

# Financial Statements

## December 2024

(Annual accounts, Management Report and Report of the Réviseur d'Entreprises Agréé as of 31 December 2024)

BTG Pactual Europe S.A.  
(formerly FIS Privatbank S.A.)

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## **Management Board**

**Iuri Dias**

Chairman of the Management Board

**Martin Huber**

Member of the Management Board

**Katja Huber-Blattmann**

Member of the Management Board

## Supervisory Board

### **Markus Schachner**

Chairman of the Supervisory Board

### **Joao Marcello Dantas Leite**

Member of the Supervisory Board

### **Rogério Pessoa**

Member of the Supervisory Board

### **Mariana Cardoso**

Member of the Supervisory Board

### **Bruno Duque**

Member of the Supervisory Board

# Management Report

## Fundamentals of BTG Pactual Europe S.A.

BTG Pactual Europe S.A. (the “Bank” or “BTGP EU”) is a fully licensed bank in Luxembourg and wholly-owned by BTG Pactual Group (the “Group”), an investment bank and asset and wealth manager with a dominant franchise in Latin America. The Group also has a successful international investment and distribution platform with a presence in the United States and Europe, which operates in various segments, including Investment Banking, Corporate Lending, Sales & Trading, Wealth Management and Asset Management.

The Bank has been active in the Luxembourg banking center since 1994 and has operated as a legally independent full bank in the form of a stock corporation since 2001, most recently under the name FIS Privatbank S.A. Its name was changed to BTG Pactual Europe S.A. on 15 January 2024.

On 20 September 2023, BTG Pactual Group acquired 100% of FIS Privatbank S.A., now BTG Pactual Europe S.A. Following this, the Bank received capital injections of EUR 55 million on 28 September 2023 and EUR 150 million on 2 January 2024. Following its acquisition, the Bank has approved a new business strategy with a clear focus on its core banking business lines. This strategy entails enhancing its current service offerings while also introducing new business initiatives.

As a full bank within the meaning of Luxembourg supervisory law, BTGP EU has a robust internal governance framework that takes sufficient account of its business model and scope, and which is regularly monitored - at least annually - by the Supervisory Board and adjusted as necessary. BTG Europe has a flat organizational structure that promotes agility while respecting the segregation of functions between and among front and back office functions. The Bank performs the compliance and risk management control functions, while the internal audit control function is outsourced to a renowned auditing firm with the approval of the Luxembourg supervisory authority (CSSF). In addition, it uses other consulting and non-audit services from auditing firms based in the banking center.

There are no other branches or branch offices operated in or outside Luxembourg. BTGP EU holds one subsidiary: BTG Pactual Europe Management Company S.A. (“BTGP EU ManCo”), formerly Inter-Portfolio Verwaltungsgesellschaft S.A.

During 2024, BTGP EU has relocated its offices to 29 Av. de la Porte-Neuve, L-2227, Ville-Haute, Luxembourg.

## Strategy

BTGP EU is committed to continuing to improve its operations in the main business segments, including Wealth Management, Corporate Lending, Asset Management and Institutional Sales, drawing on the vast experience of the Group to offer innovative solutions to clients and the market.

Connecting Europe and Latin America is one core strength of the Bank, benefiting to be part of BTG Group – the largest investment bank in Latin America bridging global investors with local investment opportunities. As part of our growth initiatives, BTGP EU aims to finalize in 2025 the process to open its branches in Spain and Portugal. This strategy seeks to further develop the business and take advantage of synergies with BTG Pactual’s activities at the Iberian Peninsula. It will also enable enhanced governance and operational efficiency by centralizing the booking of businesses at the Luxembourgish headquarter.

## Wealth Management

BTGP EU is dedicated to building long-term client relationships by providing tailored wealth management solutions. The Bank offers a comprehensive suite of services, including investment advisory and discretionary portfolio mandates, designed to meet the diverse needs of high-net-worth individuals and institutional investors. Clients benefit from personalized financial strategies aligned with their risk profiles and long-term objectives, leveraging both in-house expertise and the broader BTG Pactual network. Discretionary mandates allow clients to entrust the Bank with portfolio management, ensuring professional oversight focused on diversification, risk management, and sustainable growth. Wealth Management clients also benefit from our credit capabilities, mainly but not limited to Lombard credit business based on liquid securities portfolios. Through a seamless and client-centric approach, BTG Pactual Europe enhances its wealth management offerings while continuously exploring new opportunities to better serve its clients.

## Asset Management

Our Asset Management unit offers asset management and fund administration services. We offer UCITs funds for both private and institutional investors, and our management expertise lies in fixed income and multi-asset strategies. Through our subsidiary (BTGP EU ManCo), we benefit from our Chapter 15 license to set up and administer UCITs funds for third-party initiators.

### **Corporate Lending**

The Bank's corporate lending business is a key component of our lending strategy. Given BTG Pactual's expertise in Latin America, the group possesses a distinctive advantage in understanding the needs of its LATAM corporate clients with European presence.

With the new branch in Spain expected to be launched in the second quarter of 2025, we anticipate further expansion of our corporate lending operations.

### **Institutional Fixed Income Sales**

BTG EU leverages BTG Pactual's expertise in the LATAM market to offer LATAM bonds to European clients and European bonds to LATAM clients. By transacting on a riskless principal basis, the bank provides institutional investors with access to high-quality debt opportunities in both regions, ensuring liquidity and tailored solutions. This approach highlights BTG EU's ability to bridge markets and offer cross-border investment options.

### **Our culture**

BTGP EU draws its mission from the primary mission of the Group, where culture is the key to success. We reach excellence through an entrepreneurial spirit and a sense of ownership.

Our culture is centered on a Meritocratic Partnership which combines agility, focus on the client, excellence, autonomy, and long-term vision. The partnership model integrated into our culture encourages rigorous risk analysis in all operations and promotes the search for innovative solutions to meet the diverse demands of our clients, enabling us to deliver differentiated results.

We promote an environment of synergy, collaboration and trust, employing essential practices to attract and retain talent. We invest in training our employees and develop highly qualified professionals who are recognized in the market.

We act with integrity, responsibility, simplicity, non-conformism, and dedication, guided by our strong commitment to Environmental, Social, and Governance (ESG) principles. These values are integral to our business strategy, helping us generate long-term value while maintaining solid financial returns.

While climate-related and environmental risks are recognized and considered, we assess them as non-material within our risk strategy for the business we are doing. Nonetheless, we remain committed to responsible practices and ensuring compliance with evolving regulatory expectations, contributing positively to both society and the environment.

Our governance framework continues to prioritize transparency, adaptability, and long-term sustainability, ensuring we create value for our customers, shareholders, and society.

In order to be able to fulfil the mission in the long term, the daily actions of all employees and of BTG EU as a whole must be geared towards it.

### **Outlook 2025**

#### **Eurozone outlook**

The Eurozone economy is expected to face continued challenges in 2025. Several factors are anticipated to impact growth.

First, potential shifts in global trade policies, including the introduction of new tariffs, are likely to create significant headwinds, primarily through heightened trade policy uncertainty. Second, these trade effects are expected to be compounded by ongoing structural challenges in the manufacturing sector, such as elevated energy costs and competitive pressures from China. Third, fiscal consolidation efforts across the Euro area are likely to further constrain growth.

Despite these challenges, we anticipate modest economic growth rather than a recession. Positive momentum is expected to persist, supported by recovering consumption driven by rising real incomes and elevated savings. Additionally, Southern European economies are projected to demonstrate greater resilience compared to Northern Europe.

The GDP outlook reflects these dynamics, with expected growth of 1.17% for 2025, and 1.40% for 2026. These projections will guide our strategic planning and risk management in the coming years.

#### **Global outlook**

The U.S. economy is expected to grow by 2.8% in 2024, driven by strong household consumption, a healthy labor market, and rising wealth from higher equity and real estate prices. Business confidence has risen, and financial conditions have eased,

supporting economic activity as we move into 2025. Key areas of deregulation, including the financial, energy, and antitrust sectors, are expected to enhance investment and productivity.

However, there are risks ahead. A reduction in immigration could create labor shortages in sectors that rely on low-skilled workers. Additionally, higher tariffs on certain imports, particularly from China and Europe, may impact trade, with full effects expected by 2026. As a result, U.S. GDP growth is forecast to slow to 2.2% in 2025, still solid but reflecting increasing risks.

## Review of the financial results

### Balance sheet

The Bank closed December 2024 with a total asset increase of 164% to EUR 656,684,585, driven by a significant rise in cash balances from the capitalizations and clients' deposits, which totaled EUR 437,480,528 (December 2023: EUR 34,349,083). The funded loan portfolio increased 1,239% during the period to EUR 226,000,272 (December 2023: EUR 16,881,578). Deposits at BCL decreased to EUR 136,419,103 (compared to EUR 220,049,800 in December 2023), reflecting the Bank's cash deployment in corporate and wealth management lending. Regulatory ratios remain solid, with the liquidity coverage requirement (LCR) at 170% (Dec 2023: 3,155%) and the capital ratio (CET 1) was at 65% (Dec 2023: 230%). Such ratios provide a stable platform to support the Bank's strategy and growth.

### Earnings

In the past financial year, the bank reported negative earnings before taxes of EUR 624,245, compared to negative EUR 3,350,815 in 2023.

The increase in balance sheet activity led to an increase in revenues, with interest income growing 482% versus 2023. Since the acquisition in September 2023, the Bank was able to increase its main business ratios and expand its assets under management, with results from the implementation of its revised strategic business plan. Revenues from commissions and fees increased 226% compared to 2023. The net results for 2024 were slightly better than projected, though still at a loss for the year due to investments associated with the integration of BTG Pactual Europe S.A., talent acquisition and retention and system and technology infrastructure.

### Profit and loss

In the year 2024, the bank reported a Loss for the period of EUR 936,000, compared to a loss of EUR 3,406,000 during the same period in 2023.

Since the acquisition of the Bank by the BTG Group in September 2023, efforts have been focused on developing and initiating the implementation of a revised strategic business plan, the results of which will impact 2024 and beyond. The results for the first semester of 2024 were adversely affected by provisions on loan Portfolio and initial investments towards the Bank's strategy implementation.

	2024 EUR	2023 EUR
Net interest income	11,777,661	2,299,872
Value adjustment on loans and advances	(2,383,513)	-
Net commission income	4,510,535	1,230,829
Net profit/ (loss) on financial operations	439,695	41,368
Other operating income/expenses	3,232,677	159,031
Income from transferable securities	16,000	10,250
General administrative expenses	(17,655,707)	(6,684,278)
Value adjustment in respect of intangible and tangible assets	(561,593)	(407,887)
<b>Loss on ordinary activities</b>	<b>(624,245)</b>	<b>(3,350,815)</b>
Other taxes not shown under the preceding items	(311,755)	(55,185)
<b>Loss for the period</b>	<b>(936,000)</b>	<b>(3,406,000)</b>

### Net interest income

Net interest income increased significantly by 412% to EUR 11,777,661, mainly due to the development of the loan portfolio and higher cash balances throughout the year.

### Value adjustment on loans and advances

Recognition of value adjustments from one loan, during 2024, including the total outstanding principal and any accrued interest amounting to 2,383,513 (2023: nil).

### *Net commission income*

At EUR 4,510,535, net fee and commission income increased significantly by 266% mainly due to the increase of assets under management during the period and from structuring fees associated with the corporate lending business.

### *Net profit/ (loss) on financial operations*

The financial result from the Bank's activities had a positive impact on earnings of EUR 439,695, mainly due to foreign exchange variation over other currencies balances. The Bank's securities trading portfolio is stable compared to December 2023, at EUR 2,531,219. As of 31 December 2024, the Bank also maintains a fixed rate securities investment portfolio of EUR 100,523,133 with profits recognized exclusively as interest income.

### *Other operating income/expenses*

The other operating result, which also includes the provision of services within the group for subsidiaries, is well above the previous year's result at EUR 3,330,119 (2023: EUR 159,031), driven by reversal of expense provisions recognized during 2023 and not realized during 2024, as well as expense reimbursements received from BTG Pactual Group.

### *General administrative expenses*

Personnel and operating expenses surged by approximately 164% to EUR 17,655,707. This increase was primarily driven by a 171% rise in personnel expenses, reaching EUR 11,683,504 (2023: EUR 4,314,775), due to the expansion of our workforce in line with the strategic growth objectives outlined in the Bank's business plan.

Other administrative expenses also increased, rising by approximately 152% to EUR 5,972,203 (2023: EUR 2,369,503), mostly attributed to higher operational costs associated with business development initiatives.

### **Risk report**

The Risk Report is contained in the Notes (section D) of the Annual Accounts.

### **Employee and social report**

As of 31 December 2024, the total number of employees grew to 54 (2023: 34), aligned with the Bank's growth plans to attract a strong and diverse talent base. This headcount is considered appropriate by the Board to enable a safe and sound control environment in light of the growing volume of business.

The bank offers its employees remuneration components that are in line with the market and combined with social benefits. It does not offer any share option programs, neither for its management bodies nor for its employees.

With its guiding principles, it serves as a code for appreciative and results-oriented cooperation. The quality and satisfaction of employees is a key success factor for the Bank. Similarly, the ability to recruit qualified staff to realize the growth strategy will have a direct impact on the Bank.

### **Subsequent events**

On 6 January 2025, the Bank contributed EUR 300,000 of additional capital to BTG Pactual Europe Management Company S.A.

The Management Board of BTG Pactual Europe S.A.

Luxembourg, 4 March 2025



Iuri Dias



Katja Huber-Blattmann



Martin Huber



## Balance Sheet

As at 31 December

	Note	2024 EUR	2023 EUR
<b>ASSETS</b>			
Cash in hand, balances with central banks and post office banks	B.1	419,103	134,800
Loans and advances to credit institutions	B.2	315,505,604	226,867,052
a) repayable on demand		315,505,604	225,918,092
b) other loans and advances		-	948,960
Loans and advances to customers	B.3	226,000,272	16,881,578
Debt securities and other fixed-income securities	B.4	100,523,133	3
a) issued by public bodies		-	-
b) issued by other borrowers		100,523,133	3
Shares and other variable-yield securities	B.5	2,531,173	2,518,451
Shares in affiliated undertakings	B.6	1,134,644	434,644
Intangible assets	B.7	3,619,949	666,155
Tangible assets	B.7	2,433,769	547,787
Other assets	B.8	1,833,579	129,828
Prepayments and accrued income	B.9	2,683,360	495,465
<b>Total Assets</b>		<b>656,684,586</b>	<b>248,675,763</b>
<b>LIABILITIES</b>			
Amounts owed to customers	B.11	308,986,595	34,349,083
a) other debts		308,986,595	34,349,083
aa) repayable on demand		88,447,060	24,919,832
ab) with agreed maturity dates or periods of notice		220,539,535	9,429,251
Debts evidenced by certificates	B.12	128,493,933	-
a) debt securities in issue		128,493,933	-
Other liabilities	B.13	700,502	150,241,211
Accruals and deferred income		797,867	38,215
Provisions		5,855,789	1,261,354
a) other provisions		5,855,789	1,261,354
Subscribed capital	B.15	9,989,000	9,989,000
Share premium account	B.15	205,000,000	55,000,000
Reserves	B.16	3,564,900	3,564,900
a) legal reserve		900,000	900,000
b) other reserves		2,664,900	2,664,900
Loss brought forward	B.17	(5,768,000)	(2,362,000)
Loss for the financial year	B.17	(936,000)	(3,406,000)
<b>Total Liabilities</b>		<b>656,684,586</b>	<b>248,675,763</b>
<b>Off-balance sheet items</b>			
Contingent liabilities		585,720	129,700
of which: guarantees and assets pledged as collateral security	B.17	585,720	129,700
Undrawn credit commitments	B.19	75,273,577	1,509,577

The accompanying notes form an integral part of these annual accounts.

## Profit and loss account

For the year ended 31 December

	Note	2024 EUR	2023 EUR
Interest receivable and similar income	C.8	15,757,804	2,709,146
arising from fixed-income securities		207,384	66,480
Interest payable and similar charges		(3,980,143)	(409,274)
Income from transferable securities	C.8	16,000	10,250
a) Income from shares in affiliated undertakings		16,000	10,250
Commissions receivable	C.8	4,814,051	1,475,506
Commissions payable		(303,516)	(244,677)
Net profit or net loss on financial operations	C.8	439,695	41,368
Other operating income	C.2/C.8	3,330,119	209,617
General administrative expenses		(17,655,707)	(6,684,278)
a) Staff costs:		(11,683,504)	(4,314,775)
aa) wages and salaries		(10,883,836)	(3,900,139)
ab) social security costs		(601,586)	(290,700)
ac) other personnel costs		(198,082)	(123,936)
b) other administrative expenses		(5,972,203)	(2,369,503)
Value adjustments in respect of intangible and tangible assets		(561,593)	(407,887)
Other operating charges	C.2	(97,442)	(50,586)
Value adjustments in respect of loans and advances and provisions for contingent liabilities and for commitments		(2,383,513)	-
<b>Loss on ordinary activities</b>		<b>(624,245)</b>	<b>(3,350,815)</b>
Other taxes not shown under the preceding items	C.3	(311,755)	(55,185)
<b>Loss for the period</b>		<b>(936,000)</b>	<b>(3,406,000)</b>

The accompanying notes form an integral part of these annual accounts.

# Notes to the accounts

## A. Principles and Methods

### Corporate matters

BTG Pactual Europe S.A. (hereafter the “Bank”), previously known as FIS Privatbank S.A, R.C.S Luxembourg: B 79.983, was incorporated on 1 January 2001 and organized under the laws of Luxembourg as a Société Anonyme for an unlimited period. In July 2024, the Bank moved its head office to 29, Avenue de la Porte Neuve, L-2227, Luxembourg.

The Company is ultimately controlled by its indirect parent BTG Pactual G7 Holding S.A. ("Indirect Parent"), a company incorporated in Brazil.

BTG Pactual Group is an investment bank and asset and wealth manager with a dominant franchise in Brazil, and a successful international investment and distribution platform. It currently has offices distributed on three continents (Latin America, North America and Europe) offering a broad portfolio of financial services to a Brazilian and foreign customer base, including corporations, institutional investors, governments, high net worth individuals and more recently, high-income retail customers.

The Bank is a member of the Association des Banques et Banquiers Luxembourg (ABBL) as well as the deposit guarantee scheme "Fonds de Garantie des dépôts Luxembourg" (FGDL).

### Nature of the Bank's business

The purpose of the company is to conduct banking and financial transactions of its own account and for the account of third parties in the Grand Duchy of Luxembourg and abroad, as well as all activities directly or indirectly related to this.

### Parent undertakings

BTG Pactual Europe S.A. is a parent company pursuant to Article 77 (1) of the law adopted on 17 December 1992 regarding the annual accounts and consolidated accounts of banks incorporated under Luxembourg law (in its amended version; hereinafter referred to as the law on the accounts of banks). The Bank applies the exemption from the obligation to prepare its own consolidated accounts and a consolidated Management Report pursuant to Article 83 (2bis) of the law on the accounts of banks.

The annual accounts of the Bank are included in the consolidated accounts of Banco BTG Pactual S.A., whose registered office is located at Praia de Botafogo, 501, Rio de Janeiro, Brazil. The consolidated financial statements are available at the Group's investor relations website, at <https://ri.btgpactual.com/en/>.

### Accounting and valuation principles

The Bank prepares its annual accounts in accordance with the laws and regulations in force in the Grand-Duchy of Luxembourg and the accounting principles chosen are those commonly referred to as LUX GAAP, encompassing the principles set forth in the amended law of 17 December 1992 and the related instructions and circulars of the CSSF.

Particular attention was paid to the valuation of the items in the annual accounts, in particular the principles of: (i) the principle of business continuity, (ii) the principle of consistency, (iii) the principle of accrual of income and expenses, (iv) the principle of prudence, (v) the principle of individual valuation and (vi) the principle of balance sheet consistency.

The Management Board makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### Basis of preparation

Certain comparative information has been reclassified where necessary to preserve consistency with the presentation in the current year. However, such reclassifications did not have any effect on the profit and loss account or the equity of the Bank for the comparative year.

### Foreign currencies

Revenue and expenses are translated and posted daily using the ECB reference rates. All assets and liabilities in foreign currencies are valued at the foreign exchange rate at the balance sheet date using the ECB reference rates.

### Loans and advances

Loans and advances are stated at their acquisition price.

The policy of the Bank is to establish specific provisions for defaulted and doubtful debts in accordance with the circumstances and for amounts specified by the Management Board. These provisions are deducted from the appropriate asset account balances and shall not be maintained if the reasons for which they were recorded no longer exist.

Accrued interests are recorded in balance sheet under the section "Prepayments and accrued income".

### Tangible and intangible assets

Fixed assets that are not financial assets are valued at acquisition or production cost.

In the case of fixed assets, the use of which is limited in time, the acquisition or production costs are reduced by depreciation calculated so that the value of the assets is depreciated as planned during their period of use.

The amortization rates are:

- 25% per annum for intangible assets; and
- between 10% per annum to 25% per annum for property, plant and equipment.

Low-value assets are fully expensed in the year of acquisition.

### Debt securities and other fixed-income securities

The Bank has divided its portfolio of fixed-income securities into three categories, whose principal characteristics are the following:

- An investment portfolio of financial fixed assets, which are intended to be used on a continuing basis in the Bank's activities;
- A trading portfolio of securities purchased with the intention of resale in the short term (less than six months); and
- A structural portfolio of securities, which do not fall within either of the two other categories.

Fixed-income securities are valued as follows:

#### *Investment portfolio*

The securities in the investment portfolio have a long-term investment horizon and are recorded at acquisition costs.

Securities in the investment portfolio are valued at acquisition costs or at market values if lower. The retention option is not exercised.

Premiums are allocated on a pro rata basis. Discounts are recognized in the income statement upon maturity or sale.

#### *Trading portfolio*

Securities held for trading include securities purchased with the intention of reselling them in the short term. The securities are held for a maximum of six months.

The trading portfolio are stated at the lower of cost or market value adjusted by the pro rata premium or discount if applicable. The Bank records the value adjustment, corresponding to the negative difference between the market value and the acquisition cost.

#### *Structural portfolio*

Securities in the structural portfolio include securities that are acquired with the intention of reselling them in the near future, but whose characteristics do not allow them to be allocated to the trading portfolio. Securities whose holding period exceeds the maximum of six months in the trading portfolio are also allocated to the structural portfolio.

The securities in the structural portfolio are valued at the lower of cost or market value. Premiums are allocated on a pro rata basis. The Bank records the value adjustment, corresponding to the negative difference between the market value and the

acquisition cost.

#### Shares and other variable-yield securities

Shares and other variable-yield securities are recorded initially at acquisition cost and are subsequently valued at lower of acquisition cost or at market value.

#### Shares in affiliated undertakings

The share in affiliated undertakings is valued at the original acquisition costs. A value adjustment is made when the Management Board considers the depreciation as durable.

#### Payables

Liabilities are recognized at their settlement amount.

#### Provisions

Provisions are intended to cover clearly defined liabilities, which as at the balance sheet date are either likely to or certain to be incurred, but uncertain with respect to the amount or the date on which they will arise.

Collective valuation allowances are formed in the permissible amount on the basis of the instructions of the Luxembourg tax authorities dated December 16, 1997. The risk assets from on-balance sheet and off-balance sheet transactions serve as the basis for assessment. The value adjustments are deducted from the corresponding asset items.

#### Revenue recognition

In general, revenue is recognized on the day of the transaction, therefore at the date revenues are realized. Obligations are recognized when the service is rendered.

Commission income and expenses which are rendered or received over a specified period of time are accrued.

## B. Notes to the Balance Sheet

Amounts expressed in Euros unless noted

### 1. Cash on hand, balances with central banks and post office banks

	2024	2023
Balances at central banks	419,103	134,800(*)
<b>Total</b>	<b>419,103</b>	<b>134,800(*)</b>

(\*) Please refer to the comment under note B.2. regarding the adjustments to prior year balances.

### 2. Loans and advances to credit institutions

	2024	2023
On demand / overnight	315,505,604	225,918,092
of which with central bank (*):	136,000,000	219,915,000
Up to three months	-	948,960
More than three months but not more than one year	-	-
More than one year but not more than five years	-	-
<b>Total</b>	<b>315,505,604</b>	<b>226,867,052</b>
of which affiliated companies	2,798,909	2,029,427

(\*) In the 2023 financial statements, overnight deposits with the Luxembourg central bank were presented under "Cash on hand, balances with central banks and post office banks".

There are no subordinated loans and advances to credit institutions.

### 3. Loans and advances to customers

	2024	2023
On demand	1,856,402	5,040,900
Up to three months	26,819,000	40,026
More than three months but not more than one year	54,661,714	900,000
More than one year but not more than five years	143,621,669	8,490,652
More than five years	1,425,000	2,410,000
Gross balance	228,383,785	16,881,578
Valuation adjustment	(2,383,513)	-
<b>Total</b>	<b>226,000,272</b>	<b>16,881,578</b>
<b>thereof affiliated companies</b>	<b>20,000,000</b>	<b>116,360</b>

### 4. Debt securities and other fixed-income securities

	2024	2023
On demand	-	3
Up to three months	90,523,133	-
More than three months but not more than one year	-	-
More than one year but not more than five years	10,000,000	-
More than five years	-	-
<b>Total</b>	<b>100,523,133</b>	<b>3</b>

	2024	2023
Fixed-interest securities (listed)	100,523,133	3
Value adjustment (lowest value)	-	-
Gross balance	100,523,133	3
Lump-sum provision	-	-
<b>Total</b>	<b>100,523,133</b>	<b>3</b>

### 5. Shares and other variable-yield securities

	2024	2023
Non-fixed-interest securities (unlisted)	2,698,297	2,685,575
Value adjustment (lowest value)	(167,124)	(167,124)
<b>Total</b>	<b>2,531,173</b>	<b>2,518,451</b>

### 6. Shares in affiliated undertakings

The Bank holds 100% (2023: 95.3%) of the shares in BTG Pactual Europe Management Company S.A. ("BTGP EU ManCo") (formerly: Inter-Portfolio Verwaltungsgesellschaft S.A.). The Bank has refrained from preparing subgroup financial statements under commercial law due to the minor significance of the investment (Art. 83 (2) of the Accounting Act of 1992).

On 21 February 2024, the Bank made an additional capital contribution of 700,000 into BTGP EU ManCo, bringing its total capital to 995,000, of which 245,000 in share capital and 750,000 in share premium. The carrying amount of the investment as of 31 December 2024 totaled 1,134,644 (2023: 434,644).

The rebranding of BTGP EU ManCo occurred during the month of August, once approved by CSSF.

The net loss for the financial year ended 30 April 2024 amounted to 261,000 (2023: net loss of 29,249).

	2024	2023
Amount as of 31 December 2023	<b>460,000</b>	<b>245,000</b>
Additions	700,000	215,000
Disposals	-	-
Amount as of 31 December 2024	<b>1,160,000</b>	<b>460,000</b>
Accumulated depreciation	(25,356)	(25,356)
Net value as of 31 December 2024	<b>1,134,644</b>	<b>434,644</b>

Accumulated depreciation is linked to the acquisition of additional ownership in BTGP EU ManCo above its cost base.

## 7. Tangible and Intangible assets

	Operating and Office equipment	Intangible
Amount as of 31 December 2023	<b>1,289,928</b>	<b>1,374,955</b>
Additions	2,216,584	3,184,785
Disposals	(109,323)	-
Amount as of 31 December 2024	<b>3,397,189</b>	<b>4,559,740</b>
Accumulated depreciation as of 31 December 2023	(742,141)	(708,799)
Additions	(330,602)	(230,991)
Disposals	109,323	-
Accumulated depreciation as of 31 December 2024	(963,420)	(939,790)
Net value as of 31 December 2024	<b>2,433,769</b>	<b>3,619,949</b>
Net value as of 31 December 2023	<b>547,787</b>	<b>666,155</b>

Property, plant and equipment are mostly comprised of office furniture and company vehicles. Intangible assets consist of the cost related software's development and implementation.

## 8. Other assets

	2024	2023
Tax receivables	1,518,461	93,828
Other	234,118	-
Receivables from BTGP EU ManCo	81,000	36,000
Total	<b>1,833,579</b>	<b>129,828</b>

The tax receivables are comprised of 1,404,757 of recoverable value added taxes from Luxembourg and 95,000 of German capital gains tax. Other amounts refer to receivable credit fees.

## 9. Prepayments and accrued income

	2024	2023
Deferred sales and management fees	208,939	119,857
Deferred asset management fee refunds	212,092	131,451
Interest on loans, securities and deposits	2,262,329	244,157
Total	<b>2,683,360</b>	<b>495,465</b>

## 10. Assets and liabilities in foreign currency

Assets and liabilities denominated in foreign currencies amount to the following in Euro equivalent:

	2024	2023
<b>Assets</b>	<b>271,953,715</b>	<b>2,785,433</b>
USD	180,467,474	1,504,544
GBP	91,347,805	652,689
Other currencies	138,436	628,200
<b>Liabilities</b>	<b>272,341,958</b>	<b>2,743,921</b>
USD	180,740,896	1,271,445
GBP	91,462,626	1,118,751
Other currencies	138,436	353,725

## 11. Amount owed to customers

	2024	2023
On demand	88,447,060	24,919,832
Up to three months	165,758,043	7,179,362
More than three months but not more than one year	50,381,492	2,249,889
More than one year but not more than five years	4,400,000	-
More than five years	-	-
<b>Total</b>	<b>308,986,595</b>	<b>34,349,083</b>
<b>of which affiliated companies</b>	<b>6,416,978</b>	<b>3,314,600</b>

## 12. Debts evidenced by certificates

	2024	2023
On demand	-	-
Up to three months	119,085,073	-
More than three months but not more than one year	9,408,860	-
More than one year but not more than five years	-	-
More than five years	-	-
<b>Total</b>	<b>128,493,933</b>	<b>-</b>
<b>of which affiliated companies</b>	<b>-</b>	<b>-</b>

## 13. Other liabilities

	2024	2023
Advance for future capital increase	-	150,000,000
Invoices	283,409	75,050
Preferential liabilities	258,557	144,789
Value-added taxes	92,678	17,217
Tax liabilities	65,858	4,155
<b>Total</b>	<b>700,502</b>	<b>150,241,211</b>

On 27 December 2023, the shareholder entered into an agreement to make a cash advance for future capitalization; the corresponding amount was paid to BTGP EU before 31 December 2023. The related capital increase took place on 2 January 2024.

## 14. Subordinated liabilities

There were no subordinated liabilities as of 31 December 2024 (2023: nil).

## 15. Subscribed capital and Share premium account

The subscribed capital is divided into 9,989 registered shares with a nominal value of 1,000 each.

As at 31 December 2024, all shares are fully paid up.



	N. of shares	Share Capital	Share premium
<b>31 December 2022</b>	<b>9,989</b>	<b>9,989,000</b>	<b>-</b>
Share premium contribution	-	-	55,000,000
<b>31 December 2023</b>	<b>9,989</b>	<b>9,989,000</b>	<b>55,000,000</b>
Share premium contribution	-	-	150,000,000
<b>31 December 2024</b>	<b>9,989</b>	<b>9,989,000</b>	<b>205,000,000</b>

## 16. Reserves

	2024	2023
Legal reserve	900,000	900,000
Other reserves	2,664,900	2,664,900
<b>Total</b>	<b>3,564,900</b>	<b>3,564,900</b>

Under Luxembourg law, an amount equal to at least 5% (five per cent) of the net profit must be allocated to a legal reserve until such reserve equals 10% (ten per cent) of the issued share capital. This reserve is not available for dividend distributions.

## 17. Appropriation of losses

The loss of previous year was carried forward and the result of the financial year should be used as follows:

	2024	2023
Loss carryforward	(5,768,000)	(2,362,000)
Loss of the year	(936,000)	(3,406,000)
<b>Total</b>	<b>(6,704,000)</b>	<b>(5,768,000)</b>

## 18. Contingent liabilities

Guarantees totaled 585,720 as of 31 December 2024 (2023: 129,700). There are no other contingent liabilities as of 31 December 2024 (2023: nil).

## 19. Derivatives

The Bank does not hold derivatives as of 31 December 2024 (2023: nil).

## 20. Commitments

As of 31 December 2024, the Bank has 75,273,577 (2023: 1,509,577) of undrawn credit commitments.

The Bank has entered into certain commitments which are not reflected in the balance sheet. A new office lease agreement commenced in January 2024, resulting in an increase in total gross payment obligations for its remaining lease commitments. As of 31 December 2024, the Bank's outstanding lease commitments amount to 6,768,968 (2023: 1,020,866).

## 21. Lump-sum provision and value adjustments

During 2024, one of the loans in the Bank's portfolio exhibited signs of deterioration due to various industry-related factors, including increased regulatory requirements and rising raw material costs. Despite a renegotiation agreement reached earlier in the year, the counterparty subsequently filed for insolvency. As a result, the Bank decided to recognize a full value adjustment on the loan, including the total outstanding principal and any accrued interest amounting to 2,383,513 (2023: nil).

The Bank has 2,383,513 in value adjustments as of 31 December 2024 (2023: nil).

During the year of 2024, the Bank did not recognize a Lump-sum provision. (2023: nil)

## 22. Classification by remaining maturity

Primary financial instruments outside the trading portfolio (at book value) as at 31 December:

	2024					Book value Total	Fair value * Total
	On demand <= 1 month	>1 month <= 3 months	>3months <= 1 year	>1 year <= 5 years	> 5 years		
<b>Financial assets</b>							
Cash in hand, balances with central banks and post office banks	419,103	-	-	-	-	419,103	419,103
Treasury bills and other bills eligible for refinancing with central banks	-	-	-	-	-	-	-
Loans and advances to credit institutions	315,505,604	-	-	-	-	315,505,604	315,505,604
Loans and advances to customers	1,856,402	26,819,000	52,278,201	143,621,669	1,425,000	226,000,272	225,592,793
Debt securities and other fixed-income securities	-	90,523,133	-	10,000,000	-	100,523,133	100,523,133
Shares and other variable-yield securities	-	-	-	-	2,531,173	2,531,173	2,531,173
<b>Total</b>	<b>317,781,109</b>	<b>117,342,133</b>	<b>52,278,201</b>	<b>153,621,669</b>	<b>3,956,173</b>	<b>644,979,285</b>	<b>644,471,806</b>
<b>Financial liabilities</b>							
Amounts owed to customers	88,447,060	165,758,043	50,381,492	4,400,000	-	308,986,595	308,986,595
Debts evidenced by certificates	-	119,085,073	9,408,860	-	-	128,493,933	128,493,933
<b>Total</b>	<b>88,447,060</b>	<b>284,843,116</b>	<b>59,790,352</b>	<b>4,400,000</b>	<b>-</b>	<b>437,480,528</b>	<b>437,480,528</b>

	2023					Book value Total	Fair value * Total
	On demand <= 1 month	>1 month <= 3 months	>3months <= 1 year	>1 year <= 5 years	> 5 years		
<b>Financial assets</b>							
Cash in hand, balances with central banks and post office banks	134,800	-	-	-	-	134,800	134,800
Treasury bills and other bills eligible for refinancing with central banks	-	-	-	-	-	-	-
Loans and advances to credit institutions **	225,918,092	948,960	-	-	-	226,867,052	226,867,052
Loans and advances to customers	5,040,900	40,026	900,000	8,490,652	2,410,000	16,881,578	16,863,099
Debt securities and other fixed-income securities	-	-	-	-	3	3	3
Shares and other variable-yield securities	-	-	-	-	2,518,451	2,518,451	2,518,451
<b>Total</b>	<b>231,093,792</b>	<b>988,986</b>	<b>900,000</b>	<b>8,490,652</b>	<b>4,928,454</b>	<b>246,401,884</b>	<b>246,383,405</b>
<b>Financial liabilities</b>							
Amounts owed to customers	24,919,833	7,179,362	2,249,890	-	-	34,349,085	34,349,085
<b>Total</b>	<b>24,919,833</b>	<b>7,179,362</b>	<b>2,249,890</b>	<b>-</b>	<b>-</b>	<b>34,349,085</b>	<b>34,349,085</b>

(\*) Net of expected credit loss

(\*\*) Include the amount related to overnight deposits with BCL. Please refer to Note B.2.

## C. Notes to the Profit and Loss account

Amounts expressed in Euros unless noted

### 1. Administration and representation services

The Bank provides the following services to third parties: (i) investment advice, (ii) asset management, (iii) custody and management of securities, (iv) custody of gold in depots, (v) mediation of unit-linked life insurance policies and (vi) mediation of credit cards.

## 2. Other operating charges / income

	2024	2023
Expenses related to previous years	95,768	44,207
Sundry expenses	1,674	6,379
<b>Other operating charges</b>	<b>97,442</b>	<b>50,586</b>
FGDL contributions	20,000	20,000
BTGP Europe Manco allocation	112,031	119,759
Sundry income	151,087	26,603
Income related to previous years	279,051	43,255
Reimbursement from affiliate	2,767,950	-
<b>Other operating income</b>	<b>3,330,119</b>	<b>209,617</b>

## 3. Taxes

The taxes recognized as expenses in the financial year break down as follows:

	2024	2023
Corporate tax	-	-
Municipal business taxes	-	-
<b>Taxes on the result from ordinary activities</b>	<b>-</b>	<b>-</b>
Net wealth tax	311,755	55,185
<b>Other taxes</b>	<b>311,755</b>	<b>55,185</b>

The BTG Pactual Group is within the scope of the OECD Global Anti-Base Erosion (Pillar Two) model rules. The Bank is incorporated and tax resident in Luxembourg, which has enacted the Pillar Two rules (including the transitional safe harbor rules issued by the OECD in December 2023) with effect from 1 January 2024.

The management of the Bank recognizes based on the last filed tax return that the Company has 5,389,381 of carried forward tax losses available as at 31 December 2023.

The utilization of the aforementioned losses is subject to review by the Luxembourg tax authorities under the usual statute of limitation rules that is 5 years for corporate income tax as from 1 January following the end of the fiscal year. The general statute of limitation may be extended to 10 years in case of (i) insufficient or incomplete tax return or (ii) failure to file a tax return. The existence of the carried forward tax losses remains therefore uncertain (at least) until the end of the fifth fiscal year after the fiscal year in which they are used.

## 4. Lump-sum provision and value adjustments

The Bank has 2,383,513 in value adjustments as of 31 December 2024 (2023: nil).

During the year of 2024, the Bank didn't recognize any Lump-sum provision. (December 2023: nil)

## 5. Number of employees

The average number of employees was 48 (December 2023: 34), including members of the Management Board (average of 3 employees) and senior executives (average of 10 employees).

## 6. Fees for auditing, tax consulting and other services

The fees agreed as expenses for the statutory auditor of the Bank were recognized as follows:

	2024	2023
Audit	190,000	144,500
Other audit related services	-	28,650
Tax consulting	-	16,000
<b>Total</b>	<b>190,000</b>	<b>189,150</b>

## 7. Return on assets

The Bank's annualized return on assets corresponds to -0.1% for the year ending 31 December 2024 (2023: -1.4%). The return on assets is calculated from the ratio of net loss to total assets.

## 8. Geographical distribution

### Distribution of income according to geographical origin

2024	Luxembourg	Iberia *	Rest of Europe	Other countries	Total
Interest receivable and similar income	10,162,428	2,915,699	1,002,377	1,677,300	15,757,804
Income from securities	16,000	-	-	-	16,000
Commission receivable	2,967,961	1,593,336	225,673	27,081	4,814,051
Net profit/ (loss) on financial operations	439,695	-	-	-	439,695
Other operating income	562,089	4	76	2,767,950	3,330,119
<b>Total</b>	<b>14,148,173</b>	<b>4,509,039</b>	<b>1,228,126</b>	<b>4,472,331</b>	<b>24,357,669</b>

(\*) Iberia includes Portugal and Spain

2023	Luxembourg	Iberia *	Rest of Europe	Other countries	Total
Interest receivable and similar income	1,496,948	33,088	1,150,321	28,789	2,709,146
Income from securities	10,250	-	-	-	10,250
Commission receivable	1,280,732	292	187,697	6,785	1,475,506
Net profit/ (loss) on financial operations	41,368	-	-	-	41,368
Other operating income	204,306	-	5,311	-	209,617
<b>Total</b>	<b>3,033,604</b>	<b>33,380</b>	<b>1,343,329</b>	<b>35,574</b>	<b>4,445,887</b>

(\*) Iberia includes Portugal and Spain

## **D. Risk Report**

### **Profit-oriented risk policy**

All business policy decisions must serve to achieve an appropriate profitability or risk/return ratio.

### **Ensuring risk-bearing capacity**

The assumption of risks requires a corresponding risk coverage capital in order not to endanger the existence of the Bank, even in the event of unexpected losses. Risk-bearing capacity must be ensured. It therefore represents the interface between risk strategy and the operational management of individual risks, while ensuring risk management as a whole.

### **Risk capital - management through limitation**

The Bank manages risks as required with risk limits for the Bank as a whole, for portfolios and for contract partners. All risk limits are derived from the available risk capital.

The Bank determines the available risk capital in accordance with the criteria set out in its governance documents. The risk capital essentially consists of equity, statutory reserves, other reserves and the current results, considering various deductible items such as standard operating costs, deferred taxes and a capital conservation buffer. The sum of the risks aggregated should not exceed the risk capital calculated in this way, and the utilization of the overall Bank limit, which is set depending on the amount of risk capital, is monitored and measured. This is done by means of a traffic light system. Depending on the utilization, a distinction is made between the green, yellow and red phases, and appropriate measures are taken based on the phase.

The utilization of the overall Bank limit is made up of various individual limits that are allocated for each significant risk type. The remaining difference serves as implicit backing for other risks that are defined as immaterial for the Bank or are not specifically backed with risk capital.

### **Risk management governance**

The control of risks (including future risks) is implemented in the Bank in various forms. The Bank has set up a risk management function. Reports are submitted to the Supervisory Board at regular intervals.

The overall risk management concept consists of several components and documents. The Bank's "risk strategy" describes the Bank's risk appetite, the principles of risk management and its organization. The "Risk Manual" creates transparency about the Bank's risk management system for all employees responsible for measuring, monitoring and managing risks and can be seen as a comprehensive systematic navigator for the existing risk management and controlling processes. The "Risk-bearing capacity concept" explains how risk-bearing capacity is determined in the economic and normative management circle. As part of the "Risk Management Policy", the "Stress Test Program" to be approved annually by the Bank's Management Board is a key component of the Bank's active risk management. The document also regulates the methodological framework and the time intervals for measurement and monitoring as well as the corresponding responsibilities. This is supplemented by a detailed set of rules consisting of functional descriptions, work instructions and the organizational manual. All documents in the rules and regulations, including the limit systems, are regularly reviewed to ensure that they are up to date and appropriate and adjusted if necessary.

Due to its strategic business areas, the Bank is exposed to the following material risks:

### **Credit and counterparty risk**

The Bank employs a comprehensive risk management framework to monitor and mitigate credit risk, ensuring compliance with established limits and timely assessment of incoming payments. Regular collateral evaluations are conducted to verify the adequacy of security coverage and minimize potential credit losses.

As part of the Bank's strategic realignment and expansion of its lending activities, a revised credit rating framework has been introduced. This includes the implementation of a two-dimensional credit rating system and a fundamental overhaul of the Significant Increase in Credit Risk (SICR) process, enhancing the Bank's ability to identify and respond to changes in risk profiles.

The Bank's credit exposure is diversified across multiple lending segments:

- Lombard Loans – Secured by liquid securities with appropriate loan-to-value (LTV) coverage.
- Real Estate Loans – Primarily backed by mortgages, ensuring strong collateralization.
- Corporate Credit – Secured in accordance with the Bank's policies, aligning with industry risk standards.

- Entrepreneurial Credit Lines – A portion of these loans is unsecured, reflecting tailored risk assessments for business growth.

To facilitate early detection of potential credit deterioration, exposures with declining ratings are subject to enhanced monitoring and oversight. The credit scoring system plays a pivotal role in defining credit policies, risk-based pricing, and guarantee requirements, ensuring that lending decisions align with the Bank's risk appetite and customer profiles.

Furthermore, customer risk ratings are continuously reviewed to maintain credit portfolio quality and support a prudent approach to expected credit losses, reinforcing the Bank's commitment to sound risk management practices.

### *Distribution of Credit risk*

The following tables provide an overview of credit net exposures (value adjustments deducted) under the respective balance sheet item or off-balance sheet item by counterparty industry as well by issuer and rating category. The amount of loan exposures was calculated considering interest accrual without consideration of collateral:

### *Structure of Credit Profile by Rating Category as of 31 December 2024*

	Loan and Advances - Corporate	Loan and Advances - Individuals	Securities	Commitment	Total
AAA/AA	34,502,929	20,586,955	90,523,131	-	145,613,013
A	30,221,742	24,372,570	-	40,229,912	94,824,224
BBB	116,316,076	-	10,009,765	35,043,665	161,368,904
BB	-	-	-	-	-
B	-	-	-	-	-
CCC	-	-	-	-	-
Default	-	-	-	-	-
<b>Total principal</b>	<b>181,040,747</b>	<b>44,959,525</b>	<b>100,532,896</b>	<b>75,273,577</b>	<b>401,806,745</b>
Accrued interest	3,653,048	146,855	-	-	3,799,903
<b>Total</b>	<b>184,693,795</b>	<b>45,106,380</b>	<b>100,532,896</b>	<b>75,273,577</b>	<b>405,606,648</b>

### *Structure of Credit Profile by Industry as of 31 December 2024*

Industry	Loan and Advances - Corporate	Loan and Advances - Individuals	Securities	Commitment	Total
Diversified Products	36,402,928	-	-	-	36,402,927
Financial Institution	-	-	90,523,131	-	90,523,131
Generation, Solar	38,481,742	-	-	13,903,772	52,385,514
Individual	-	44,959,525	-	20,396,140	65,355,665
Medications	506,900	-	-	-	506,900
Pharmaceutical	7,000,000	-	-	7,000,000	14,000,000
Real Estate	46,613,164	-	10,009,765	33,973,665	90,596,594
Software & Services	16,900,000	-	-	-	16,900,000
Timber	602	-	-	-	602
Toll Road Concession	35,135,411	-	-	-	35,135,411
<b>Total principal</b>	<b>181,040,747</b>	<b>44,959,525</b>	<b>100,532,896</b>	<b>75,273,577</b>	<b>401,806,745</b>
Accrued interest	3,653,048	146,855	-	-	3,799,903
<b>Total</b>	<b>184,693,795</b>	<b>45,106,380</b>	<b>100,532,896</b>	<b>75,273,577</b>	<b>405,606,648</b>

### *Market risk*

Market risk can be defined as the risk of losses due to adverse movements of market variables. The Bank market price risks exist in the form of the position risk, interest rate risks, and exchange rate risks. To mitigate these risks, trading transactions are subject to daily limit monitoring. Notably, high-risk and complex instruments like credit derivatives are avoided for proprietary trading.

The Bank actively monitors open foreign currency positions on a daily basis to ensure effective risk management. These

positions primarily arise from client deposits, which are appropriately hedged to mitigate exposure to foreign currency fluctuations ensuring that it remains well-protected against foreign exchange risks, maintaining stability in its financial position.

Interest rate risk is managed meticulously, especially when matching maturities of deposits or loans from/to customers. The Bank utilizes regulatory stress tests and predefined scenarios quarterly to assess the impact of interest rate fluctuations.

Forward exchange transactions with customers, if undertaken, are hedged with corresponding offsetting positions. Additionally, the Bank refrains from entering into uncovered short positions.

#### *Liquidity risk*

The Bank monitors and measures its liquidity in accordance with regulatory requirements. The liquidity coverage ratio (LCR) and Net Stable Funding Ratio (NSFR) required by the regulatory authorities was generally well above the required minimum.

The Bank manages its Liquidity Risks through various instruments and measures. The Risk Strategy, which includes the Liquidity Risk Strategy, serves as an important guide for the fundamental orientation in dealing with liquidity risks. Furthermore, in the Liquidity Risk Management, the Bank describes its specific liquidity risks, risk appetite, and outlines corresponding countermeasures, control instruments, and measurement tools. These are complemented by the Risk Management Policy, which provides relevant parameters for risk measurement, and by developed Stress Scenarios that serve to assess the resilience of liquidity adequacy. In 2024, the Bank maintained a liquid balance sheet structure, with refinancing primarily through equity and customer deposits. Additionally, access is available to credit refinancing facilities from credit institutions.

#### *Operational risk*

Operational risk is the risk of potential losses or damage that occur due to faulty internal workflows and systems, the misconduct of the Bank's own employees or force majeure, such as the collapse of the Bank's own or external infrastructure.

The Bank counters this risk by promoting and training its employees, implementing internal controls, by the close involvement of the senior management in the daily activities, the contractually agreed IT emergency plan and corresponding insurance agreements.

#### *Compliance risk*

The compliance function at the Bank has an organizational, coordination and control function. It ensures that the bank carries out its activities in accordance with the applicable standards and that its internal regulations, such as the organizational and workplace guidelines, are adapted to regulatory developments. The Bank has adopted a compliance charter and policy.

The aim is to promote honest and honorable conduct, to adhere to ethical standards and to ensure compliance with laws, guidelines, regulations and professional standards as well as a corporate policy that pursues the protection of the integrity of the financial markets.

#### *Investment risk*

Investment risks exist in the form of losses that may arise due to investments in other companies. The Bank has identified the investment risk as non-material in 2024.

## **E. Other information**

### **Deposit Guarantee Scheme**

On December 18, 2015, Luxemburg adopted the law on resolution, recovery and liquidation measures for credit institutions and certain investment firms, on deposit guarantee schemes and investor compensation schemes ("the Law"), which transposes Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions, and Directive 2014/49/EU on deposit guarantee and investor compensation schemes. With the Law, the deposit guarantee and investor compensation scheme, previously operated by the "Association pour la Garantie des Dépôts Luxembourg" (AGDL), was replaced by a new contribution-based system.

It protects eligible deposits of an investor up to a limit of 100,000 per depositor ("Fonds de garantie des dépôts Luxembourg" (FGDL)) and investments up to a limit of 20,000 per investor ("Système d'indemnisation des investisseurs Luxembourg" (SIIL)). In addition, the Law provides that certain category of deposits that fulfil a social purpose or that are linked to certain life events of the depositor remain protected for twelve months beyond the maximum limit of 100,000.

In accordance with Article 1 (36) of the Law, the target amount to be held in the Luxembourg Resolution Fund (“Fonds de résolution Luxembourg” (FRL)) was initially set to reach 1% of the guaranteed deposits of all credit institutions in all participating member states by the beginning of 2024. This amount was to be collected from the credit institutions through annual contributions in the financial years from 2015 to 2024. The target amount to be held in the FGDL is 0.8% of the covered deposits, as defined in Article 163 (8) of the Law, of the relevant credit institutions, to have been reached by the end of 2018. Contributions were paid annually from 2016 to 2018. After achieving the initial 0.8%, Luxembourg credit institutions are required to make further contributions over the following eight years in order to build up an additional safety buffer of 0.8% of covered deposits, as defined in Article 163 (8) of the Law.

The provisions that the banks set aside in their annual financial statements over the years so that they can meet their obligations to the AGDL if necessary are used accordingly for their contribution payments to the FRL or to endow the FGDL.

The evolution of the provision for the year is as follows:

AGDL provision on 31 December 2023	44,012
Contribution	(7,091)
Release	(12,909)
AGDL provision on 31 December 2024	<b>24,012</b>

The provision for the Deposit Protection Fund may be used for the National Resolution Fund in accordance with CSSF Circular 15/628.

## Staff

As at the reporting date of 31 December 2024, the total number of employees was 54 (December 2023: 34), which included 3 management board members (December 2023: 3). This headcount takes into account both regulatory requirements and the growing volume of business. The bank offers its employees performance-related remuneration components that are in line with the market and combined with good social benefits (including a pension scheme). It does not offer any share option programs, neither for its management bodies nor for its employees.

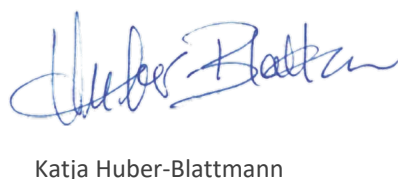
## Remuneration, pension obligations, loans to executive bodies of the Bank

	Remuneration for activities/Benefits	Pension obligations	Credit	Guarantees
Management board	1,631,071	-	-	17,400
Supervisory board	75,000	-	-	-
<b>Total</b>	<b>1,706,071</b>	<b>-</b>	<b>-</b>	<b>17,400</b>

Luxembourg, 4 March 2025



Iuri Dias



Katja Huber-Blattmann



Martin Huber



## **Independent auditor's report**

To the Management Board of  
BTG Pactual Europe S.A. (formerly FIS Privatbank S.A.)

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of BTG Pactual Europe S.A. (the "Bank"), which comprise the balance sheet as at 31 December 2024, and the profit and loss account for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2024, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

#### **Basis for opinion**

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Bank in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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## **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Value adjustments on loans granted to customers and provisions for commitments**

#### **Description**

As of 31 December 2024, the Bank reports loans and advances to customers of EUR 226.0 million. This caption mainly includes loans to corporate customers and to private clients, including mortgage and lombard loans. Related commitments amount to EUR 75.2 million as of 31 December 2024.

The identification of an impairment event and the determination of specific valuation allowances involve significant estimation uncertainty and discretion in respect of the borrower's financial position and performance, as well as from the valuation of collateral and the amount and timing of expected future cashflows.

For this reason, we identified the determination of impairment on loans to corporate customers and private clients and the related provisions for commitments as a key audit matter.

The description of the accounting policies is included in the notes to the accounts in section, A. Principles and Methods, "Loans and advances". Regarding further disclosures, reference is made to the notes to the annual financial statements in sections B.3, B.20, C.4 as well as the explanations in the risk report and management report.

#### **How the matter was addressed in our audit**

During our audit we obtained an understanding of the processes implemented by the Bank over the credit cycle, with a focus on the identification and quantification of value adjustments.

Our audit procedures relating to the Bank's internal control system focused on key controls within the framework of the credit approval and credit monitoring process, as well as the identification of doubtful and irrecoverable debts and the determination of the necessary value adjustment requirements, which were tested for their design and implementation as well as their operating effectiveness.

In addition, we adopted a risk-based sampling approach to determine a sample of loans and commitments. To determine this sample, we focused on the exposure amount, internal credit rating and credits subject to a significant increase in credit risk or an observed default event. For this sample, we verified whether impairment events were recognised in a timely and appropriate manner.

For value adjustments determined by the Bank, we verified as to whether the estimates regarding the amount and timing of future cashflows from the borrower and the collateral were appropriate.



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### **Other information**

The Management Board is responsible for the other information. The other information comprises the information included in the management report but does not include the financial statements and our report of “réviseur d’entreprises agréé” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

The financial statements of the Bank for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on 25 April 2024.

### **Responsibilities of the Management Board and of those charged with governance for the financial statements**

The Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Management Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Board is responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank’s financial reporting process.

### **Responsibilities of the “réviseur d’entreprises agréé” for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N°537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Conclude on the appropriateness of Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.



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### **Report on other legal and regulatory requirements**

We have been appointed as “réviseur d’entreprises agréé” by the Extraordinary General Meeting of the Shareholders on 21 February 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is one year.

The management report is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Bank in conducting the audit.

Ernst & Young  
Société anonyme  
Cabinet de révision agréé

Alexander Kastendeuch

Luxembourg, 4 March 2025