%
Loans and onlendings	5,823	13,959	14,290	145%	2%
Derivatives	16,559	26,230	18,088	9%	-31%
Subordinated liabilities	2,237	2,207	2,263	1%	3%
Other liabilities	51,858	57,853	102,862	98%	78%
Deferred income	279	-	-	-100%	n.a.
Shareholders'equity	35,040	39,300	41,359	18%	5%
Non-controlling interest	2,273	4,314	4,274	88%	-1%
Total liabilities	335,195	391,349	454,827	36%	16%

Adjusted Income Statement (unaudited)	Quarter			2Q 2022 % change to		Year to Date		6M 2022 % change to
	2Q 2021	1Q 2022	2Q 2022	2Q 2021	1Q 2022	6M 2021	6M 2022	6M 2021
<i>(in R\$ million, unless otherwise stated)</i>								
Investment Banking	685	351	485	-29%	38%	1,169	836	-28%
Corporate and SME Lending	655	817	878	34%	7%	1,210	1,694	40%
Sales & Trading	1,255	1,481	1,310	4%	-12%	2,066	2,791	35%
Asset Management	270	313	404	50%	29%	535	717	34%
Wealth Management & Consumer Banking	375	570	621	66%	9%	670	1,192	78%
Principal Investments	242	219	46	-81%	-79%	480	265	-45%
Participations	159	122	99	-38%	-19%	275	221	-19%
Interest & Others	130	478	669	414%	40%	163	1,147	604%
Total revenues	3,771	4,351	4,513	20%	4%	6,567	8,864	35%
Bonus	(658)	(546)	(535)	-19%	-2%	(1,119)	(1,081)	-3%
Salaries and benefits	(292)	(437)	(441)	51%	1%	(558)	(878)	57%
Administrative and other	(315)	(476)	(540)	72%	14%	(602)	(1,016)	69%
Goodwill amortization	(65)	(213)	(197)	202%	-8%	(96)	(410)	328%
Tax charges, other than income tax	(214)	(239)	(231)	8%	-3%	(368)	(469.3)	28%
Total operating expenses	(1,544)	(1,911)	(1,943)	26%	2%	(2,742)	(3,854)	41%
Income before taxes	2,227	2,440	2,570	15%	5%	3,824	5,010	31%
Income tax and social contribution	(549)	(498)	(502)	-8%	1%	(970)	(1,000)	3%
Net Income	1,678	1,943	2,067	23%	6%	2,855	4,010	40%

Income Statement (unaudited)	Banco BTG Pactual S.A.	
	1Q 2022	2Q 2022
<i>(in R\$ million, unless otherwise stated)</i>		
Financial income	13,670	25,321
Financial expenses	(9,101)	(19,913)
Gross financial income	4,569	5,408
Other operating income (expenses)	(1,261)	(2,331)
Operating income (expenses)	3,308	3,077
Non-operating income/(expenses)	53	4
Income before taxes and profit sharing	3,360	3,082
Income and social contribution taxes	(685)	(517)
Statutory profit sharing	(535)	(557)
Non-controlling interest	(197)	60
Net income	1,943	2,067

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 & SME 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 amortization costs 	<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 less operational expenses) 	<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 2022

August 09th, 2022 (before trading hours)

English Conference Call

August 09th, 2022 (Tuesday)

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

Phone 1: +55 11 3181-8565

Phone 2: +55 11 4090-1621

Code: BTG

Portuguese Conference Call

August 09th, 2022 (Tuesday)

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

Phone 1: +55 11 3181-8565

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.

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