



Earnings Release

Third Quarter 2021

November 09, 2021



btgpactual.com



Net New Money
(R\$)

88bn

3Q 21
307bn LTM

Total AuC
(R\$)

942bn

3Q 21

Total Revenues
(R\$)

3.8bn

3Q 2021
55% y-o-y growth

Adjusted Net Income
(R\$)

1.8bn

3Q 2021
77% y-o-y growth

Credit and SME
Portfolio (R\$)

43%

y-o-y growth
98bn total | SME: 14bn

Unsecured Funding
(R\$)

45%

y-o-y growth
146bn in 3Q 21

Basel Ratio

16.1%

3Q 21

ROAE Adj

20.1%

3Q 21

Highlights

Banco BTG Pactual S.A. reported total revenues of R\$3,845.3 million and adjusted net income of R\$1,794.2 million for the quarter ended September 2021.

BTG Pactual's adjusted net income per unit and annualized adjusted return on average shareholders' equity ("Annualized ROAE") were R\$0.47 and 20.1%, respectively, for the quarter, and R\$1.23 and 20.6%, respectively, for the year ended on such date.

As of September 30, 2021, total assets of BTG Pactual were R\$372.2billion, a 11.1% increase when compared to June 30, 2021. Our BIS capital ratio was 16.1%.

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	
	3Q 2020	2Q 2021	3Q 2021	9M 2020	9M 2021
Total revenues	2,478	3,771	3,845	6,478	10,412
Net income	1,002	1,678	1,743	2,747	4,598
Adjusted Net income	1,016	1,719	1,794	2,792	4,711
Adjusted Net income per unit (R\$)	0.28	0.45	0.47	0.77	1.23
Annualized ROAE	15.7%	21.6%	20.1%	15.7%	20.6%
Cost to income ratio	43.7%	40.9%	42.6%	42.8%	42.1%
Shareholders' equity	26,049	35,041	36,259		
Total Number of Shares (# in '000)	10,850,828	11,476,985	11,476,985		
Number of Units (# in '000)	3,616,943	3,825,662	3,825,662		
Book Value per unit (R\$)	7.2	9.2	9.5		
BIS Capital Ratio	17.5%	17.3%	16.1%		
Total assets (in R\$ Billion)	253.2	335.2	372.2		
Total of WuM and AuM	550.8	880.3	941.9		

BTG Pactual Performance

BTG Pactual is pleased to report another outstanding quarter with strong inflows and record of revenues and net income. The combined NNM (AM + WM & Consumer Banking) were R\$87.7 billion, taking our distribution capacity to R\$941.9 billion, a 71% growth over the same period last year. Total revenues reached R\$3,845.3 million, 2.0% higher than last quarter (the previous all-time record) and 55.2% higher than 3Q 2020. We have also achieved record adjusted net earnings for a single quarter of R\$1,794.2 million, 4.4% above the preceding quarter and 76.6% higher than 3Q 2020. Annualized adjusted ROAE were 20.1%, Liquidity Coverage Ratio (“LCR”) was 213.5% and we ended the quarter with a Basel ratio of 16.1%.

In light of the challenging and volatile market conditions during the period, our solid performance has proven to be consistent, benefited by our growing client/fee-based activities as we continue to gain market share especially in the retail segment, combined with a diversified revenue contribution among all business lines:

(i) Investment Banking has reported record revenues for the second quarter in a row with an impressive YoY growth of 80.7% reaching R\$726.6 million, resulting from our leading position in industry rankings, increased distribution capacity and market share growth - for the first time in our history, we achieved first place in both volume and number of DCM International transactions in Brazil; (ii) Corporate and SME Lending reached R\$642.3 million in revenues, 1.9% lower than 2Q 2021, our all-time record, and 51.1% higher than the same period last year. The Corporate and SME Lending portfolio has increased to R\$97.6 billion, of which R\$14.3 billion is allocated to Small and Medium Enterprises; (iii) Sales & Trading reported strong revenues of R\$1,305.3 million, 4.0% above 2Q 2021 and 46.2% higher than 3Q 2020, with revenues mostly coming from client activities as well as part of the proceeds of the CredPago sale; (iv) Our Asset Management business posted record inflows for the fourth consecutive quarter of R\$50.0 billion and continues to deliver growing management fees, achieving revenues of R\$290.8 million – 7.7% higher than the previous quarter and 14.3% above 3Q 2020.; (v) Wealth Management & Consumer Banking posted record revenues of R\$409.6 million – 9.3% higher than the previous quarter and 75.1% above the same period last year – and the second-best quarter of our history in terms of net inflows, ending the quarter with R\$37.7 billion. Principal Investments and Participations reported solid performance with revenues of R\$135.9 million, and R\$90.7 million, respectively.

Operating expenses reached R\$1,637.1 million, up 6.0% when compared to the second quarter of this year. BTG Pactual has reported a cost-to-income ratio of 42.6%, in line with historical levels and within what we consider appropriate levels given our technology investments and human capital growth.

Accounting net income reached R\$1,743.1 million in 3Q 2021, 3.9% above the previous record reported in 2Q 2021, and 74% above 3Q 2020. Shareholder’s equity was R\$36.3 billion, a 3.5% increase compared to 2Q 2021 and a 39.2% year-over-year growth. This figure is already adjusted by the JCP distribution of R\$650 million in August.

During the third quarter of 2021 we have implemented countless operational improvements in our digital platforms, and we launched our transactional bank for Brazilian Small and Medium Enterprises (SMEs), which was already awarded as the Best SME Bank in Brazil by Global Finance.

We are also glad to announce that our transactional bank (“BTG+”) has been nominated the Most Customer Centric Bank by The Global Economics and the Best Customer Service by ABT (*Associação Brasileira de Telesserviços*). Furthermore, BTG+ is the highest-ranked financial institution in the Apple Store and *Reclame Aqui*.

In terms of environmental and social accomplishments, our Sustainable & Impact Investing division has been awarded two important international prizes this quarter: (i) Outstanding Sustainable Financing in Emerging Markets by Global Finance and (ii) Impact Initiative of the Year in Latin America and Caribbean by Environmental Finance. Those awards are the recognition of the solid and important work we are doing in this front. During 3Q 2021, we have distributed US\$1.03 billion in five ESG-labeled issuances in both local and international debt capital markets, reaching a cumulative total of US\$4.7 billion in 2021 and US\$7 billion since 2016.

In addition to the prizes mentioned previously, we have received several other awards that recognize BTG Pactual’s excellence in areas where we operate:(i) Bank of the Year Brazil and Latin America by Latin Finance and (ii) Wealth Manager of the Year by Latin Finance. These awards emphasize BTG Pactual’s drive for excellence.

Adjusted Net Income and ROAE (unaudited)

Adjusted Net Income and ROAE (unaudited)	3Q 2021 Accounting	Non Recurring Items & Goodwill	3Q 2021 Adjusted	9M 2021 Adjusted
Investment Banking	726.6		726.6	1,895.4
Corporate & SME Lending	642.3		642.3	1,852.2
Sales and Trading	1,305.3		1,305.3	3,371.2
Asset Management	290.8		290.8	825.3
Wealth Management & Consumer Banking	409.6		409.6	1,079.2
Principal Investments	135.9		135.9	616.3
Participations	90.7		90.7	365.5
Interest and Other	244.2		244.2	407.2
Total revenues	3,845.3	-	3,845.3	10,412.1
Bonus	(641.3)		(641.3)	(1,760.6)
Salaries and benefits	(319.4)		(319.4)	(877.0)
Administrative and other	(398.2)		(398.2)	(988.5)
Goodwill amortization	(90.7)	90.7	-	-
Tax charges, other than income tax	(187.6)		(187.6)	(555.2)
Total operating expenses	(1,637.1)	90.7	(1,546.4)	(4,181.3)
Income before taxes	2,208.2	90.7	2,298.9	6,230.8
Income tax and social contribution	(465.0)	(39.6)	(504.7)	(1,520.2)
Net Income	1,743.1	51.1	1,794.2	4,710.6
Annualized ROAE	19.6%		20.1%	20.6%

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 Necton, BTG Pactual Advisors, Kawa and Clave.

Annualized ROAE adjusted by time weighted average of equity events

Consolidated Adjusted Revenues

Revenues in 3Q 2021 established a new record of R\$3,845.3 million in 3Q 2021, a 2% increase compared to the previous quarter and a 55.2% year-over-year growth, with solid contribution from all business areas. Revenue generation was notably strong on our client franchises – we have been demonstrating a strong revenue capacity with a much more conservative risk allocation.

Adjusted Revenues (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			3Q 2021 % change to		Year to Date		9M 2021 % change to
	3Q 2020	2Q 2021	3Q 2021	3Q 2020	2Q 2021	9M 2020	9M 2021	9M 2020
Investment Banking	402	685	727	81%	6%	812	1,895	133%
Corporate & SME Lending	425	655	642	51%	-2%	994	1,852	86%
Sales & Trading	893	1,255	1,305	46%	4%	2,366	3,371	43%
Asset Management	254	270	291	14%	8%	664	825	24%
Wealth Management & Consumer Banking	234	375	410	75%	9%	602	1,079	79%
Principal Investments	131	242	136	4%	-44%	509	616	21%
Participations	92	159	91	-2%	-43%	261	365	40%
Interest & Others	46	130	244	430%	88%	270	407	51%
Total revenues	2,478	3,771	3,845	55%	2%	6,478	10,412	61%

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)		
	3Q 2020	2Q 2021	3Q 2021	3Q 2020	2Q 2021	3Q 2021
Financial Advisory (M&A) ⁽⁴⁾	18	15	19	7,920	4,671	10,631
Equity Underwriting (ECM)	19	20	19	1,074	1,497	1,327
Debt Underwriting (DCM)	19	31	40	599	2,037	2,560

BTG Pactual Announced Transactions (unaudited)	Number of Transactions ^{(1),(3)}		Value ^{(2),(3)} (US\$ mln)	
	9M 2020	9M 2021	9M 2020	9M 2021
Financial Advisory (M&A) ⁽⁴⁾	26	47	8,303	32,236
Equity Underwriting (ECM)	17	7	1,779	4,015
Debt Underwriting (DCM)	46	96	1,704	6,301

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).

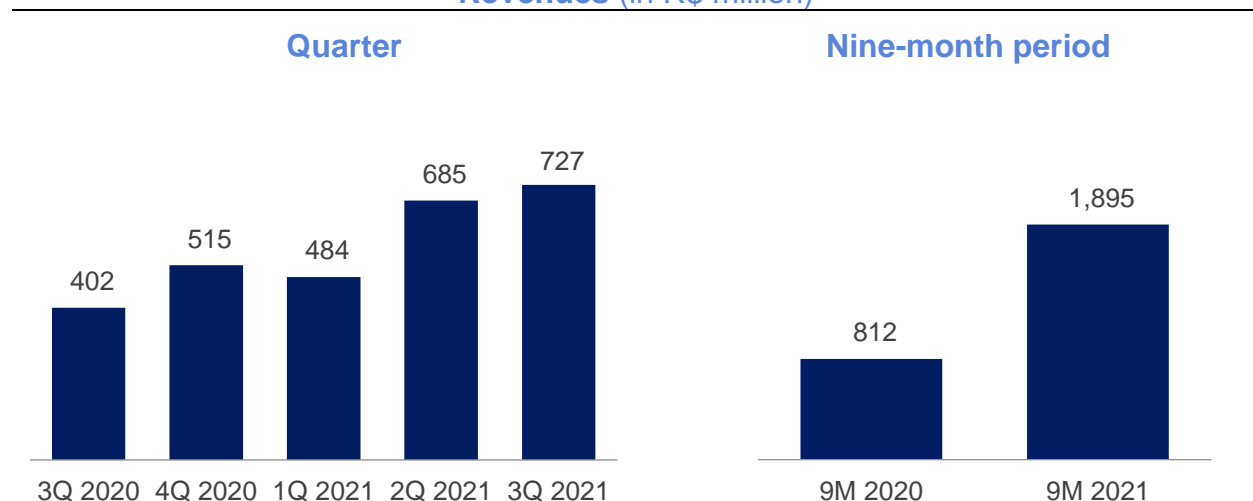
Investment Banking 3Q 2021 market share highlights

M&A: #1 in number of transactions and volume in Brazil, and #1 in number of transactions in Latin America.

ECM: #2 in number of transactions in Brazil and #1 in number of transactions and volume in Latin America.

DCM International: #1 in number of transactions and volume in Brazil

Revenues (in R\$ million)



3Q 2021 vs. 2Q 2021

Investment Banking posted record revenues for a second quarter in a row. Revenues for 3Q 2021 were R\$726.6 million, 6.0% above 2Q 2021, which was the previous record with R\$685.2 million. The performance was very strong across the board: (i) in DCM we have concluded 40 transactions in the period, benefitting from our growing distribution capacity, (ii) in ECM we posted all-time high revenues due to strong market activity and (iii) in Financial Advisory we have also posted good results as the market continues to evolve. We believe our diversified business coupled with our unique integrated model have been supporting our consistent revenue generation through different economics cycles.

3Q 2021 vs. 3Q 2020

Investment banking revenues increased 80.7% compared to 3Q 2020, when we delivered R\$402.1 million, with higher contribution in all the three segments.

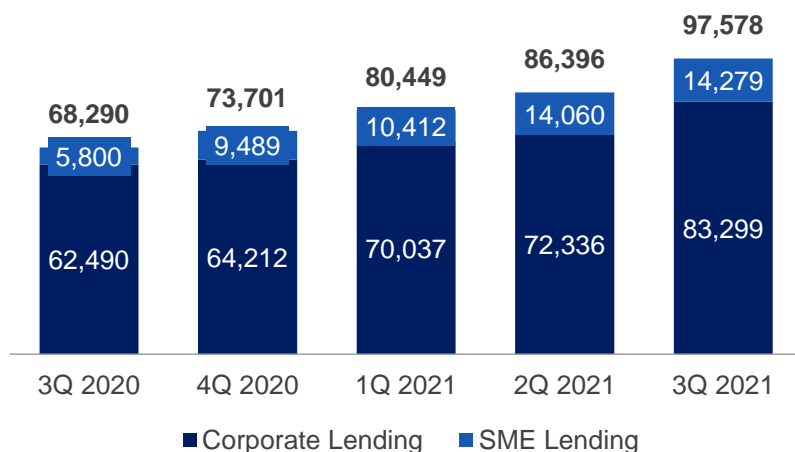
Corporate and SME Lending

During the quarter, the Corporate and SME Lending portfolio grew 12.9% reaching R\$97.6 billion, compared to R\$86.4 billion in 2Q 2021. We continue to grow the Corporate Lending portfolio focused on investment-grade counterparties, with competitive spreads and adequate levels of provision. Furthermore, our SME Lending portfolio remained stable during the quarter due to delays on the credit card receivable clearing, which we expected to be more robust at this point of the year. Total Corporate Lending book increased by 42.9% y-o-y, while the SME Lending book grew 146.2%.

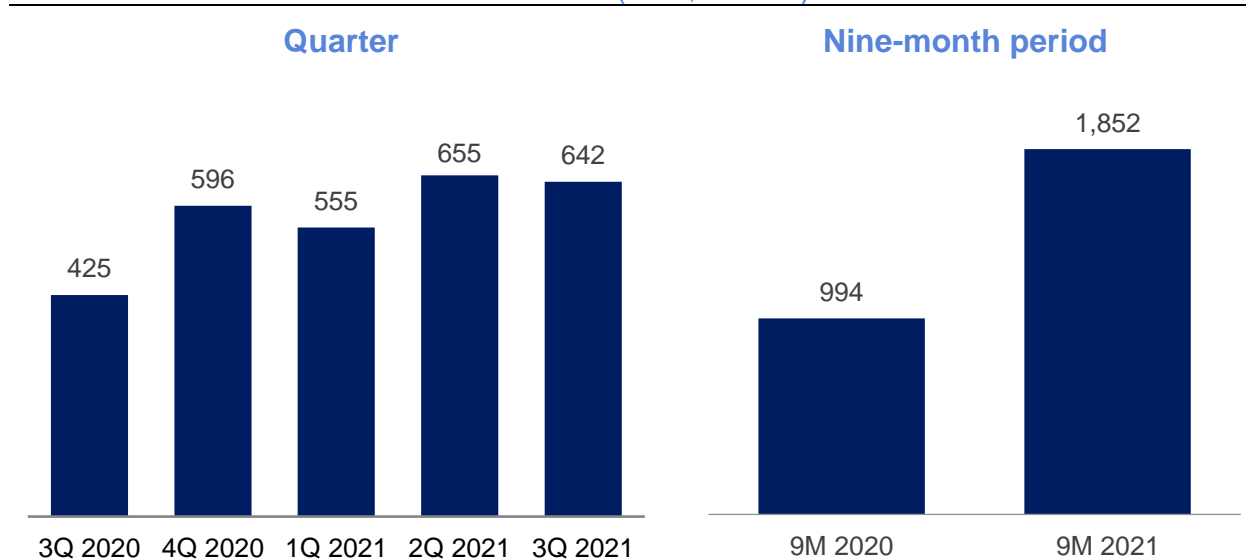
We have launched our transactional bank for SMEs, which offers current account services, payments, transfers (including *PIX*) and FX (American dollars and Euro).

On October 16th, we announced a new credit facility in the amount of US\$300 million provided by DFC (Development Finance Corporation) to expand our SME activities in the Latin American region. We expect to continue gaining market share in the SME business in the quarters ahead.

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



Revenues (in R\$ million)



3Q 2021 vs. 2Q 2021

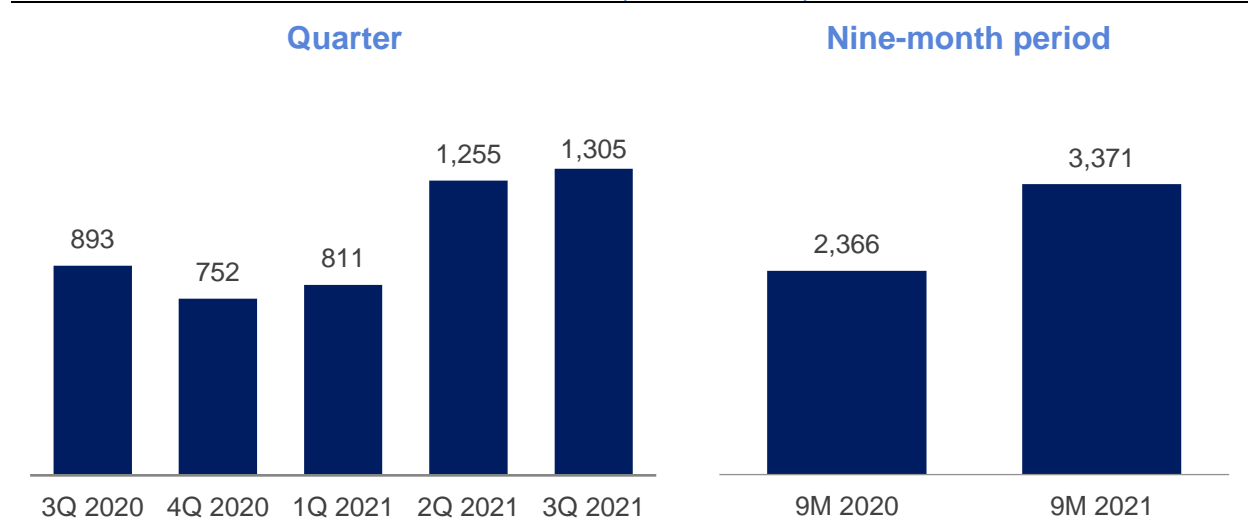
Corporate and SME Lending reported its second-best quarter ever, with impressive revenues of R\$642.3 million, just 1.9% short of our previous record reported last quarter. We continue to increase our recurring revenues in line with the 12.9% growth in the portfolio, maintaining good asset quality with comfortable levels of provision. The marginal decrease in revenues q-o-q is attributable to a lower contribution of our Special Situation strategy.

3Q 2021 vs. 3Q 2020

Revenues from Corporate and SME Lending increased by 51.1% y-o-y, due to the portfolio growth of 42.9% during the period and to lower provisions in the quarter.

Sales & Trading

Revenues (in R\$ million)



3Q 2021 vs. 2Q 2021

Sales & Trading posted revenues of R\$1,305.3 million in 3Q 2021, a 4.0% increase from an above par 2Q 2021, mostly driven by our growing client-related revenues, from the Energy desk and also positively impacted by part of the gain of CredPago's sale, which was fully approved by regulators on September 16th. The performance was partially offset by our Equities and FX strategies that suffered with the recent increase in the country's risk perception, although we maintained below-average VaR levels.

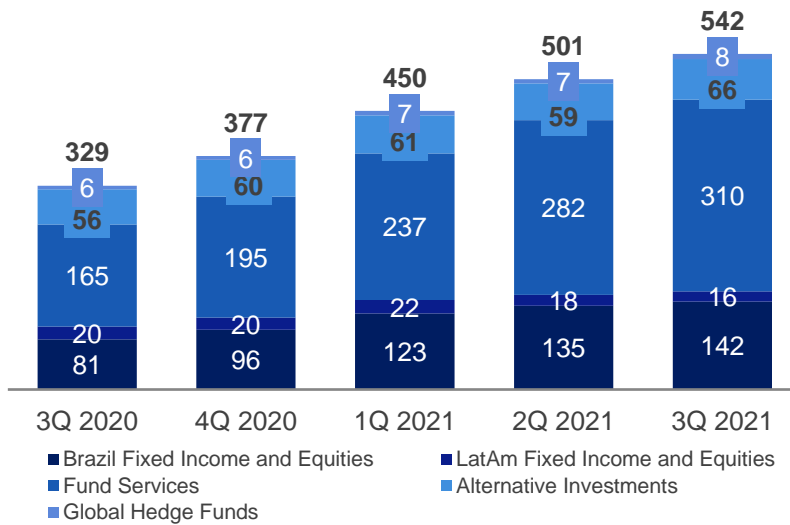
3Q 2021 vs. 3Q 2020

Sales & Trading revenues increased 46.2%, compared to R\$893.0 million in 3Q 2020. The y-o-y increase was mostly due to the better contribution from our Energy desks, as well as the sale of CredPago, as previously explained. Our client franchises have also contributed to the higher revenue level this quarter compared to last year.

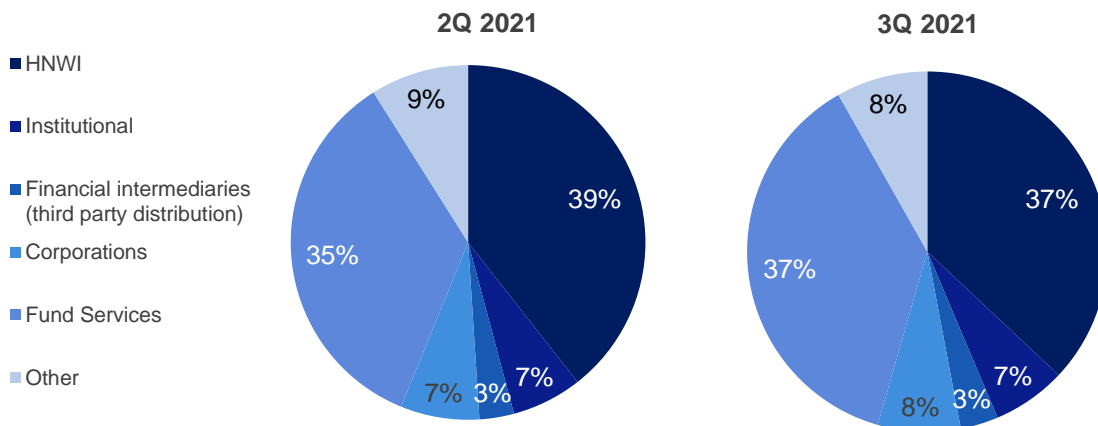
Asset Management

During this quarter, total Assets under Management (AuM and AuA) increased 8.1% q-o-q and 64.6% y-o-y to R\$541.9 billion. AuM and AuA benefited from another quarter of record Net New Money (NNM) of R\$50.0 billion, coming mostly from Fund Services and Brazil Fixed Income and Equities strategies and partially offset by negative mark to market in equity funds. This is the fourth quarter in a row that we posted record net inflows for Asset Management. Over the last twelve months, NNM amounts to R\$162.8 billion.

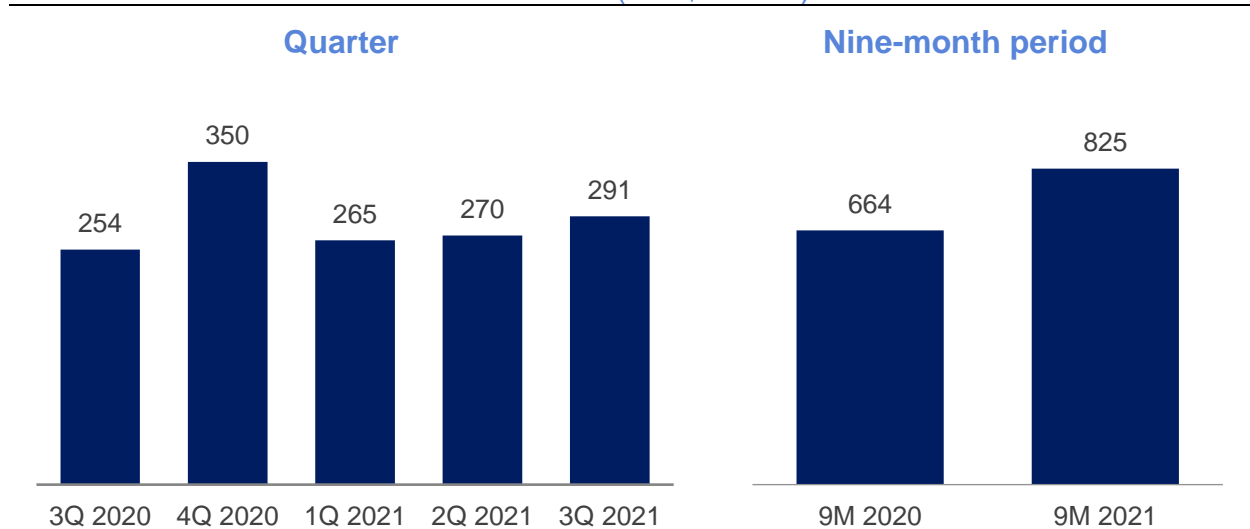
AuM & AuA by Asset Class (in R\$ billion)



AuM and AuA by Type of Client



Revenues (in R\$ million)



3Q 2021 vs. 2Q 2021

Asset Management revenues increased 7.7% to R\$290.8 million when compared to 2Q 2021. Management fees continue to increase as we grow our AuM/AuA. Despite the change in product mix, as investors shift their portfolios from equities to high-yield fixed income assets, we maintained stable ROAs during the quarter.

3Q 2021 vs. 3Q 2020

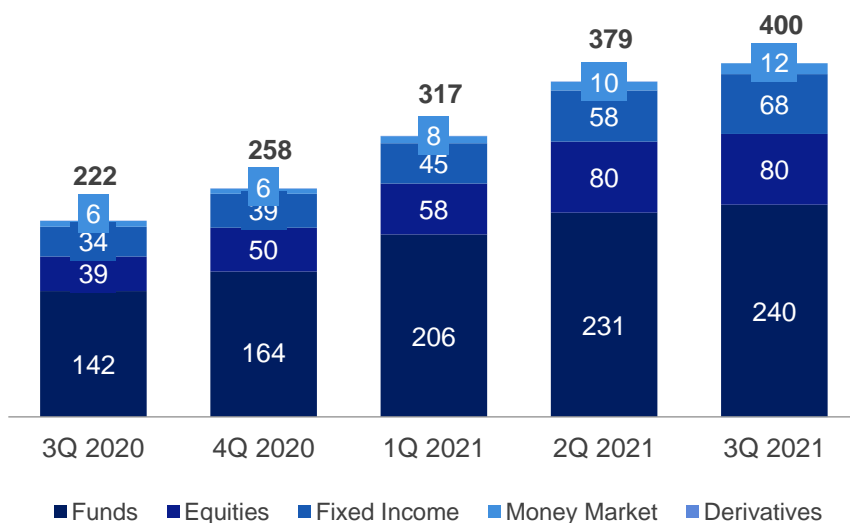
Asset Management revenues increased 14.3% from R\$254.5 million in 3Q 2020 to R\$290.8 million in 3Q 2021. The increase was mainly attributable to a 64.6% growth of AuM/AuA, which impacted all business lines.

Wealth Management & Consumer Banking

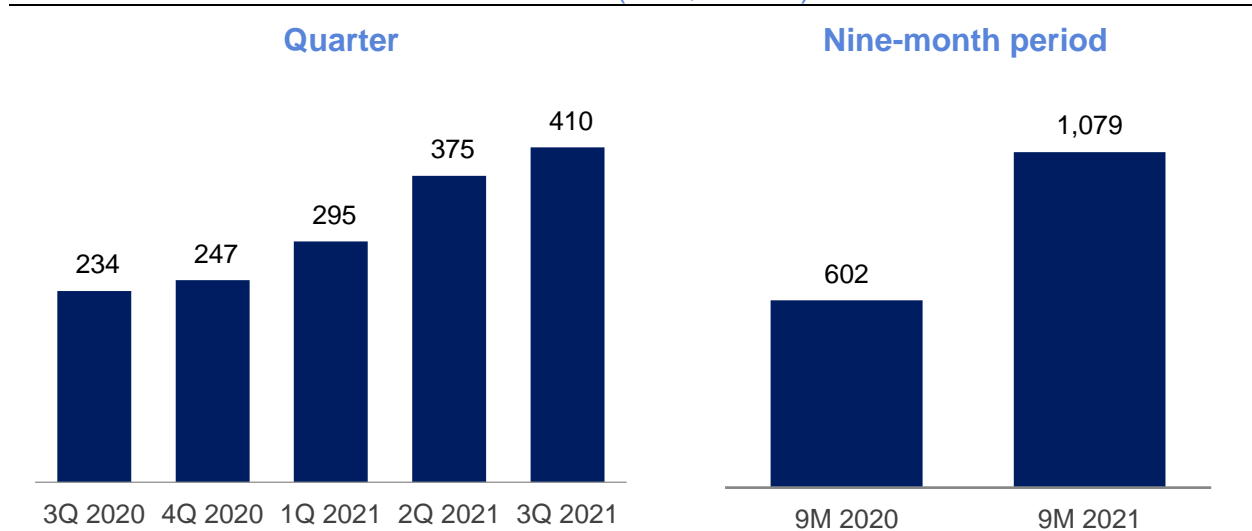
In 3Q 2021, Wealth under Management (WuM) increased 5.6%, from R\$378.9 billion in 2Q 2021 to R\$400 billion. The WuM increase was due to the net organic inflows of R\$37.7 billion and was partially offset by the depreciation of some of the portfolios as a result of a volatile quarter in local public equities market – Ibovespa fell 12.5% during the period.

This quarter's net inflows were the second best in history for BTG Pactual. During the previous twelve months, NNM adds up to R\$144.6 billion, an impressive achievement. It is worth pointing out that we have achieved higher levels of net inflows for the Wealth Management & Consumer Banking business area, as a result of our assertive technology investments, IFAs partnerships, advisors' attraction and private banking market share increase.

WuM Breakdown (in R\$ billion)



Revenues (in R\$ million)



3Q 2021 vs. 2Q 2021

Wealth Management & Consumer Banking posted record revenues of R\$409.6 million, a 9.3% increase when compared to 2Q 2021. The increase was mainly due to WuM growth, as we continue to gain market share especially in the high-income retail. Revenues from brokerage and trading continue with fast growth trend and reached record levels.

3Q 2021 vs. 3Q 2020

Revenues from Wealth Management & Consumer Banking increased 75.1%, compared to R\$233.9 million in 3Q 2020, following the 80.5% increase in WuM compared to the same period a year ago and higher contribution from brokerage and trading activities, as mentioned above.

Principal Investments

3Q 2021 vs. 2Q 2021

Principal Investments revenues have decreased 43.8% q-o-q from R\$242.0 million to R\$135.9 million. Revenues consisted by positive equity pick up from investments, mainly from Prime and Eneva partially offset by lower contribution from our Global Markets strategy, due to depreciation in value from other equity assets especially in LatAm markets.

3Q 2021 vs. 3Q 2020

Principal Investments revenues remained stable compared to 3Q 2020, when we had gains of R\$131.0 million.

Participations

3Q 2021 vs. 2Q 2021

Participations reported revenues of R\$90.7 million, with positive results from our investments. Revenues in 3Q 2021 consisted of (i) R\$82.9 million gains from Banco Pan, which includes a R\$55 million goodwill amortization expense, and (ii) R\$7.8 million gains from Too Seguros and Pan Corretora. In 2Q 2021, we recorded R\$158.8 million in earnings, mostly driven by Banco Pan and EFG, which reflected its half-year results.

3Q 2021 vs. 3Q 2020

Participations gains were R\$90.7 million in 3Q 2021, as noted above, compared to R\$92.3 million in 3Q 2020. Revenues remained stable as the weaker performance of Too Seguros and Pan Corretora was offset by higher contribution from our stake in Banco Pan.

Interest & Others

3Q 2021 vs. 2Q 2021

Revenues from Interest & Others were R\$244.2 million in 3Q 2021, compared to R\$130.2 million in 2Q 2021. The increase was mainly due to the interest rate rise during the period. Interest & Others' revenues correspond mainly to interest rates of the Central Bank of Brazil applied over our tangible equity (i.e. internal cost of funding).

3Q 2021 vs. 3Q 2020

Revenues from Interest & Others increased 429.6% y-o-y, mainly due to higher interest rates as well as the 39.2% increase in shareholder's equity from R\$26.0 billion to R\$36.3 billion.

Adjusted Operating Expenses

Adjusted Operating Expenses (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			3Q 2021 % change to		Year to Date		9M 2021 % change to
	3Q 2020	2Q 2021	3Q 2021	3Q 2020	2Q 2021	9M 2020	9M 2021	9M 2020
Bonus	(444)	(658)	(641)	45%	-2%	(970)	(1,761)	82%
Salaries and benefits	(230)	(292)	(319)	38.8%	9.4%	(661)	(877)	33%
Administrative and other	(248)	(315)	(398)	60.5%	26.6%	(746)	(1,000)	34%
Goodwill amortization	(10.5)	(65.1)	(91)	760.9%	39.3%	(38)	(186)	393%
Tax charges, other than income tax	(152)	(214)	(188)	23.6%	-12.6%	(356)	(555)	56%
Total operating expenses	(1,084.1)	(1,543.8)	(1,637)	51.0%	6.0%	(2,771)	(4,380)	58%
Cost to income ratio	44%	41%	43%	-3%	4%	43%	42%	-2%
Compensation ratio	27%	25%	25%	-8%	-1%	25%	25%	1%
Total number of employees	3,173	4,175	4,903	55%	17%	3,173	4,903	55%
Partners and associate partners	237	258	260	10%	1%	237	260	10%
Employees	2,936	3,917	4,643	58%	19%	2,936	4,643	58%

Bonus

In 3Q 2021, bonus expenses were R\$641.3 million, stable compared to 2Q 2021, and 44.6% higher than 3Q 2020. The increase y-o-y is mostly attributed to much higher quarterly revenues. 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, Principal Investment and Participations revenues), subtracted by our operating expenses.

Salaries and benefits

Staff costs increased 9.4% in the quarter and 38.8% when compared to 3Q 2020, mostly due to increase in headcounts during the quarter especially in IT. Expenses related to salaries and benefits were R\$230.1 million in 3Q 2020 and R\$291.9 million in 2Q 2021, compared to R\$319.4 million in 3Q 2021.

Administrative and other

Total administrative and other expenses increased 26.6%, from R\$314.5 million in 2Q 2021 to R\$398.2 million in 3Q 2021, mainly related to an increase in IT related costs. When compared to 3Q 2020, expenses increased 60.5% mostly due to the expansion of our digital initiatives and IT investments.

Goodwill amortization

In 3Q 2021, goodwill amortization expenses totaled R\$90.7 million, mostly due to recent acquisitions: Necton, BTG Pactual Advisors, Kawa and Clave. Goodwill amortization increased by 39.3% when compared to 2Q 2021 and grew 8.8x when compared to 3Q 2020, mostly due to the inorganic growth efforts/acquisitions of small and middle size companies.

Tax charges, other than income tax

Tax charges, other than income tax, were R\$187.6 million, 4.9% of total revenues, compared to R\$214.5 million in 2Q 2021, 5.7% of total revenues, and R\$151.8 million in 3Q 2020, 6.1% of total revenues.

Adjusted Income Taxes

Adjusted Income Tax (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter			Year to Date	
	3Q 2020	2Q 2021	3Q 2021	9M 2020	9M 2021
Income before taxes	1,394	2,227	2,208	3,707	6,033
Income tax and social contribution	(392)	(549)	(465.0)	(960)	(1,435)
Effective income tax rate	28.1%	24.6%	21.1%	25.9%	23.8%

Our effective income tax rate for the quarter was 21.1% (representing an income tax expense of R\$465.0 million), compared to a rate of 24.6% in 2Q 2021 and 28.1% in 3Q 2020. The decrease was mainly due to a more favorable revenues mix, with proportionally less revenues subject to high corporate tax rates in the period.

Balance Sheet

Our total assets increased 11.1%, from R\$335.2 billion at the end of 2Q 2021 to R\$372.2 billion at the end of 3Q 2021, mainly due to a 20.2% increase in Credit from R\$62.1 billion to R\$ 74.7 billion, a 12.2% increase in our Trading Portfolio Assets, from R\$79.2 billion to R\$88.8 billion and a 6.0% increase in Assets Financed Through REPO from R\$69.2 billion to R\$73.3 billion at the end of 3Q 2021. Our leverage ratio increased to 10.3x from 9.6x in 2Q 2021.

On the liability side, the unsecured funding base increased 14.2% from R\$127.5 billion to R\$145.2 billion. In line with the movements in total assets, our Repo Financing and Trading Portfolio Liabilities increased 6.7% and 9.5%, respectively, from 2Q 2021 to 3Q 2021.

Shareholders' equity increased from R\$35.0 billion at the end of 2Q 2021 to R\$36.3 billion at the end of 3Q 2021, mostly impacted by the net income of R\$1,743.1 million in the quarter and partially offset by the distribution of R\$650.0 million of interest on equity (JCP) distributions.

Risk and Capital Management

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

Market Risk – Value-at-risk

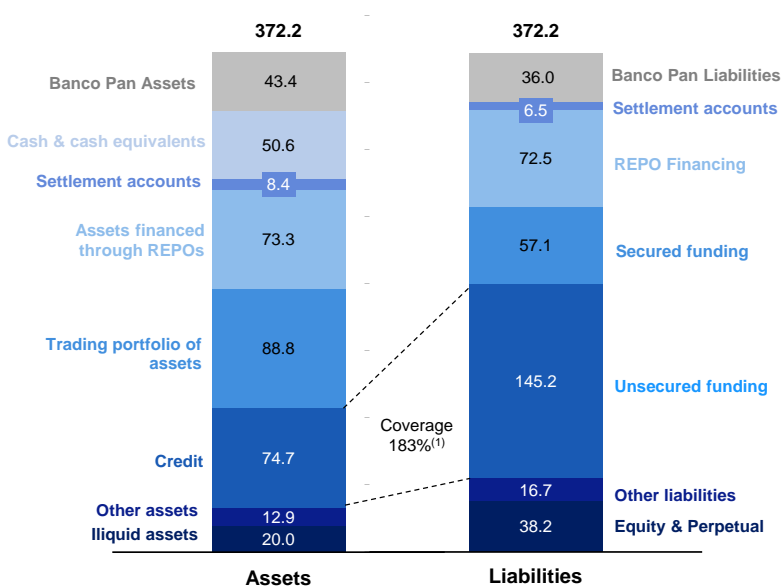
Value-at-risk (unaudited) <i>(in R\$ million, unless otherwise stated)</i>	Quarter		
	3Q 2020	2Q 2021	3Q 2021
Total average daily VaR	157.4	80.6	101.4
Average daily VaR as a % of average equity	0.61%	0.25%	0.28%

Our total average daily VaR increased 25.8% when compared to 2Q 2021, driven by FX desk and partially offset by decrease in risk on our Equities desk. As a percentage of average equity our VaR remained flat in 3Q 2021, achieving 0.28% - the second lowest VaR ever reported by BTG Pactual, which shows that we have been much less dependent on the trading activity recently.

Liquidity Risk Analysis

The chart below summarizes the composition of assets and liabilities as of September 30th, 2021:

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

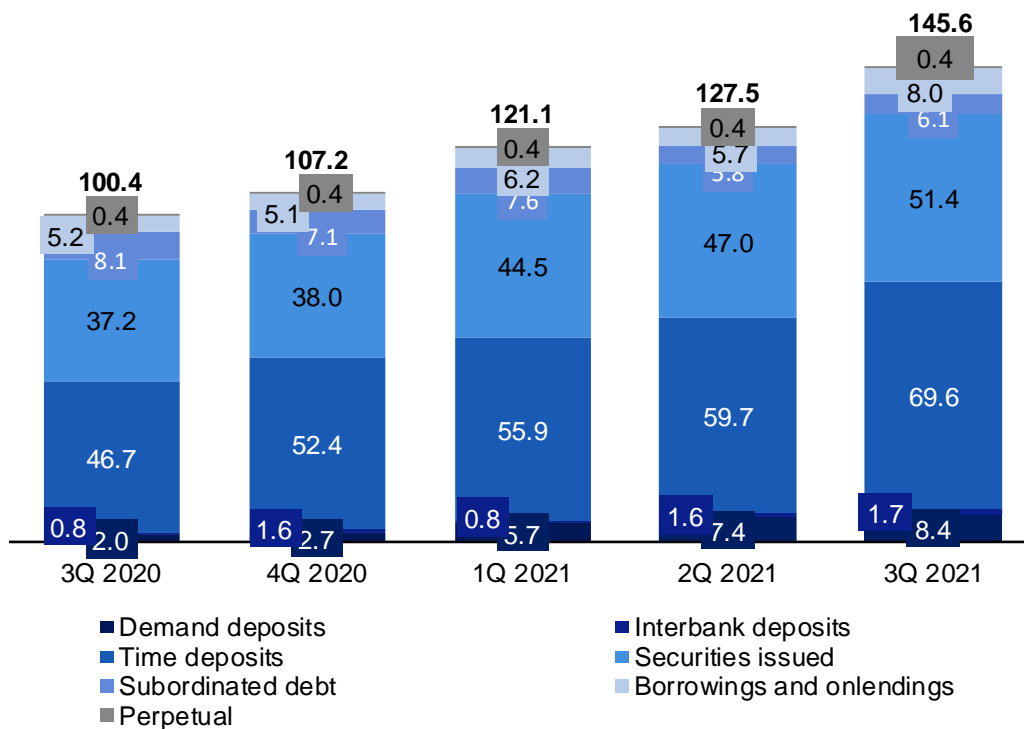


Note:

1. Excludes demand deposits

Unsecured Funding Analysis

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



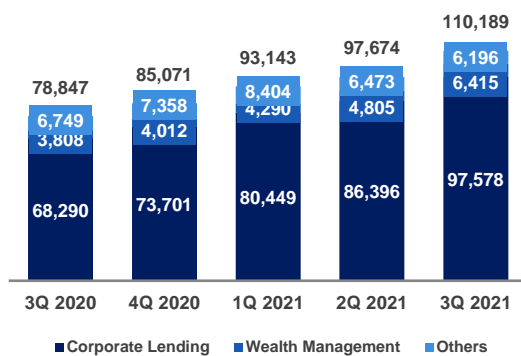
Our total unsecured funding increased from R\$127.5 billion at the end of 2Q 2021 to R\$145.6 billion at the end of 3Q 2021, mainly due to an increase in time deposits and securities issued.

BTG Pactual Broader Credit Portfolio

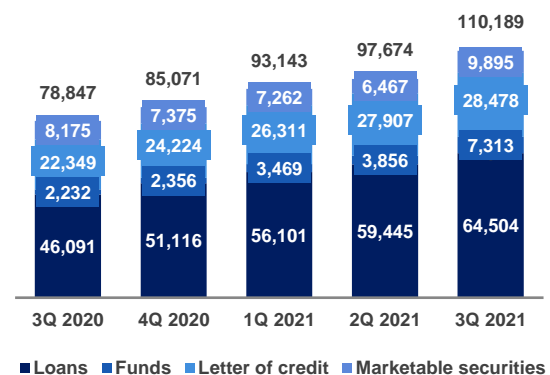
Our broader credit portfolio is comprised of loans, receivables, advances on foreign exchange contracts, letters of credit and marketable securities bearing credit exposures (including debentures, promissory notes, real estate bonds, and investments in credit receivable funds – FIDCs).

The balance of our broader credit portfolio increased 12.8% when compared to the previous quarter, from R\$97.7 billion to R\$110.2 billion and 39.8% compared to 3Q 2020.

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



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



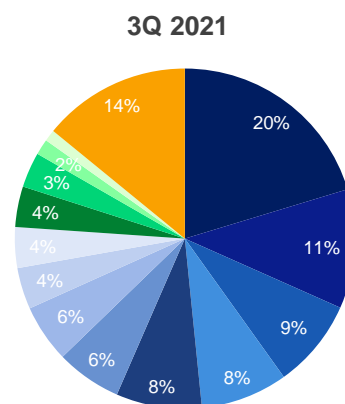
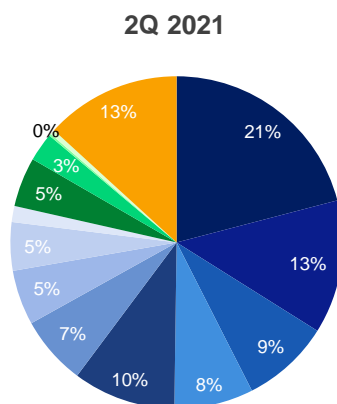
Notes:

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



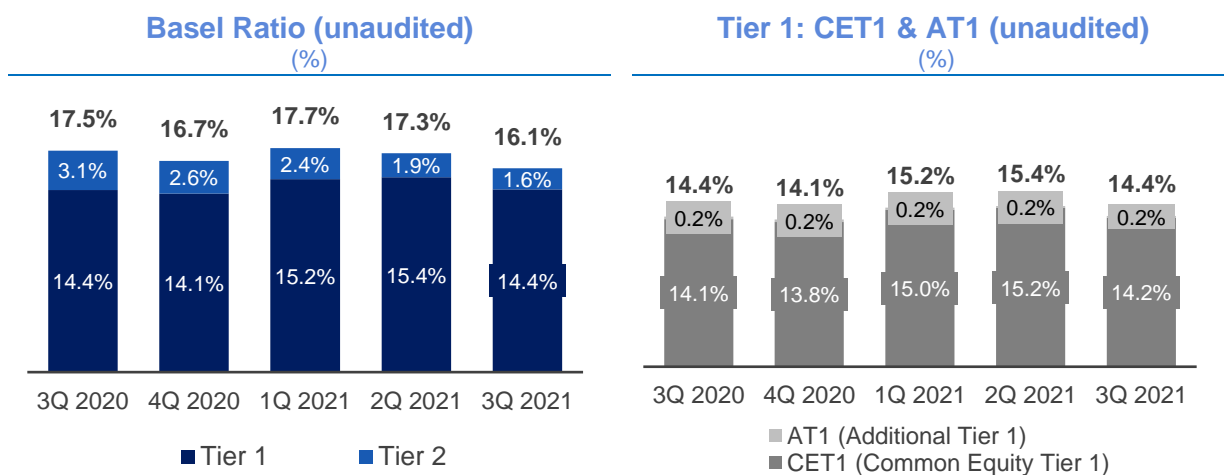
Credit Risk

The following table shows the distribution of our credit exposures as of September 30th, 2021 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)	3Q 2021
AA	57,589
A	28,966
B	17,646
C	2,870
D	1,658
E	469
F	540
G	235
H	217
Total	110,189

Capital Management

BTG Pactual complies with standards of capital requirements established by the Brazilian Central Bank that are consistent with those proposed by the Basel Committee on Banking Supervision, under the Basel Capital Accord. Our BIS capital ratios, calculated in accordance with the Brazilian Central Bank standards and regulations, are applicable only to BTG Pactual. The BIS capital ratio was 16.1% at the end of 3Q 2021. Our liquidity coverage ratio (LCR) ended the quarter at 214%.



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			3Q 2021 % change to	
	3Q 2020	2Q 2021	3Q 2021	3Q 2020	2Q 2021
Assets					
Cash and bank deposits	3,510	5,296	2,513	-28%	-53%
Interbank investments	67,204	41,839	55,427	-18%	32%
Marketable securities and derivatives	62,707	126,671	156,490	150%	24%
Interbank transactions	3,817	8,550	9,757	156%	14%
Loans	45,446	87,543	93,898	107%	7%
Other receivables	60,031	54,486	41,927	-30%	-23%
Other assets	452	1,271	1,774	292%	40%
Permanent assets	10,044	9,540	10,449	4%	10%
Total assets	253,212	335,195	372,235	47%	11%
Liabilities					
Deposits	52,495	97,776	114,133	117%	17%
Open market funding	56,050	62,908	77,420	38%	23%
Funds from securities issued and accepted	41,747	57,981	62,282	49%	7%
Interbank transactions	76	2,462	2,924	3755%	19%
Loans and onlendings	5,252	5,823	8,086	54%	39%
Derivatives	9,706	16,559	24,614	154%	49%
Subordinated liabilities	4,274	2,237	2,373	-44%	6%
Other liabilities	56,849	51,858	40,635	-29%	-22%
Deferred income	292	279	386	32%	38%
Shareholders' equity	26,049	35,040	36,259	39%	3%
Non-controlling interest	421	2,273	3,122	641%	37%
Total liabilities	253,212	335,195	372,235	47%	11%

Adjusted Income Statement (unaudited)	Quarter			3Q 2021 % change to		Year to Date		9M 2021 % change to
	3Q 2020	2Q 2021	3Q 2021	3Q 2020	2Q 2021	9M 2020	9M 2021	9M 2020
<i>(in R\$ million, unless otherwise stated)</i>								
Investment Banking	402	685	727	81%	6%	812	1,895	133%
Corporate and SME Lending	425	655	642	51%	-2%	994	1,852	86%
Sales & Trading	893	1,255	1,305	46%	4%	2,366	3,371	43%
Asset Management	254	270	291	14%	8%	664	825	24%
Wealth Management & Consumer Banking	234	375	410	75%	9%	602	1,079	79%
Principal Investments	131	242	136	4%	-44%	509	616	21%
Participations	92	159	91	-2%	-43%	261	365	40%
Interest & Others	46	130	244	430%	88%	270	407	51%
Total revenues	2,478	3,771	3,845	55%	2%	6,478	10,412	61%
Bonus	(444)	(658)	(641)	45%	-2%	(970)	(1,761)	82%
Salaries and benefits	(230)	(292)	(319)	39%	9%	(661)	(877)	33%
Administrative and other	(248)	(315)	(398)	60%	27%	(746)	(1,000)	34%
Goodwill amortization	(11)	(65)	(91)	761%	39%	(38)	(186)	393%
Tax charges, other than income tax	(152)	(214)	(188)	24%	-13%	(356)	(555.2)	56%
Total operating expenses	(1,084)	(1,544)	(1,637)	51%	6%	(2,771)	(4,380)	58%
Income before taxes	1,394	2,227	2,208	58%	-1%	3,707	6,033	63%
Income tax and social contribution	(392)	(549)	(465)	19%	-15%	(960)	(1,435)	49%
Net Income	1,002	1,678	1,743	74%	4%	2,747	4,598	67%

Income Statement (unaudited)	Banco BTG Pactual S.A.	
	2Q 2021	3Q 2021
<i>(in R\$ million, unless otherwise stated)</i>		
Financial income	7,113	7,090
Financial expenses	(3,569)	(4,797)
Gross financial income	3,544	2,293
Other operating income (expenses)	(630)	(374)
Operating income (expenses)	2,914	1,920
Non-operating income/(expenses)	102	816
Income before taxes and profit sharing	3,016	2,736
Income and social contribution taxes	(686)	(444)
Statutory profit sharing	(665)	(647)
Non-controlling interest	13	98
Net income	1,678	1,743

Selected Presentation Differences

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

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

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

Forward-looking statements

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

Rounding

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

Glossary

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



Earnings Release – Third Quarter 2021

November 09th, 2021 (before trading hours)

English Conference Call

November 09th, 2021 (Tuesday)

11:00 AM (New York) / 01:00 PM (Brasília)

Phone: +55 (11) 4935 1146

Code: 8296

Portuguese Conference Call

November 09th, 2021 (Tuesday)

09:00 AM (New York) / 11:00 AM (Brasília)

Phone: +55 (11) 4935 1146

Code: 1999

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

Email: ri@btgpactual.com

Phone: +55 (11) 3383-2000

Fax: +55 (11) 3383-2001

