



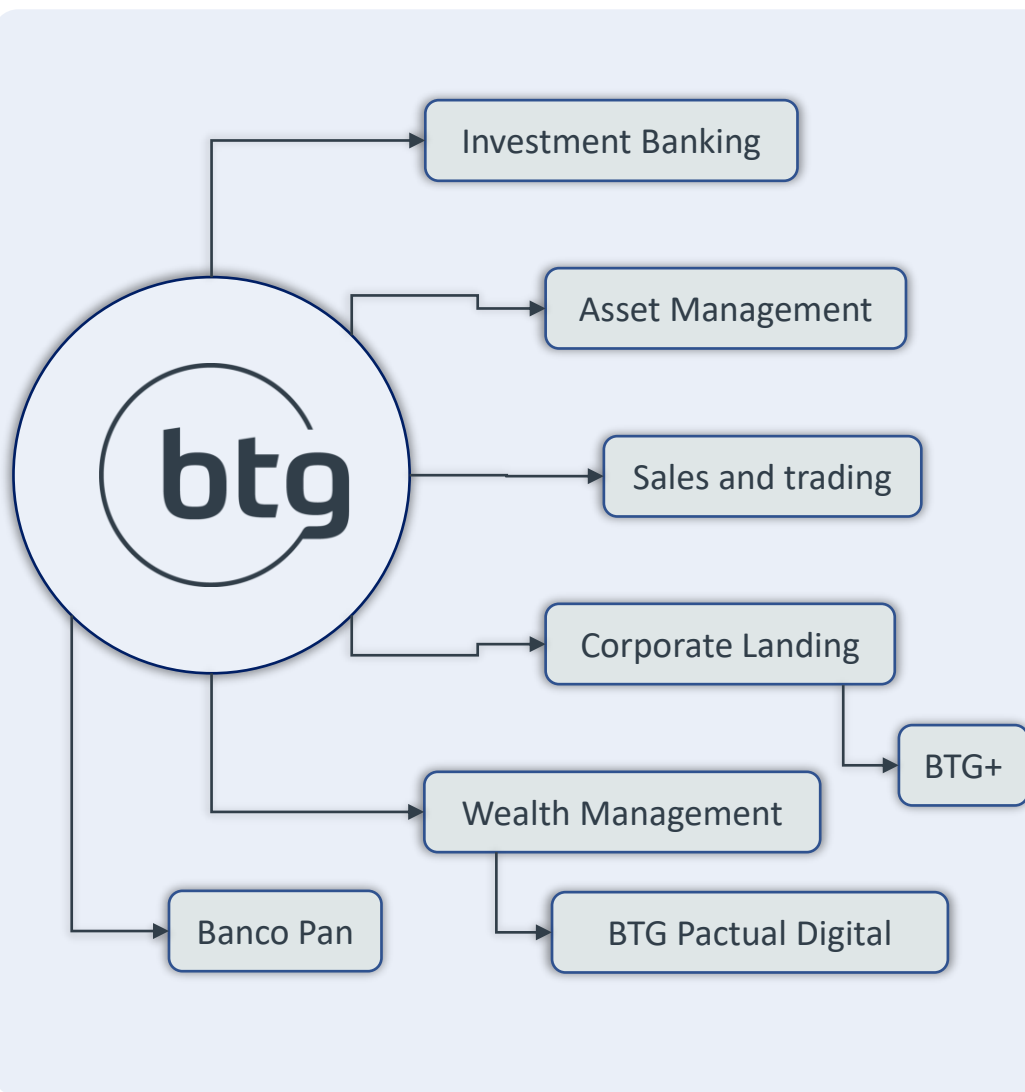
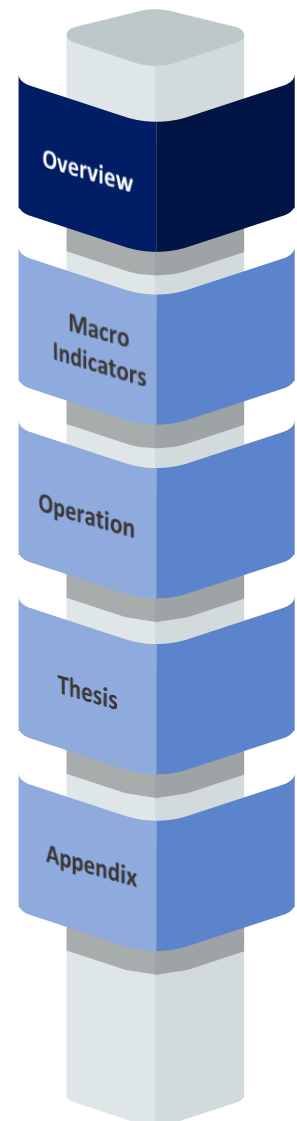
# BTG Pactual Investment Thesis

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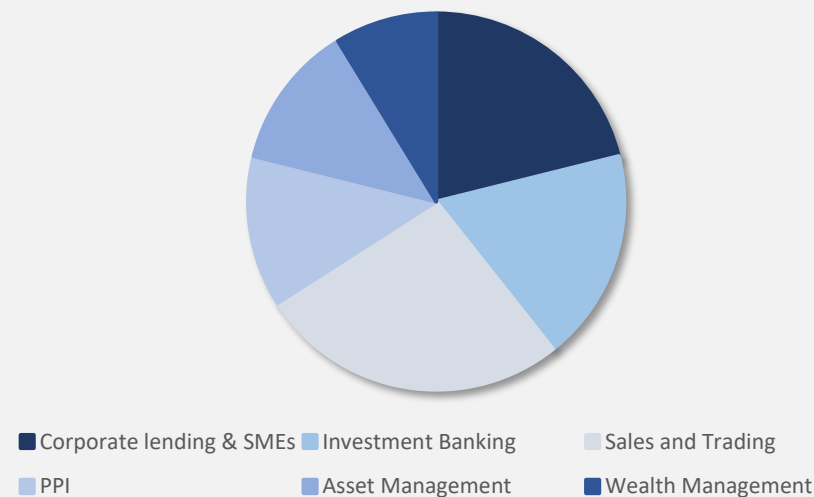
# 1 BTG Pactual: not a common bank.



BTG Pactual bank possesses a huge diversity of revenue sources and a remarkable flexibility and capacity of adaptation in all areas. The company demonstrates a strong consolidated profile in the three main revenue generating operations, which are Investment Banking, Asset Management and Sales & Trading.

The bank is constantly aware of new market trends and BTG has an outstanding achievement on updating and shaping its business. An example is that BTG Pactual is beginning to perform on bank retailing division with BTG Pactual Digital, BTG+ and Banco Pan.

**4Q20 Revenue Breakdown**



# 1 BTG Pactual: not a common bank.



Overview

Macro  
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Appendix

BTG shows relevant points that differ the bank from its peers..

ESG

BTG Soma supports ONGs through the country

Meritocracy

The bank's culture helps it on keeping its talents

Entrepreneurship

Big companies at the market were founded by former BTG employees

**C6**BANK  
CONSTELLATION  
ASSET MANAGEMENT

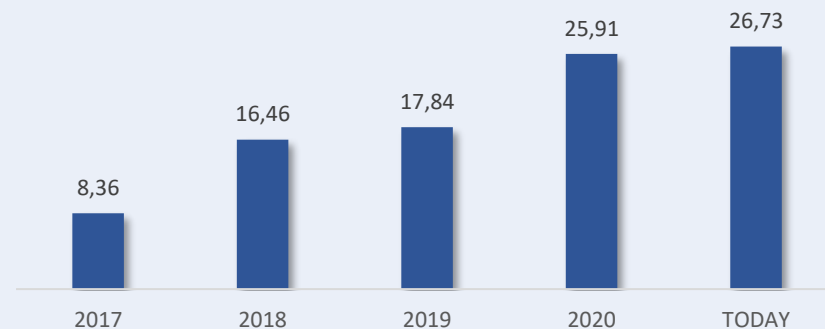
**VINCI** partners  
**JGP**

Net Income(R\$m) and Net Margin



BTG's strategy and results are appreciated by the market, what is clear when looking at the company's current trading multiples...

BTG'S P/E RATIO



CONSTELLATION  
ASSET MANAGEMENT

**btg**pactual

# 1 BTG Pactual: not a common bank.



Overview

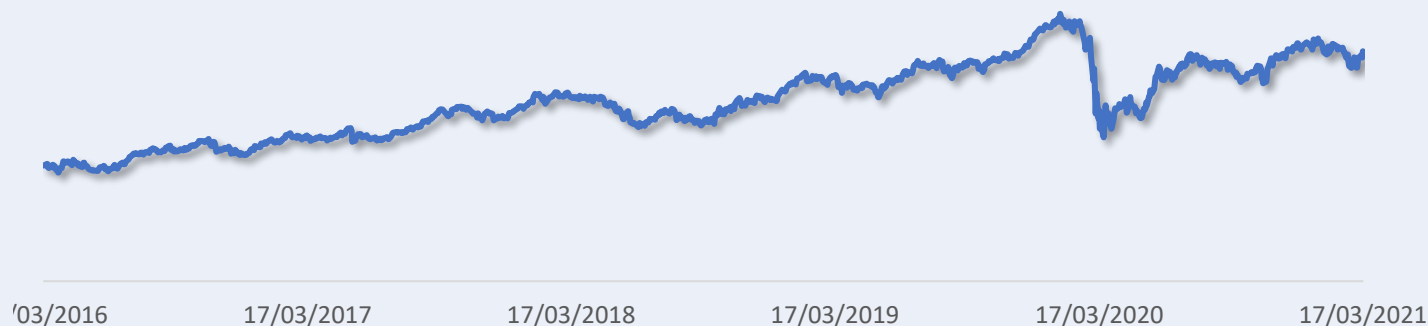
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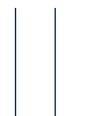
S&P/B3 Brazil ESG Index (BRL)



ESG factor is a relevant factor on BTG Pactual's culture. Fortunately, the company is achieving excellent results on ESG indicators. In Brazil, the two main indicators are ISE B3, which stands for Enterprise Sustainability Index, and S&P/B3 Brazil ESG (BRL).

ISE is the first Latin America sustainability index and it is based on environmental balance, corporate governance, and social justice. ISE B3 select only the best performing companies to build up its portfolio. In 2021, its portfolio is composed by 40 companies featuring more than R\$2trn in market value and, gladly, BTG Pactual is one of them.

Moreover, the S&P/B3 Brazil ESG index is an indicator that its main objective is to present companies exposure to the market without losing track of main sustainable values. Companies inside the portfolio of S&P/B3 Brazil ESG index are required to be aligned with United Nations Global Compact (UNGC). Also, it is important to state that the index has historically outperformed its benchmark.





## 2 Macroeconomics: The Market ruler.



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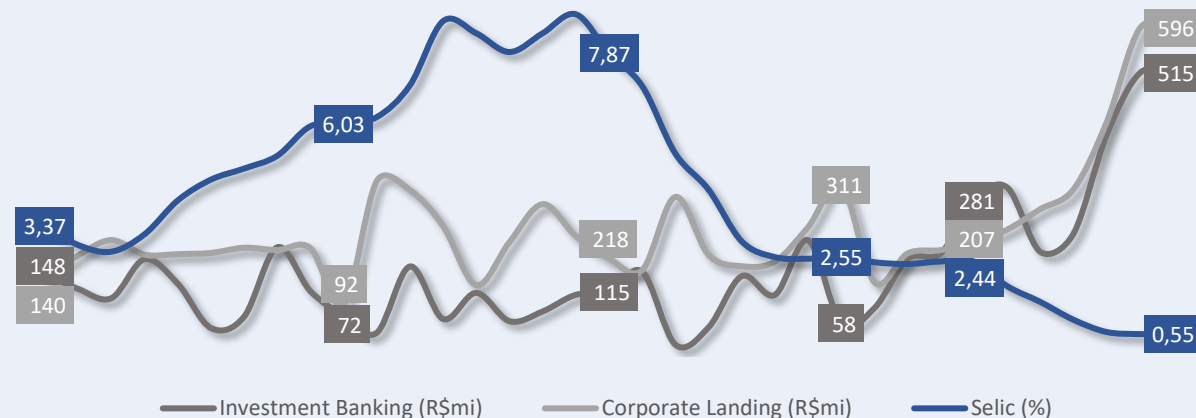
Appendix

The banking sector has a direct relation with macroeconomic indicators. All transactions are stimulated or discouraged due to them. In Brazil, Selic index plays a major role on bank operations.

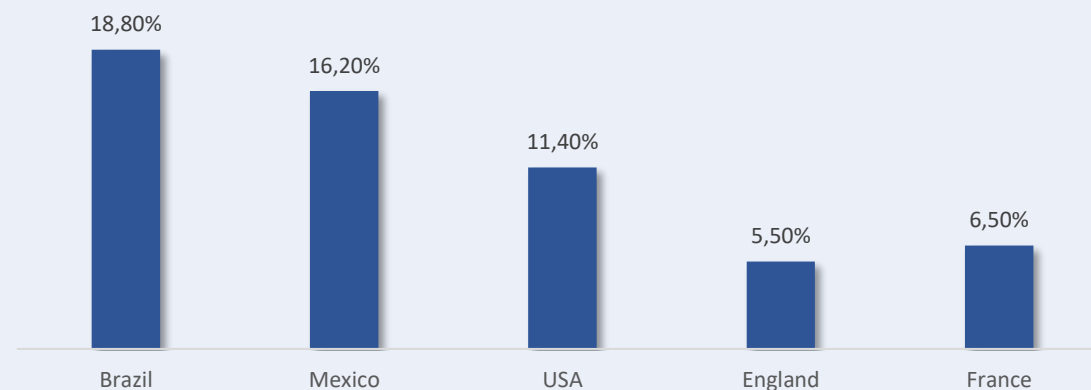
In the divisions that relies its operation on deals volume, the earnings use to be negatively correlated to Selic, performing better when the tax rate is lower, what stimulates the economy and, as consequence, tends to raise deal's volume. This reality applies to both investment banking and corporate landing divisions, as showed in the graphic, which compares BTG's revenue from this divisions and Selic.

Also, a relevant fact about Brazilian financial sector is concentration, what allows banks operating in the country to present higher Return on Equity ratios when compared to other countries.

BTG's Investment Banking and Corporate Landing vs Selic



Banking Sector ROE - 2019





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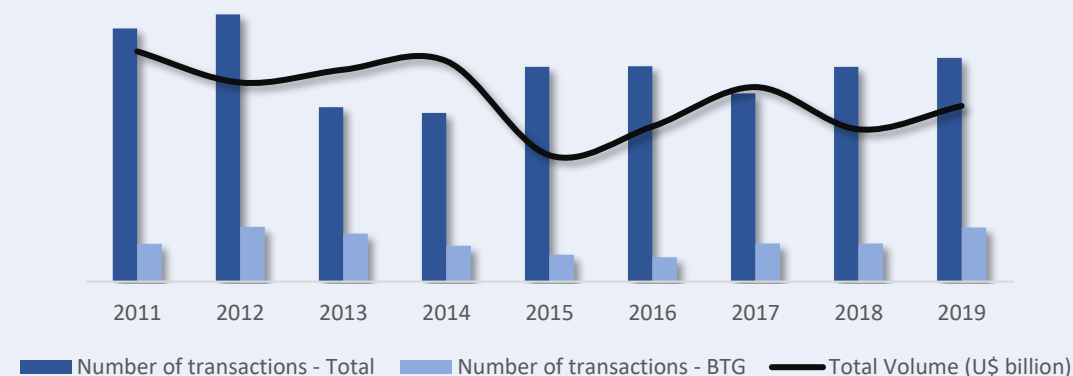
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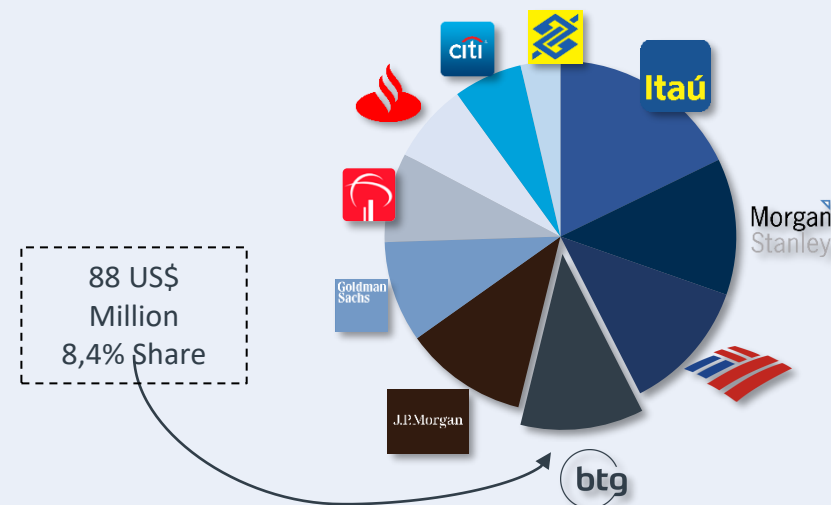
The investment banking division earnings comes from fees, as a percentage of deals volume. This banks usually operates as advisors in M&A deals, equity capital markets and debt capital markets. In Brazil, the competition is between the Brazilian banks, that have solid operations in the country, and foreign banks, that have in it's favor the internationality and global network. In IB transactions, it is clear that BTG plays an important role on the number of transactions

Analyzing IB area, it is evident that BTG Pactual has a large competition in Investment Banking sector. According to Dealogic Quarterly Rankings, BTG occupies the 4<sup>th</sup> position regarding Brazil's IB revenue by bank in 2019, increasing three positions compared with 2018. It demonstrates that there is still a lot of room to grow in order to achieve the 1<sup>st</sup> ranking position, which in 2019 was occupied by Itau BBA, who presented a remarkable 139 U\$ million revenue while BTG's revenue was 88 U\$ million.

IB Transactions : BTG vs Others



Revenue from IB activities in Brazil 2019

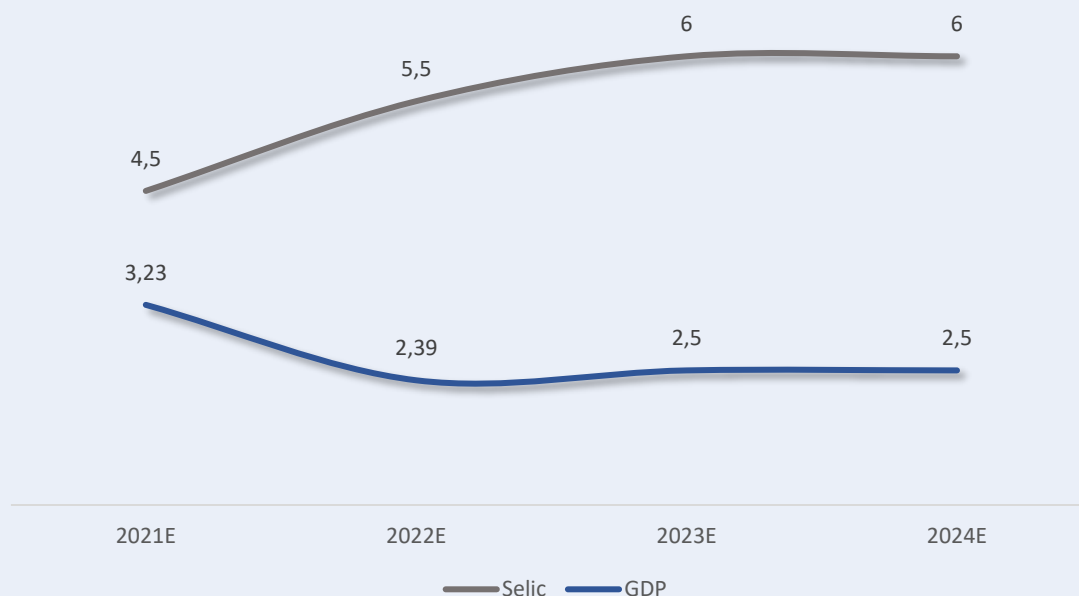




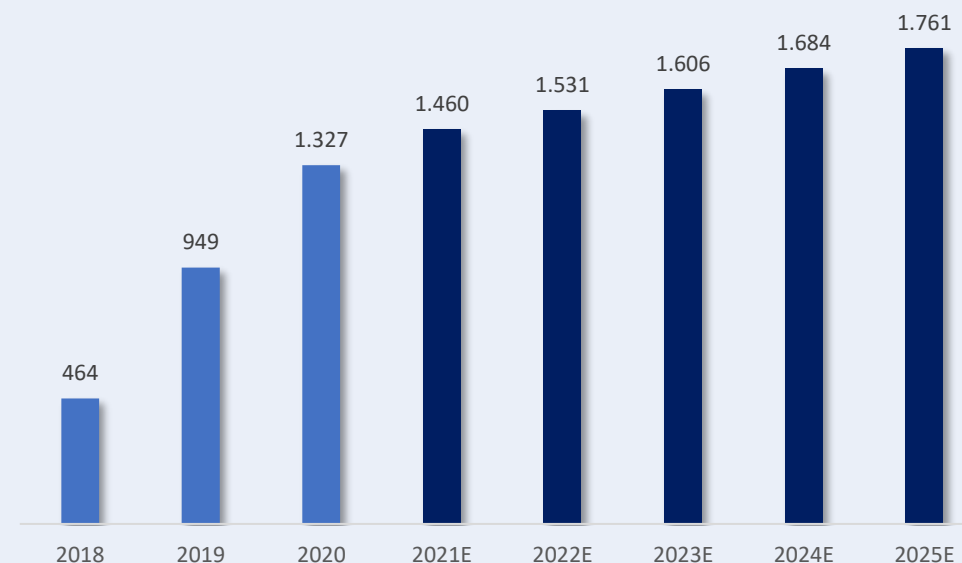
Brazilian Central Bank's macro report shows that analysts expect Selic and GDP to grow through next 4 years. For BTG, Selic can influence economic activity and impact negatively ECM segment. Despite this fact, M&A must keep growing as there are lots of companies in a good position to be acquired after the consequences of COVID-19.

Analyzing BTG's IB revenue breakdown and macro scenario, the projection for investment banking division is 10% for 2021 and after that, growing twice the GDP growth, which we believe is possible because of BTG's position in IB against its peers.

Selic and GDP growth projections (%)



Investment banking revenues(R\$mi)





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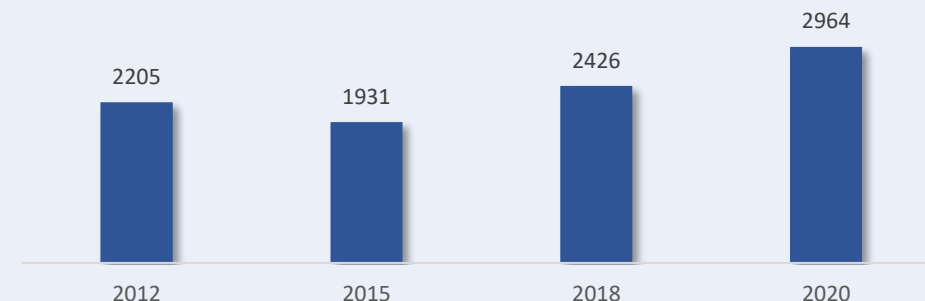
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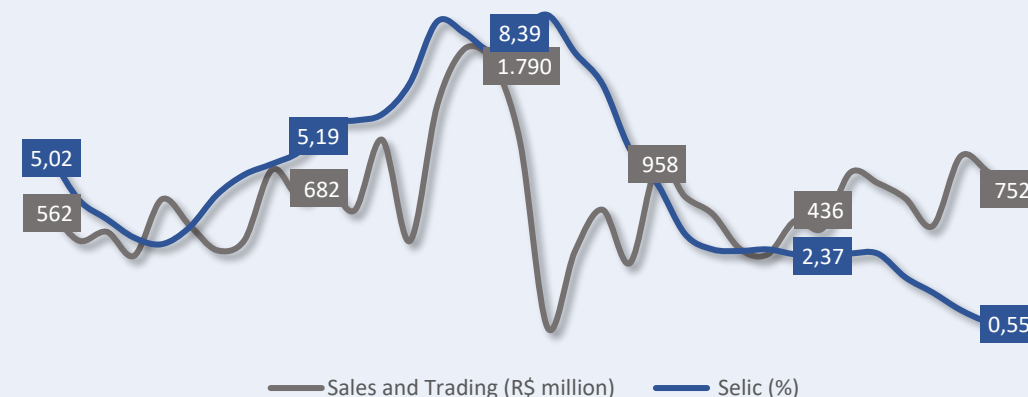
The asset management division is responsible for operating the fund's available resources in the market, seeking returns for its investors. Its revenue comes from administrative fees and performance fees from multiple types of funds, like fixed income, stocks and private equity. The competition in Brazil is between independent firms and banks, in a sector that tends to grow during the low interest rate scenery. This is a very segmented sector, with lots of strong competitors.

Sales and Trading division consists in selling products to investors, advising clients about investment opportunities, and executing trading orders. This division is fundamental in prospecting clients for companies in financial sector and represents a substantial share of bank revenues. The S&T division has significant part of its revenues composed of fixed income funds, what explains the positive correlation with basic interest rates (Selic).

Total Assets under Management in Brazil  
Billions USD



BTG's Sales & Trading vs Selic







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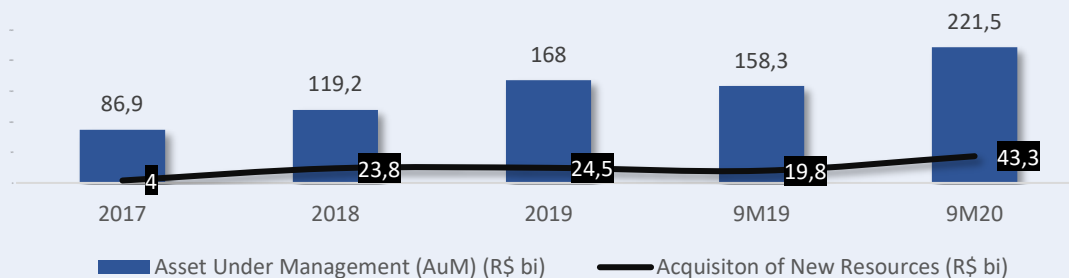
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BTG has shown a great capacity of growing its assets under management, expanding this segment revenues

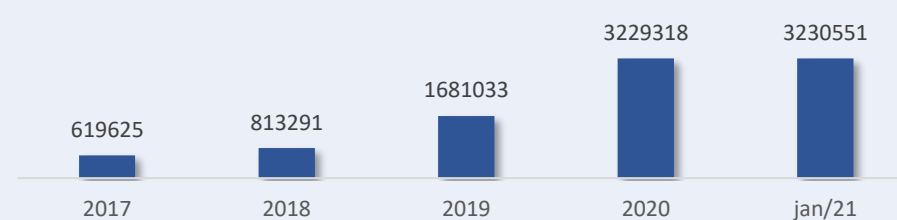
Evolution of BTG's AUM and new resources



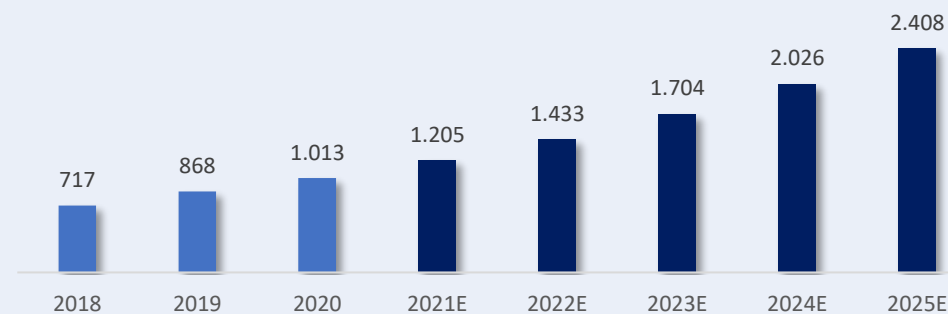
As BTG increases its power in the asset management division and the Brazilian stock market attracts new investors, the asset management revenues must grow in a fast pace and BTG is well positioned to capture this growth and increase its revenues from this division.

Also, the company is in a good position to capture Brazilian stock market growth...

CPFs registered in the Stock Market-Brazil



Asset management revenues (R\$m)





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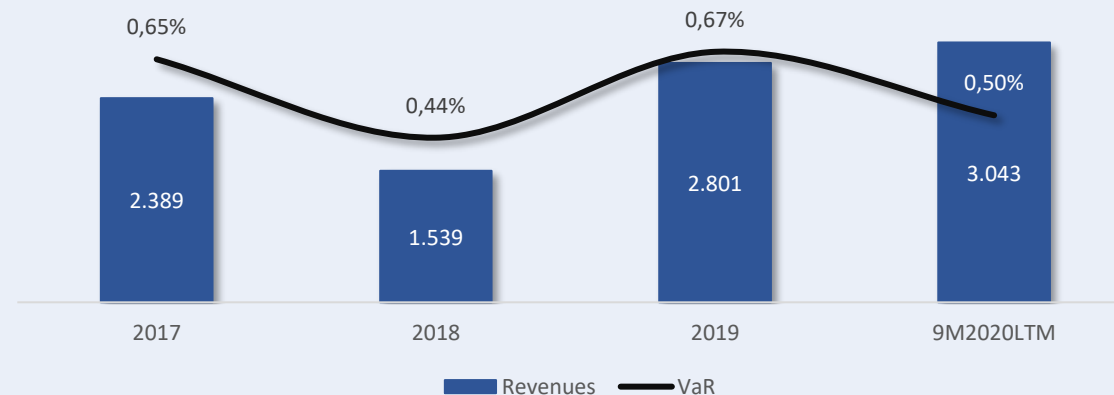
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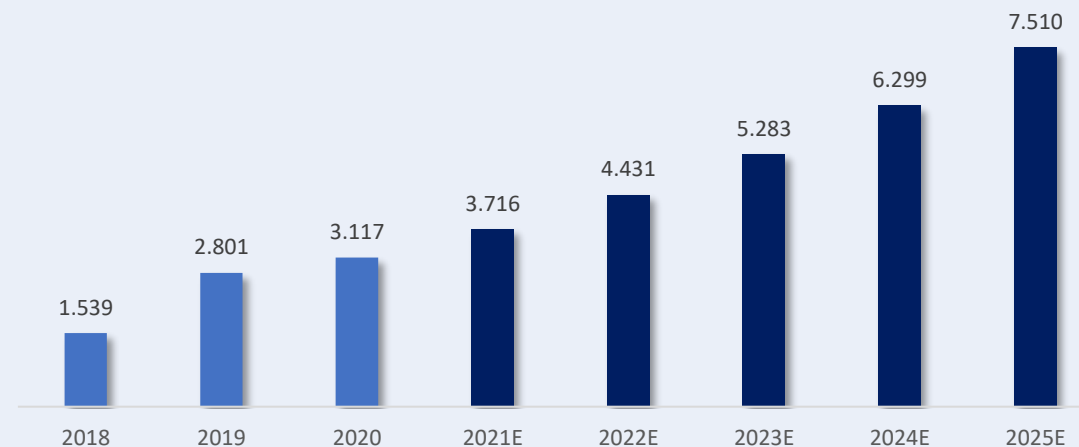
As BTG is investing a lot in its retail operation, Sales & Trading division tend keep being the biggest revenue source for the bank. BTG may have a vast revenue from trading division as financial markets in Brazil are developing and growing in volume. Also, BTG Digital and BTG+ can be powerful source of revenue to this division.

With retail's division growth, Sales and Trading sector must have a huge increase on its revenue, which we believe to be BTG's biggest revenue source for the next five years, despite the probable loss of margin in brokerage services that can be compensated by the increase in volume.

Sales and Trading Revenue(R\$mi) and daily VaR average



Sales and Trading revenues (R\$mi)



### 3 Credit & Corporate landing



Overview

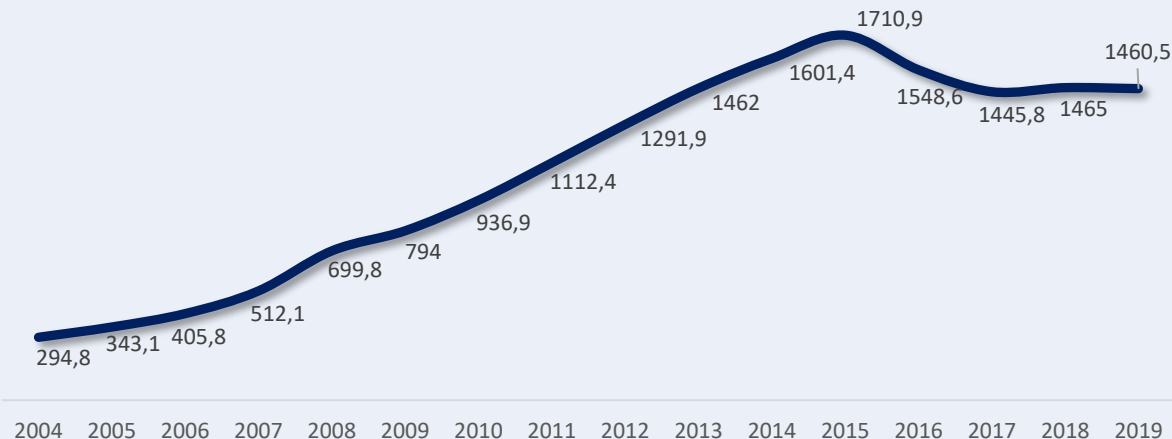
Macro  
Indicators

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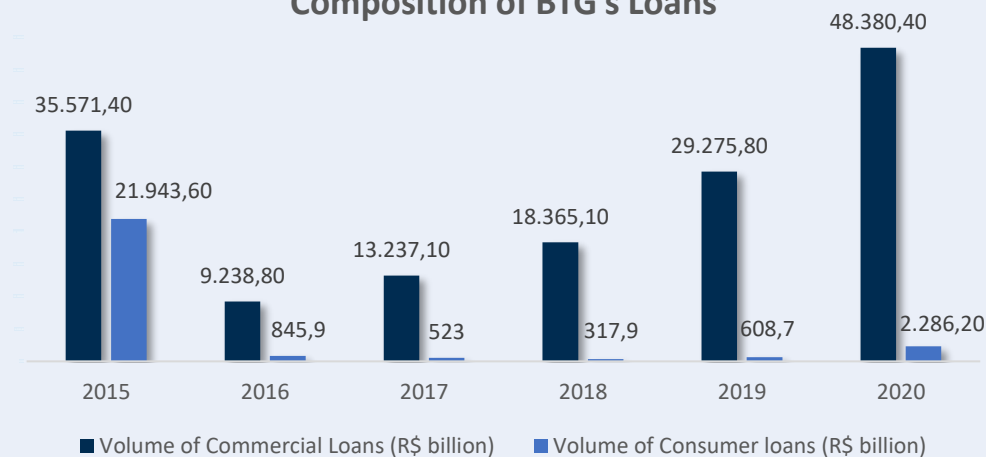
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#### Juridic Person Credit(R\$bi)



#### Composition of BTG's Loans



Moreover, a significant area that banks tend to perform is the credit market, mainly in two sectors: corporate landing and money loan. The difference between both sectors is that corporate landing focus on credit operations to companies and enterprises, while money loan is focused on people. The revenue on this sector comes from the spread between capital acquisition cost and charged interest, named “bank spread”, which in Brazil is significant because of the banking sector’s concentration. The credit market is experiencing a period of expansion due to COVID-19 pandemic. In Brazil, the pandemic contention management isn’t a strong deal and efficient, however, Selic index, Brazilian basic interest rate, presents itself at a truly low level, which impacts the opportunity cost and tends to be favorable and encouraging to credit market operations. This can be observed in the significant increase in the Number of commercial loans and number of consumer loans in 2020 compared to 2019, 2018 and 2017.



### 3 Credit & Corporate landing

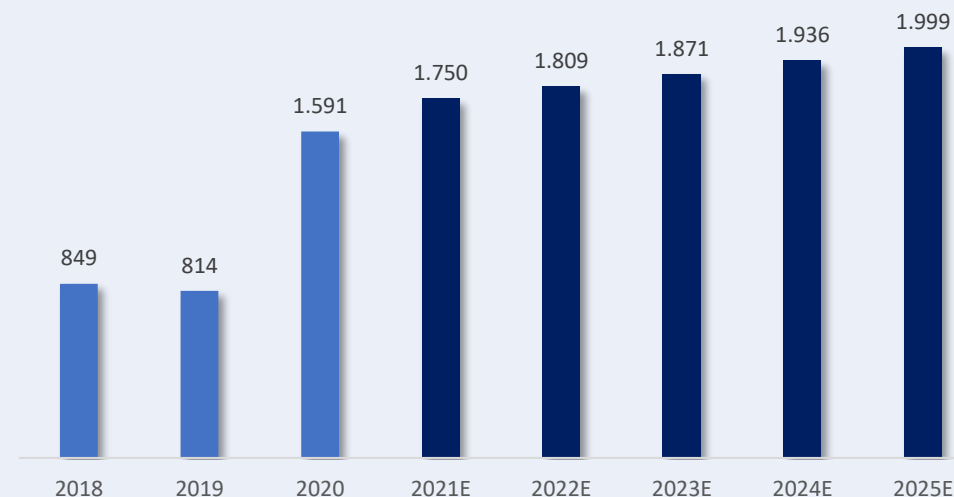


BTG's capacity to attend SMEs is a relevant growth driver, as this is a huge market in Brazil, representing 6,4 million establishments and 52% of private sector formal jobs. Also, the retail financing division can lead BTG to a change in its leverage.

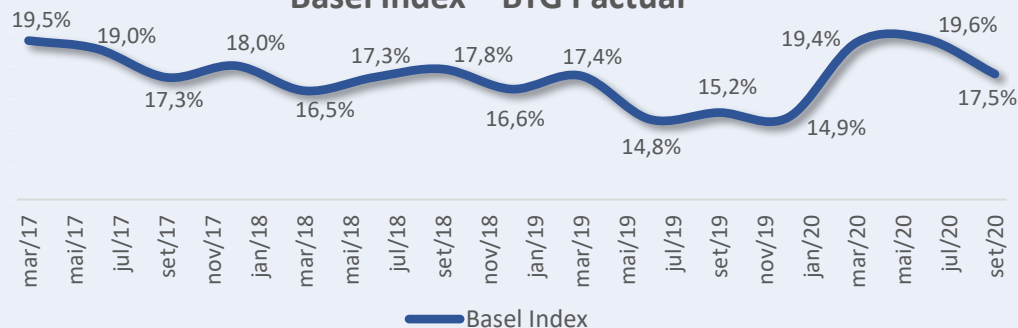
Today, BTG's Basel index demonstrates the bank's concern on thriving on the market. In Brazil, the minimum index required is 13% for banks to operate. In BTG's case, this indicator reinforces the company's care on managing risk compared to its own capital.

BNDES used to be the biggest corporate financing player, but now the public bank is reducing its investments, selling its participation in companies like AES Tietê, Vale and Petrobras and changing its focus to SMEs. This situation leaves an empty space on corporate lending sector that can be taken by private sector banks, and BTG is in a comfortable position to exploit this change.

Corporate lending revenues (R\$mi)



Basel Index – BTG Pactual





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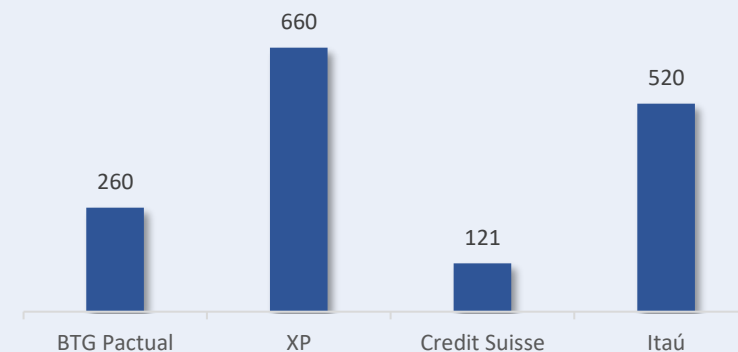
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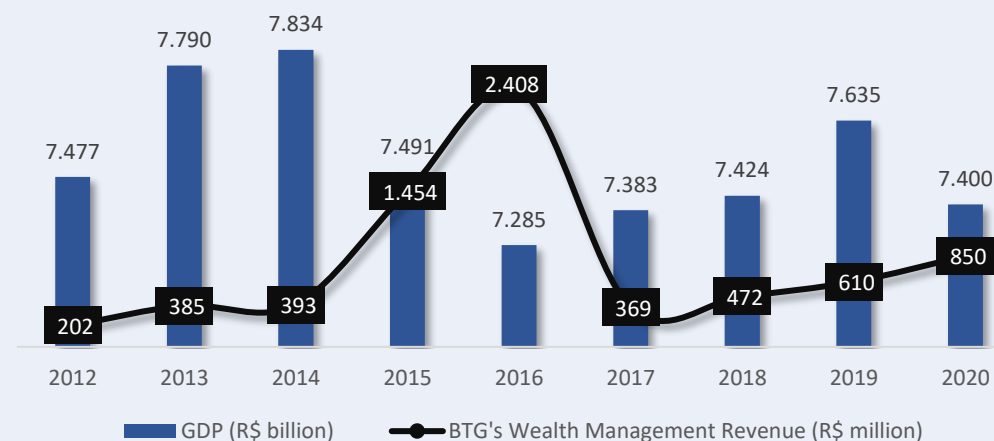
The wealth management division operates with its focus on high net worth people, offering services like financial, tax and succession planning, investment advisory, and asset management itself, giving the client the necessary support to manage a huge amount of assets. Looking at the division's public, it's evident the relation with economic growth, what means more wealth generation and consequently more wealth management clients, also being influenced by interest rates, what is clear when looking at the second graphic.

The wealth management division is very competitive in Brazil, with big players like XP, Azimut, BTG, Itaú, Bradesco, Credit Suisse, among others. All of them seek to maximize value to their clients offering a diverse portfolio of services and investments, trying to use the low interest rate scenery to capture more clients, who are taking their savings to financial markets. BTG and XP are making huge investments during the last years seeking growth in this sector, specially through independent investment agents(AAI's, in Brazil).

Wealth Under Management (R\$ billion)



BTG's Wealth Management Revenue vs GDP







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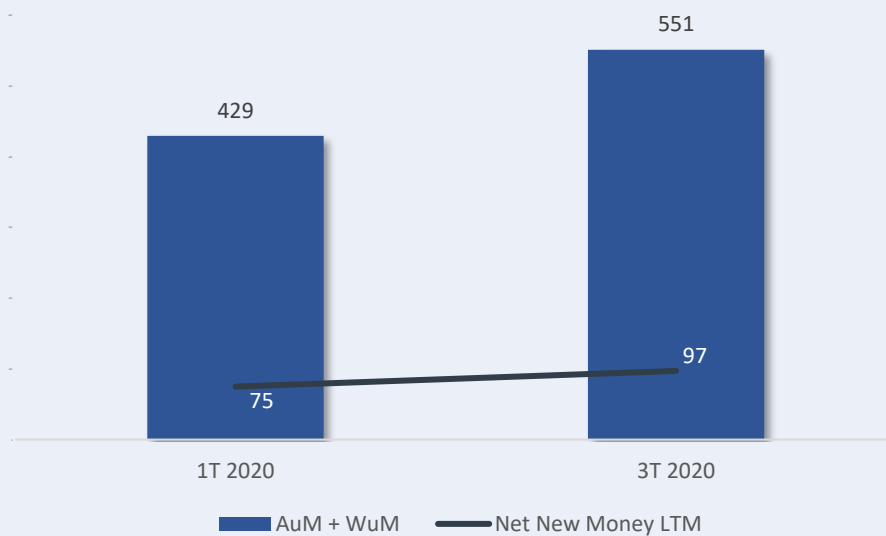
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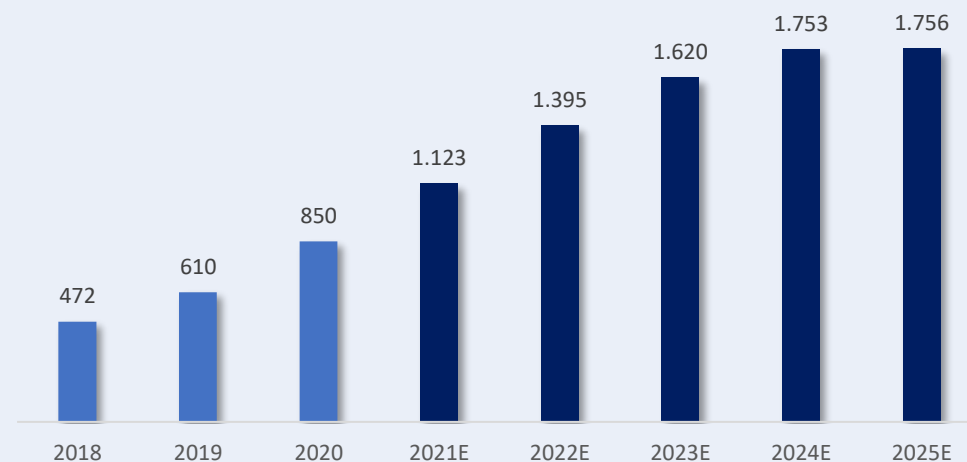
Despite Brazilian economical and political context, with market instability and cool down, BTG is growing its resources under management, capturing clients from its competitors to the wealth management division. There is lots of space to grow as financial markets in Brazil are developing and people are taking their savings to the stock market.

During the last three years, Brazil faced moments of optimism, pessimism and economic crisis. Looking at this historic facts, the media between the last three years growth becomes a good measure to estimate wealth management division's growth through the next years.

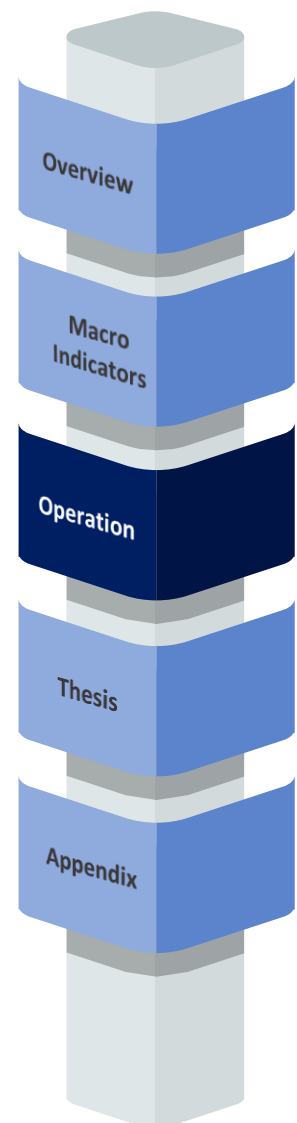
Total resources managed by BTG(R\$bi)



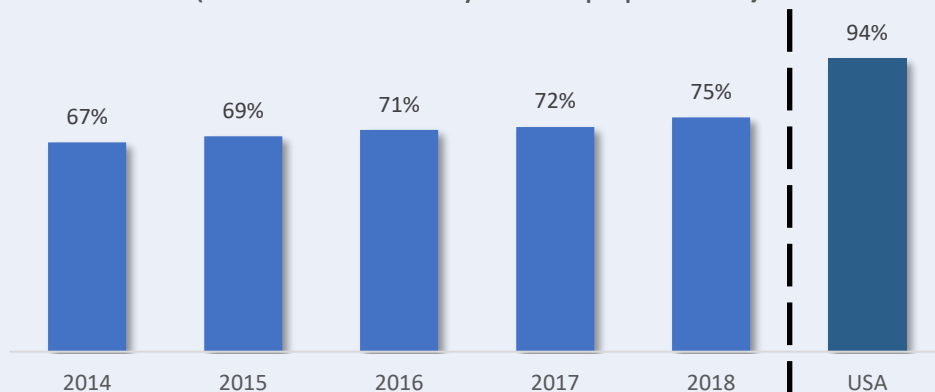
Wealth management revenues (R\$mi)



### 3 Digital Retail Bank: a new era for BTG

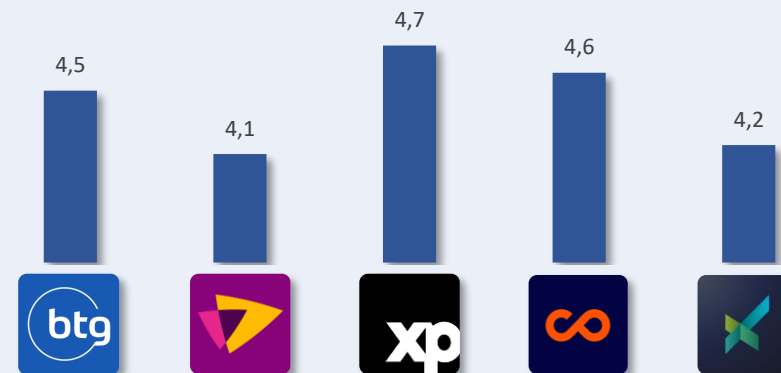


**Bank Clients in Brazil**  
(% of economically active population)

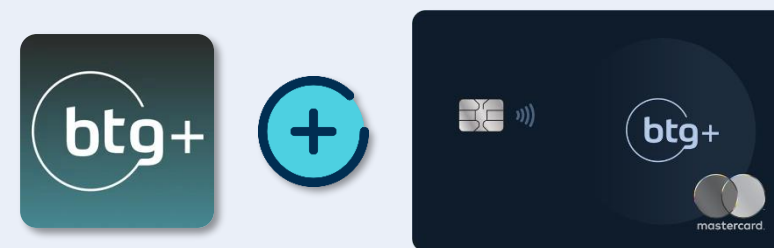


During its history, BTG has always showed capacity of reinventing itself to capture market changes and trends, what makes the bank able to keep growing in adverse scenarios and developing new sectors. With digital banks, it did not change. BTG saw an opportunity to get into retail bank, captured the market trend started by firms like Nubank and entered in this new sector through BTG Pactual Digital, BTG+ and Banco Pan.

**PlayStore and AppStore Average Rating**



Investing one more time at the digital segment, the bank launched a new platform inside BTG+ that offers services to small and medium companies, opening a path of possibilities. By engaging on a new growing market, it stimulates revenue generation. Along side with that, BTG also launched its own credit card, which increases its competitiveness with other rivals such as XP.



### 3 Digital Retail Bank: a new era for BTG



Overview

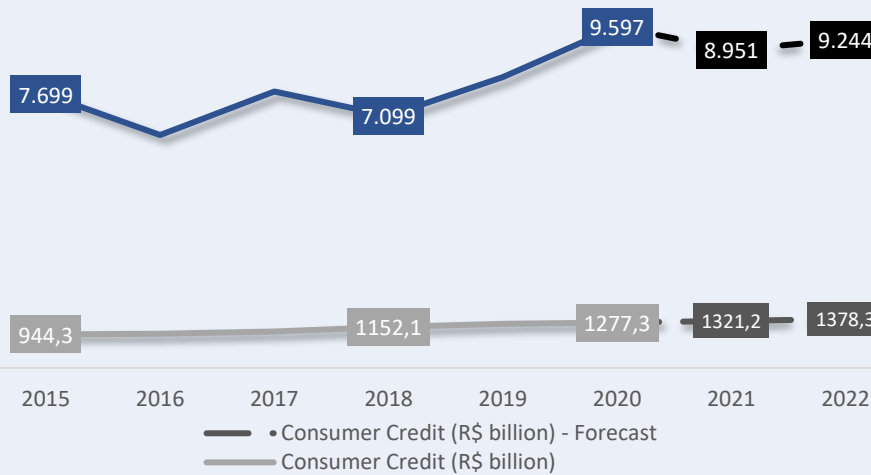
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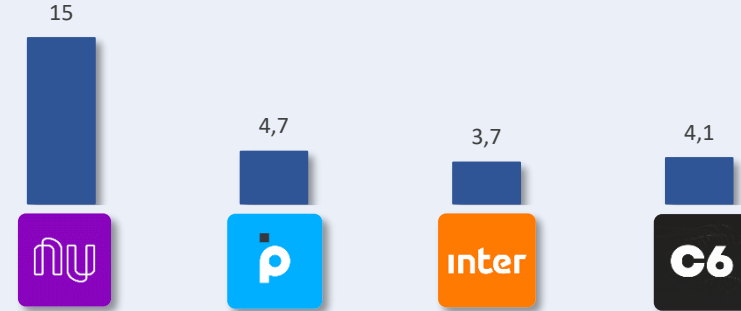
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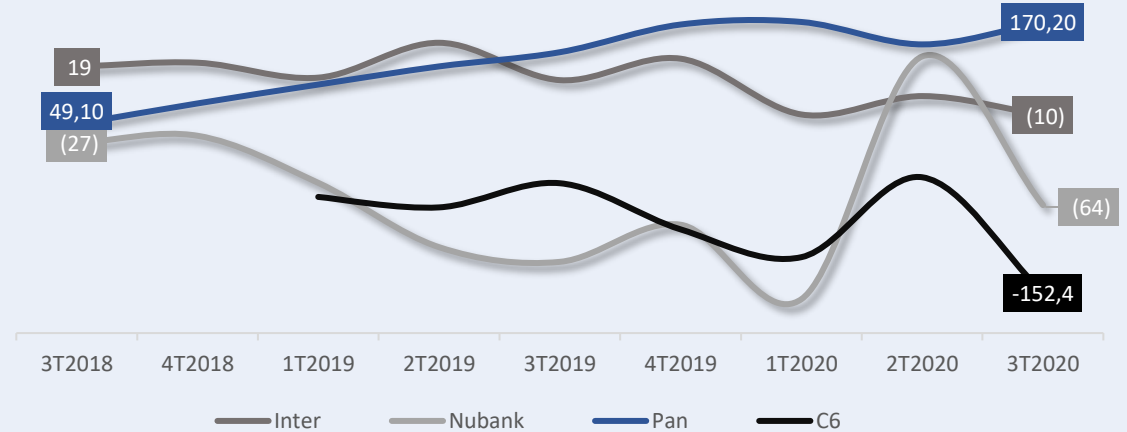
Inside digital banking sector, the normal profile is a company that invests a lot in growth and client acquisition, what reflects in negative financial results and cash flow generation. Banco Pan is an exception, being able to be profitable and, at the same time, attracting a big number of clients. Despite this fact, Nubank is still the biggest digital bank in Brazil if the criteria is client base and current valuation.



Number of Clients  
(In millions)



Net Income Evolution (R\$ million)



### 3 Digital Retail Bank: a new era for BTG



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BTG's Digital Retail Unit



The DRU growth is resulting in many benefits to BTG, such as:

Reduction of financing cost

Revenue Sources diversification

Breaking into a fast pace growth market  
that can still be exploited

Also, BTG is acquiring and creating partnerships with companies that fit in its digital retail unit growth strategy

**EQI** | INVESTIMENTOS

Auc: 9.5 Bn BRL

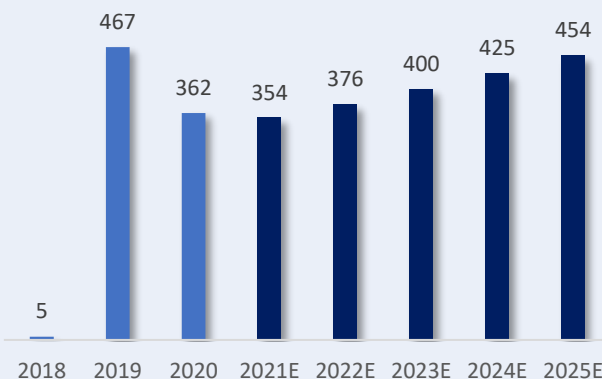
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Auc: 16.1 Bn BRL

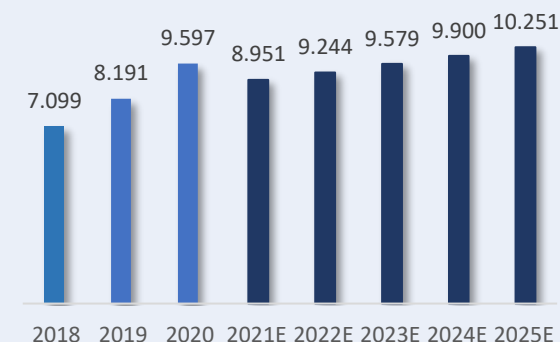


Auc: 5 Bn BRL

Participations revenue (R\$mi)



Banco Pan revenue(R\$mi)



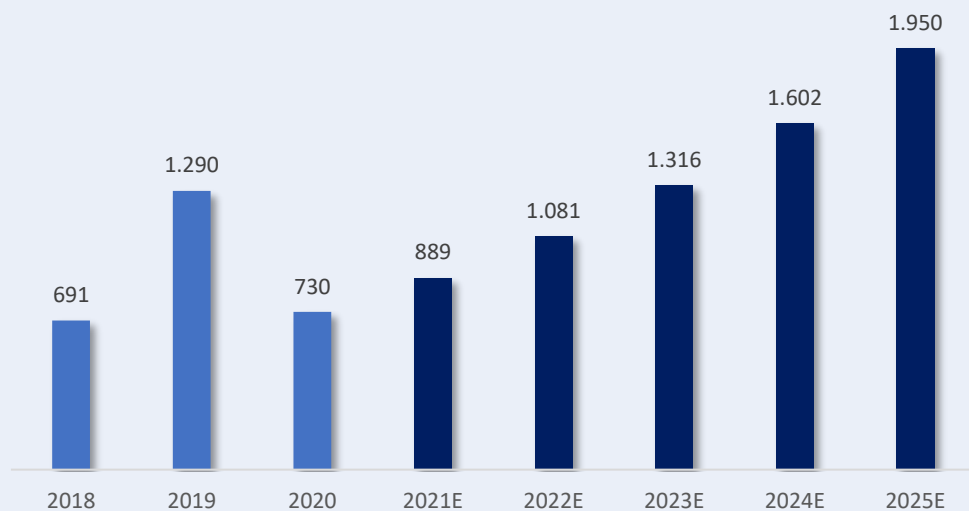
### 3 Investments and Other Sources



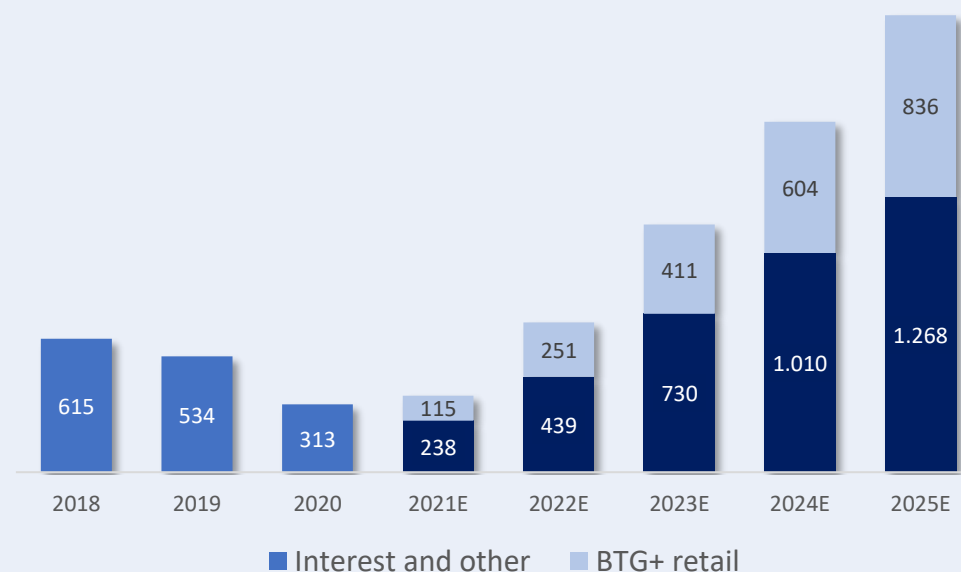
Principal Investments revenue come mostly from PetroAfrica, a mature oil company that as been generating relevant revenues for the bank.

Other BTG Pactual revenue sources are BTG+, retail, interest and others, which we believe will grow as a percentage of total revenue, especially because of BTG+ and interest rates growth.

Principal investments revenue(R\$mi)



BTG+ retail, Interest and other revenues(R\$mi)

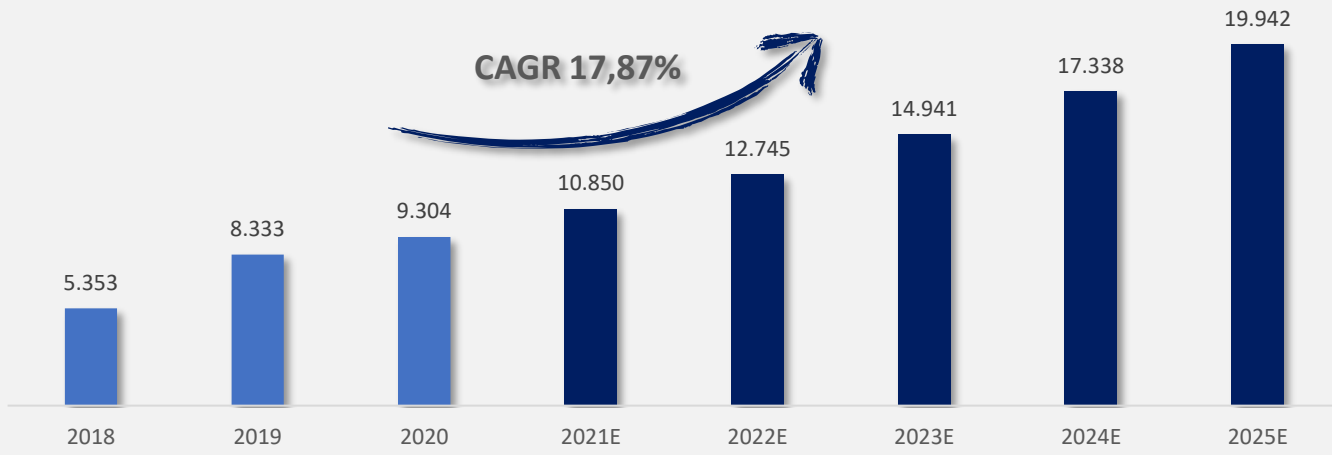




btg+



thesis



Ticker: BPAC11

BUY

Current Price  
BRL 91,45

Target Price  
BRL 108,42

Upside 18,56%

Looking at BTG’s consolidated position in all sectors in which the company operates, modernization and adaptation capacity, when summed up with the bank’s strong culture of meritocracy and ability to retain its talents, we see the bank as an attractive opportunity to invest.



Business units	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Investment banking revenues</b>	<b>BRL mn</b>	<b>338</b>	<b>448</b>	<b>459</b>	<b>456</b>	<b>383</b>	<b>367</b>	<b>367</b>	<b>464</b>	<b>949</b>	<b>1.327</b>	<b>1.460</b>	<b>1.531</b>	<b>1.606</b>	<b>1.684</b>	<b>1.761</b>
y-o-y			32,4%	2,5%	-0,7%	-16,1%	-4,1%	-0,1%	26,6%	104,5%	39,9%	10,0%	4,9%	5,0%	4,8%	4,5%
<b>Corporate lending &amp; SMEs (A+B) revenues</b>	<b>BRL mn</b>	<b>366</b>	<b>564</b>	<b>765</b>	<b>675</b>	<b>983</b>	<b>877</b>	<b>790</b>	<b>849</b>	<b>814</b>	<b>1.591</b>	<b>1.750</b>	<b>1.809</b>	<b>1.871</b>	<b>1.936</b>	<b>1.999</b>
y-o-y			53,8%	35,7%	-11,7%	45,6%	-10,9%	-9,9%	7,4%	-4,1%	95,5%	10,0%	3,3%	3,5%	3,4%	3,3%
<b>Sales and trading revenues</b>	<b>BRL mn</b>	<b>1.000</b>	<b>1.517</b>	<b>1.730</b>	<b>2.966</b>	<b>4.806</b>	<b>2.817</b>	<b>2.389</b>	<b>1.539</b>	<b>2.801</b>	<b>3.117</b>	<b>3.716</b>	<b>4.431</b>	<b>5.283</b>	<b>6.299</b>	<b>7.510</b>
y-o-y			51,7%	14,1%	71,5%	62,0%	-41,4%	-15,2%	-35,6%	82,0%	11,3%	19,2%	5,0%	5,0%	5,0%	5,0%
<b>Asset management revenues</b>	<b>BRL mn</b>	<b>443</b>	<b>1.190</b>	<b>1.172</b>	<b>1.378</b>	<b>1.252</b>	<b>540</b>	<b>486</b>	<b>717</b>	<b>868</b>	<b>1.013</b>	<b>1.205</b>	<b>1.433</b>	<b>1.704</b>	<b>2.026</b>	<b>2.408</b>
y-o-y			168,5%	-1,5%	17,6%	-9,2%	-56,9%	-9,9%	47,4%	21,1%	16,7%	18,9%	18,9%	18,9%	18,9%	18,9%
<b>Wealth management revenues</b>	<b>BRL mn</b>	<b>150</b>	<b>202</b>	<b>386</b>	<b>393</b>	<b>464</b>	<b>337</b>	<b>369</b>	<b>472</b>	<b>610</b>	<b>850</b>	<b>1.123</b>	<b>1.395</b>	<b>1.620</b>	<b>1.753</b>	<b>1.756</b>
y-o-y			34,7%	91,2%	2,0%	18,0%	-27,3%	9,2%	28,1%	29,1%	39,3%	32,2%	24,2%	16,2%	8,2%	0,2%
<b>Principal investments revenues</b>	<b>BRL mn</b>	<b>(111)</b>	<b>1.357</b>	<b>871</b>	<b>(424)</b>	<b>548</b>	<b>(30)</b>	<b>15</b>	<b>691</b>	<b>1.290</b>	<b>730</b>	<b>889</b>	<b>1.081</b>	<b>1.316</b>	<b>1.602</b>	<b>1.950</b>
y-o-y			-1319,7%	-35,8%	-148,6%	-229,4%	-105,4%	-150,9%	4459,8%	86,8%	-43,4%	21,7%	21,7%	21,7%	21,7%	21,7%
<b>Participations</b>	<b>BRL mn</b>	<b>(52)</b>	<b>(244)</b>	<b>(124)</b>	<b>(80)</b>	<b>6</b>	<b>(113)</b>	<b>(16)</b>	<b>5</b>	<b>467</b>	<b>362</b>	<b>354</b>	<b>376</b>	<b>400</b>	<b>425</b>	<b>454</b>
y-o-y			368,4%	-49,5%	-35,2%	-107,5%	-1980,2%	-86,2%	-132,9%	9067,0%	-22,5%	-2,1%	6,0%	6,4%	6,4%	6,7%
<b>Banco PAN equity income (40%)</b>	<b>BRL mn</b>											<b>243</b>	<b>251</b>	<b>260</b>	<b>269</b>	<b>278</b>
y-o-y													3,3%	3,6%	3,3%	3,6%
<b>Too Seguros equity income (51%)</b>	<b>BRL mn</b>											<b>111</b>	<b>125</b>	<b>140</b>	<b>156</b>	<b>175</b>
y-o-y													12,0%	12,0%	12,0%	12,0%
<b>Interest and other</b>	<b>BRL mn</b>	<b>518</b>	<b>587</b>	<b>637</b>	<b>1.186</b>	<b>1.648</b>	<b>1.932</b>	<b>1.127</b>	<b>615</b>	<b>534</b>	<b>313</b>	<b>238</b>	<b>439</b>	<b>730</b>	<b>1.010</b>	<b>1.268</b>
y-o-y			13,3%	8,5%	86,2%	38,9%	17,2%	-41,7%	-45,4%	-13%	-41%	-24%	85%	66%	38%	26%
<b>BTG+ retail</b>	<b>BRL mn</b>											<b>115</b>	<b>251</b>	<b>411</b>	<b>604</b>	<b>836</b>
y-o-y													118,3%	63,7%	46,8%	38,6%
Addressable revenue pool	BRL mn										102.920	115.020	125.564	137.021	150.907	167.277
y-o-y												11,8%	9,2%	9,1%	10,1%	10,8%
BTG share												0,1%	0,2%	0,3%	0,4%	0,5%





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Costs & Opex Breakdown		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Tota Costs &amp; Opex</b>	<b>BRL mn</b>	<b>(1.229)</b>	<b>(2.746)</b>	<b>(2.528)</b>	<b>(2.730)</b>	<b>(4.575)</b>	<b>(3.654)</b>	<b>(2.651)</b>	<b>(2.560)</b>	<b>(3.362)</b>	<b>(3.802)</b>	<b>(4.496)</b>	<b>(5.336)</b>	<b>(6.328)</b>	<b>(7.473)</b>	<b>(8.793)</b>
y-o-y			123,4%	-7,9%	8,0%	67,6%	-20,1%	-27,4%	-3,5%	31%	13%	18,3%	18,7%	18,6%	18,1%	17,7%
% of Net revenues		46,3%	48,9%	42,9%	41,7%	45,3%	54,3%	48,0%	47,8%	40,3%	40,9%	41,4%	41,9%	42,4%	43,1%	44,1%
Bonus expenses	BRL mn	(480)	(1.169)	(946)	(836)	(1.599)	(806)	(746)	(685)	(1.128)	(1.333)	(1.555)	(1.826)	(2.141)	(2.484)	(2.857)
y-o-y			143,7%	-19,0%	-11,6%	91,2%	-49,6%	-7,5%	-8,1%	65%	18%	16,6%	17,5%	17,2%	16,0%	15,0%
% of Net revenues		18,1%	20,8%	16,0%	12,8%	15,8%	12,0%	13,5%	12,8%	13,5%	14,3%	14,3%	14,3%	14,3%	14,3%	14,3%
Salaries and benefits	BRL mn	(213)	(326)	(494)	(695)	(1.386)	(1.637)	(529)	(615)	(673)	(909)	(1.091)	(1.309)	(1.571)	(1.886)	(2.263)
y-o-y			52,9%	51,5%	40,7%	99,4%	18,2%	-67,7%	16,1%	10%	35%	20,0%	20,0%	20,0%	20,0%	20,0%
% of Net revenues		8,0%	5,8%	8,4%	10,6%	13,7%	24,3%	9,6%	11,5%	8,1%	9,8%	10,1%	10,3%	10,5%	10,9%	11,3%
Administrative and other	BRL mn	(293)	(537)	(630)	(883)	(1.430)	(1.708)	(853)	(841)	(999)	(1.056)	(1.267)	(1.520)	(1.824)	(2.189)	(2.626)
y-o-y			83,2%	17,2%	40,3%	61,8%	19,5%	-50,1%	-1,4%	19%	6%	20,0%	20,0%	20,0%	20,0%	20,0%
% of Net revenues		11,1%	9,6%	10,7%	13,5%	14,2%	25,4%	15,4%	15,7%	12,0%	11,3%	11,7%	11,9%	12,2%	12,6%	13,2%
Tax charges, other than income tax	BRL mn	(177)	(241)	(267)	(155)	(430)	(371)	(244)	(273)	(436)	(440)	(513)	(603)	(707)	(820)	(943)
y-o-y			36,4%	10,4%	-42,0%	178,5%	-13,9%	-34,2%	11,8%	60%	1%	16,6%	17,5%	17,2%	16,0%	15,0%
% of Net revenues		6,7%	4,3%	4,5%	2,4%	4,3%	5,5%	4,4%	5,1%	5,2%	4,7%	4,7%	4,7%	4,7%	4,7%	4,7%
Others	BRL mn	(66)	(473)	(192)	(161)	269	868	(280)	(147)	(125)	(64)	(71)	(78)	(86)	(94)	(104)
y-o-y			615,5%	-59,4%	-16,2%	-267,3%	222,3%	-132,2%	-47,6%	-14%	-49%	10,0%	10,0%	10,0%	10,0%	10,0%
% of Net revenues		2,5%	8,4%	3,3%	2,5%	-2,7%	-12,9%	5,1%	2,7%	1,5%	0,7%	0,7%	0,6%	0,6%	0,5%	0,5%



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Consolidated Income statement (BRL mn)		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenue</b>	<b>BRL mn</b>	<b>2.652</b>	<b>5.620</b>	<b>5.896</b>	<b>6.552</b>	<b>10.091</b>	<b>6.727</b>	<b>5.527</b>	<b>5.353</b>	<b>8.333</b>	<b>9.304</b>	<b>10.850</b>	<b>12.745</b>	<b>14.941</b>	<b>17.338</b>	<b>19.942</b>
y-o-y			111,9%	4,9%	11,1%	54,0%	-33,3%	-17,8%	-3,2%	55,7%	11,6%	16,6%	17,5%	17,2%	16,0%	15,0%
<b>Costs &amp; Expenses</b>	<b>BRL mn</b>	<b>(1.229)</b>	<b>(2.746)</b>	<b>(2.528)</b>	<b>(2.730)</b>	<b>(4.575)</b>	<b>(3.654)</b>	<b>(2.651)</b>	<b>(2.560)</b>	<b>(3.362)</b>	<b>(3.802)</b>	<b>(4.496)</b>	<b>(5.336)</b>	<b>(6.328)</b>	<b>(7.473)</b>	<b>(8.793)</b>
Cost to income ratio		46,3%	48,9%	42,9%	41,7%	45,3%	54,3%	48,0%	47,8%	40,3%	40,9%	41,4%	41,9%	42,4%	43,1%	44,1%
<b>EBT</b>	<b>BRL mn</b>	<b>1.423</b>	<b>2.873</b>	<b>3.368</b>	<b>3.822</b>	<b>5.515</b>	<b>3.073</b>	<b>2.876</b>	<b>2.793</b>	<b>4.971</b>	<b>5.501</b>	<b>6.354</b>	<b>7.409</b>	<b>8.613</b>	<b>9.865</b>	<b>11.148</b>
y-o-y			101,9%	17,2%	13,5%	44,3%	-44,3%	-6,4%	-2,9%	78,0%	10,7%	15,5%	16,6%	16,2%	14,5%	13,0%
EBT margin		53,7%	51,1%	57,1%	58,3%	54,7%	45,7%	52,0%	52,2%	59,7%	59,1%	58,6%	58,1%	57,6%	56,9%	55,9%
<b>Income tax</b>	<b>BRL mn</b>	<b>57</b>	<b>(812)</b>	<b>(698)</b>	<b>(453)</b>	<b>(404)</b>	<b>(623)</b>	<b>(492)</b>	<b>(432)</b>	<b>(1.143)</b>	<b>(1.525)</b>	<b>(1.761)</b>	<b>(2.054)</b>	<b>(2.387)</b>	<b>(2.734)</b>	<b>(3.090)</b>
Tax rate		-4%	28%	21%	12%	7%	20%	17%	15%	23%	28%	28%	28%	28%	28%	28%
<b>Net income</b>	<b>BRL mn</b>	<b>1.480</b>	<b>2.061</b>	<b>2.670</b>	<b>3.369</b>	<b>5.112</b>	<b>2.450</b>	<b>2.384</b>	<b>2.361</b>	<b>3.828</b>	<b>3.976</b>	<b>4.592</b>	<b>5.355</b>	<b>6.225</b>	<b>7.131</b>	<b>8.058</b>
y-o-y			39,3%	29,5%	26,2%	51,7%	-52,1%	-2,7%	-1,0%	62,1%	3,9%	15,5%	16,6%	16,2%	14,5%	13,0%
Net margin			36,7%	45,3%	51,4%	50,7%	36,4%	43,1%	44,1%	45,9%	42,7%	42,3%	42,0%	41,7%	41,1%	40,4%
<b>Dividends</b>	<b>BRL mn</b>	<b>1.011</b>	<b>814</b>	<b>695</b>	<b>853</b>	<b>962</b>	<b>1.390</b>	<b>1.239</b>	<b>1.197</b>	<b>1.165</b>	<b>1.096</b>	<b>1.607</b>	<b>1.874</b>	<b>2.179</b>	<b>2.496</b>	<b>2.820</b>
Payout ratio		68%	39%	26%	25%	19%	57%	52%	51%	30%	28%	35%	35%	35%	35%	35%
Dividends	BRL mn	692	374	193	253	47	-	-	-	-	-					
Interest on Capital	BRL mn	319	440	502	600	915	1.390	1.239	1.197	1.165	1.096					





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	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Perpetuity	DCF	Upside/ Downside
<b>DIVIDENDS (BRL mn)</b>	<b>1.607</b>	<b>1.874</b>	<b>2.179</b>	<b>2.496</b>	<b>2.820</b>	<b>3.243</b>	<b>3.730</b>	<b>4.289</b>	<b>4.933</b>	<b>5.673</b>			
Ke													
9,0%	1.502	1.607	1.713	1.800	1.866	1.969	2.077	2.191	2.312	2.439	130.487	149.963	81%
9,5%	1.497	1.593	1.692	1.769	1.826	1.917	2.014	2.114	2.221	2.332	99.813	118.788	44%
10,0%	1.491	1.581	1.670	1.739	1.786	1.867	1.952	2.041	2.133	2.230	79.548	98.039	18,56%
10,5%	1.486	1.568	1.649	1.709	1.748	1.819	1.893	1.970	2.050	2.133	65.221	83.247	1%
11,0%	1.481	1.555	1.629	1.680	1.710	1.772	1.836	1.902	1.970	2.041	54.600	72.176	-13%

MULTIPLES & KEY RATIOS	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
ROE	23,3%	25,1%	24,0%	25,1%	29,7%	13,1%	13,2%	12,6%	19,0%	16,5%	16,3%	17,0%	17,6%	17,9%	17,9%
P/E	9,0x	7,3x	5,7x	4,5x	2,9x	6,3x	6,2x	8,2x	17,0x	21,2x	18,0x	15,4x	13,3x	11,6x	10,3x
P/BV	2,1x	1,5x	1,2x	1,0x	0,8x	0,9x	0,8x	1,0x	3,0x	3,2x	2,8x	2,5x	2,2x	2,0x	1,7x
Div Yield (%)	7,6%	5,4%	4,6%	5,6%	6,4%	9,0%	8,4%	6,2%	1,8%	1,3%	1,9%	2,3%	2,6%	3,0%	3,4%

BRL mn	
Net Income (2024)	7.131
Exit Multiple 1 Year Fwd.	18,0x
<b>Exit Valuation</b>	<b>128.353</b>
<b>Accumulated Dividends</b>	<b>5.661</b>
<b>Total Return</b>	<b>134.013</b>
Total Return (%)	62%
<b>Annualized Return</b>	<b>19%</b>
Ke	10%
<b>Excess Return vs. Ke</b>	<b>9%</b>

BTG Pactual	Price
	<b>91,5</b>
<b># of Shares - fully dilluted</b>	<b>904,2</b>
<b>Mkt Cap - (R\$ mn)</b>	<b>82.692</b>