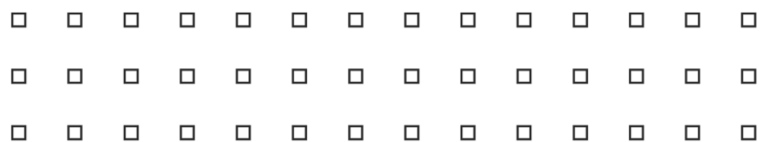


FINANCIAL STATEMENTS

December 2022





**Management
Report**

4Q22

São Paulo, January 31, 2023 - In compliance with its legal obligations, Banco PAN S.A. ("PAN", "Bank", "Banco PAN" or "Institution") and its subsidiaries are pleased to present the results for the quarter ended December 31, 2022, accompanied by the Independent Auditor's Report. The Bank's operating and financial information, unless otherwise indicated, is presented on a consolidated basis and in Reais, in accordance with Brazilian Corporate Law and with accounting practices adopted in Brazil.

MESSAGE TO THE STOCKHOLDERS,

By offering a complete credit and service portfolio, our mission is to simplify people's lives by through innovative, intelligent and personalized financial solutions. With our long and successful history in the credit market, we are present in the daily lives of our 23.7 million clients, investing in their user experience (UX) and improving our products while maintaining our operations **profitable and sustainable**.

Since 2020, when our current account was launched, we have boosted our distribution channels and product portfolio. When assessing the coming challenges in 2023, we are proud of the improvements that have been delivered to our clients over the past three years: **we remodeled our business and positioned PAN as a diversified and universal bank**, prepared to deliver a unique proposal to our clients, with the most complete credit offer among Brazilian neobanks through a single marketplace with exclusive tools and integrated credit solutions.

We implemented UX improvements focused on client satisfaction, resulting in better APP scores and a **greater engagement**. In 4Q22, **66% of clients were active**, an **increase of 4.7 million compared to 4Q21**. Over **12.6 million** clients have at least one credit product.

The acquisitions of Mosaico and Mobiauto boosted engagement and attracted higher net worth clients. Both contributed to the **growth of 58%** in service revenues compared to 4Q21. Moreover, we continue to advance in the offer of contextualized credit, supported by our specialists, comparator and price alert, to become the best purchasing advisor.

Mobiauto also continues to deliver good results, increasing the share of **1.4% in 4Q21 to 5.9% in 4Q22** of the total financed by PAN. The number of **advertised vehicles grew 36%** in the annual comparison and the **revenue this quarter was R\$ 14.7 million** compared to R\$ 8.0 million in 4Q21.

Our focus on UX, together with our multichannel platform, led us to a robust volume of collateralized origination. In this quarter: **we originated R\$ 9.3 billion**, a 35% YoY increase, strengthening our B2C distribution.

We closed 2022 and started 2023 with the same focus as always: **sustainable growth, anticipation of risks, investments in diversified products and strengthening of origination channels and constant improvement in the client's UX**.

BUSINESS LINES

Transactional Bank

We are continually investing in improving UX within our multiple channels, providing a complete experience for our clients, meeting their daily needs in an intelligent, personalized and contextualized manner. This promotes our strong levels of engagement.

At the end of 4Q22, our base totaled 23.7 million clients, an increase of 7% compared to the previous quarter, and up 39% compared to the same period of the previous year. Our activation was 66%, with a cross sell index of 2.1 products per active client.

We ended this quarter with over 7 million accounts with a PIX key and R\$ 22.7 billion in TPV, a 21% increase compared to 4Q21. In addition, we recorded 12.6 million clients with credit, an increase of 29% compared to 4Q21.

Payroll-Deductibles and FGTS

For the payroll-deductible line of credit, our focus has been on loans and credit card transactions to government employees, retirees and pensioners of the National Institute of Social Security (INSS). Our strategy is to be a significant federal agreement counterparty player, as with Auxílio Brasil, being ranked among the largest credit originators for INSS beneficiaries and pensioners.

The total payroll-deductible loan portfolio closed 4Q22 with a balance of R\$ 10,498 million, compared to R\$ 9,801 million in 3Q22. The payroll-deductible credit card portfolio ended this quarter at R\$ 4,476 million, which represents a 33% increase over the R\$ 3,365 million in 3Q22 and 106% compared to the R\$2,173 million in 4Q21. The FGTS loan facility ended the quarter with a balance of R\$2,944 million vs R\$2,419 million in 3Q22.

Vehicle Financing

As a leading vehicle financing platform in Brazil, we have leveraged our market share through digital channels, focusing on financing pre-owned vehicles (mostly 4 - 8 years old) and new motorcycles.

The acquisition of Mobiauto continues to be profitable, with an increase in revenue and in the number of vehicles advertised on the platform. The continuous improvement of our systems and services advances, ensuring the best experience for clients and retail vendors, reinforcing our engagement and expanding our ecosystem.

Now with Auto PAN (Car Equity) in our app, we verify the eligibility of our clients' vehicles in real time. In this way, we were able to expand the offer to our entire base, scaling our products with higher margins and a controlled credit risk.

The origination of vehicles and motorcycles was R\$ 2,713 million in the fourth quarter, 17% above the R\$ 2,407 million originated in 3Q22.

The vehicle financing portfolio ended the quarter with a balance of R\$ 16,741 million, an increase of 5% compared to R\$ 15,925 million in 3Q22 and of 12% against R\$ 14,885 million at the end of 4Q21.

Credit Cards

With the weaker macroeconomic scenario, we have sought a more conservative approach to issuing new credit cards, since 2021. Credit cards, however, are a very important product for our clients, not only to meet their credit needs but also their daily banking service requirements. Therefore, we maintain our internal developments and investments in this segment, delivering new products and features, ensuring the best experience for users.

Mosaico's channels integrate increasingly profitable clients with lower CAC into our base. Together with the newly launched ZOOM and Buscapé credit cards, we are able to provide ever more attractive benefits to our clients.

In 4Q22, we issued 137 thousand new cards, a fall of 21% compared to the 173 thousand in 3Q22. We closed the quarter with a portfolio of R\$3,611 million, down 4% from the R\$ 3,766 million in 3Q22 and in line with the R\$ 3,649 million in 4Q21.

Personal Loans

We offer a complete credit and service platform as personal loans are essential to engage and retain our clients. Being an important product to support clients in periods of cash flow restriction, they allow for investments to be made and daily needs met.

Since 3Q21, we have also taken a conservative stance for credit lines as the macroeconomic scenario deteriorated. In 4Q22, our portfolio reached a balance of R\$ 429 million, compared to R\$ 512 million in 3Q22 and R\$ 470 million in 4Q21.

Marketplace

We are continuously investing in the development of financial solutions through our marketplace platform via co-branded credit cards and the acceleration of *Buy Now Pay Later*.

We continue to increase the profitability of our business, with a take rate of 8.7% in 4Q22 versus 6.7% in 4Q21. In this quarter, we reached a GMV of R\$1,061 million, an increase of 45% compared to the last quarter.

Insurance

Following our diversification strategy, the insurance offer complements our portfolio, engaging our clients and boosting our cross sell. We will continue with developments to maintain the constant evolution of our model one-stop-shop platform and products which are fully available in the app.

At the end of 4Q22, we had 2.2 million insurance clients, 70% greater than in 4Q21. In the quarter, we originated R\$ 170 million in insurance premiums, 37% higher than the R\$ 124 million originated in 4Q21.

Investments

We offer our clients a low-risk CDB (PoupaPan) with daily liquidity. This product is available in the app and its yield is better than that of a savings account, a product widely used by our clients in other financial institutions, currently concentrated in the largest banks in Brazil.

However, our strategy of increasing engagement directs will soon lead us to offering new investment products and benefits, especially considering the flow of higher-income clients from Mosaico.

CREDIT

CREDIT ORIGINATION

We are constantly investing in simpler and smarter solutions for our clients, in a personalized and contextualized way. This, added to our efficiency in boosting the B2C channels, led to our record in the volume of collateralized credit origination this quarter.

During 4Q22, we originated R\$ 9,284 million in new credits, compared to R\$ 7,670 million in 3Q22 and R\$ 6,900 million in 4Q21.

CREDIT PORTFOLIO

Our credit portfolio closed the quarter with a balance of R\$ 39,036 million, 8% above the R\$ 36,161 million in 3Q22 and 12% above the R\$ 34,896 million in 4Q21.

At the end of 4Q22, 12.6 million clients already had at least one credit product, an annual increase of 29%. Thus, we observe a strong engagement of our clients: 66% of our total client base is active. This reflects not only our successive B2C approach, but also the effectiveness of our multiple platforms.

CREDIT QUALITY

In recent years, we have expanded our portfolio with different products and services, with higher margins and engagement levels. We have maintained a high level of collateralized portfolio, representing 90% of the total in 4Q22.

Our ability to foresee the weaker macroeconomic scenario allowed us to keep our risk levels under control. In 4Q22, the credits past due over 90 days were 7.1%, compared to 6.8% in 3Q22. Whereas, 8.3% of loans were past due between 15 and 90 days versus 8.4% in 3Q22.

ASSIGNMENT OF CREDIT PORTFOLIO

In addition to holding credits in the portfolio, our strategy is to assign credits without co-obligation to third parties as a tool of capital and liquidity management. In 4Q22, we performed assignment of R\$ 2,876 million, compared with R\$ 3,863 million in 3Q22 and R\$ 2,457 million in 4Q21.

FUNDING

The balance of funds raised totaled R\$ 36.7 billion at the end of 4Q22, comprised as follows: (i) R\$ 19.0 billion in time deposits, equivalent to 52% of the total; (ii) R\$ 10.5 billion related to issuance of financial bills, or 29% of the total; (iii) R\$ 5.5 billion in interbank deposits, or 15% of the total; and (iv) other sources of financing - R\$ 1.6 billion, equivalent to 4% of the total funding.

INCOME

Management Net Financial Margin - NIM

In 4Q22, we maintained consistent deliveries, with a financial margin of R\$ 1,856 million, a 6% increase compared to R\$ 1,748 million in 4Q21.

For earning assets, NIM stood at 16.9% in 4Q22 and 17.9% in 3Q22, while NIM without assignment was 15.2% in 4Q22 versus 13.5% in 3Q22. These levels remained high and are related to robust spreads on credit operations.

Consistent with our conservative strategy in issuing new credit cards and personal loans, our net credit cost margin remains strong.

Allowances for Losses and Recovery of Credits

The net allowance for losses charge totaled R\$ 558 million, against R\$ 488 million in 3Q22 and R\$ 408 million in 4Q21. As a percentage of the portfolio, these annualized net recovery expenses rose from 5.4% in 3Q22 to 5.9% in 4Q22.

Costs and Expenses

Administrative and personnel expenses totaled R\$ 580 million in 4Q22, compared to R\$ 613 million in 3Q22 and R\$ 563 million in 4Q21, reflecting our focus on growth with efficiency.

Origination expenses totaled R\$ 635 million at the end of the quarter, compared to R\$ 491 million in 3Q22 and R\$ 435 million in 4Q21, accompanying the strong credit origination volumes and clients acquisition.

Statement of Income

In 4Q22, EBIT was R\$ 208 million, compared to R\$ 204 million in 3Q22 and R\$ 276 million in 4Q21.

Adjusted net profit for the quarter was R\$ 191 million, in line with the R\$ 193 million in 3Q22 and above the R\$ 190 million in 4Q21.

Despite a higher credit provision in recent quarters, we maintained our net profit levels mainly due to (i) increase in service revenues, (ii) control of total expenses and (iii) maintenance of a robust financial margin.

CAPITAL, RATINGS & MARKET

EQUITY

PAN's Consolidated Equity totaled R\$ 7,706 million in 4Q22 compared to R\$ 7,792 million in 3Q22 and R\$ 5,799 million in 4Q21. This decrease in the last quarter was mainly due to our share buyback program, resulting in an impact of R\$146 million on equity.

BASEL INDEX - MANAGERIAL

Following the consolidation of Banco PAN in the prudential consolidated of BTG Pactual, the individual Basel ratio is no longer required to be disclosed. However, we continue to release a managerial index to monitor Banco PAN's capitalization.

The Managerial Conglomerate Basel Index (pro forma) at the end of 4Q22 was 15.6%, in comparison with 16.4% at the end of 3Q22 and 15.4% in 4Q21, all fully comprised of Principal Capital.

INDEPENDENT AUDITORS

PricewaterhouseCoopers Auditores Independentes Ltda. ("PwC") has been our auditor since the first quarter of 2011. Pursuant to CVM Instruction 381, PAN engaged PwC in 2022 to provide the following non-audit services: (i) cybersecurity consultancy for a fee of R\$ 4,403 thousand; and (ii) issuance of a report on internal controls related to credit assignment operations for fees of R\$ 223 thousand, in aggregate exceeded 5% of the total audit services fees. The policy adopted complies with principles that preserve the auditor's independence, consistent with internationally accepted standards, according to which the auditor should not audit his/her own work, exercise management functions for his/her client or promote his/her client's interests.

ACKNOWLEDGEMENTS

The Bank wishes to thank its employees for their efforts and engagement in the execution of its business strategy and also its clients, investors, and partners, who honor the Bank with their continued support and trust.

São Paulo, January 31, 2023

BANCO PAN S.A. AND SUBSIDIARIES
BALANCE SHEET
AS AT DECEMBER 31, 2022 AND 2021
 (All amounts in thousands of reais - R\$)

Assets	Note	Bank		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash and cash equivalents	5	677	2.272	6.943	3.943
Financial instruments		49.339.823	42.471.375	49.558.485	42.699.462
Interbank investments	6.a	277.251	7.176	279.448	11.735
Investments in the open market		-	1.202	1.508	5.710
Investments in interbank deposits		277.251	5.974	277.251	5.974
Investments in savings deposits		-	-	689	51
Marketable securities	7.a	8.934.671	6.085.177	9.149.836	6.306.937
Own portfolio		2.885.495	4.647.050	3.098.576	4.865.283
Subject to guarantees		100.865	222.803	102.949	226.330
Subject to repurchase agreements		5.948.311	1.215.324	5.948.311	1.215.324
Interbank accounts		3.027.522	2.828.435	3.027.522	2.828.435
Credits - Deposits at the BACEN		3.022.679	2.825.583	3.022.679	2.825.583
Local correspondents		4.843	2.852	4.843	2.852
Loan operations	8.a	36.475.491	32.337.283	36.475.491	32.337.283
Loan operations		36.528.886	31.811.074	36.528.886	31.811.074
Securities and credits receivable	8.a	2.250.263	2.520.853	2.250.365	2.520.955
(Provision for expected losses associated with credit risk)	8.c	(2.303.658)	(1.994.644)	(2.303.760)	(1.994.746)
Other financial assets	9	624.888	1.213.304	626.188	1.215.072
Tax assets		3.800.451	4.065.420	3.981.720	4.170.920
Current		631.068	598.842	682.984	634.756
Deferred	33.b	3.169.383	3.466.578	3.298.736	3.536.164
Other receivables	10	656.529	445.713	769.536	465.805
Other assets		373.658	316.258	380.502	323.761
Other assets	11.a	237.755	208.434	243.918	215.361
(Provision for losses)	11.a	(40.725)	(51.175)	(41.259)	(52.077)
Prepaid expenses	11.b	176.628	158.999	177.843	160.477
Investments		2.724.732	954.959	33.118	20.941
Investments in subsidiaries	12.a	2.707.779	950.015	16.165	15.997
Other investments	12.b	16.953	4.944	16.953	4.944
Property and equipment	13.a	130.245	101.395	136.728	102.223
Other property and equipment in use		204.121	133.191	215.188	134.469
(Accumulated depreciation)		(73.876)	(31.796)	(78.460)	(32.246)
Intangible assets	14.a	104.375	76.017	1.267.157	116.507
Intangible assets		369.016	485.881	1.639.922	546.925
(Accumulated amortization)		(264.641)	(409.864)	(372.765)	(430.418)
Total Assets		57.130.490	48.433.409	56.134.189	47.903.562

BANCO PAN S.A. AND SUBSIDIARIES
BALANCE SHEET
AS AT DECEMBER 31, 2022 AND 2021

(All amounts in thousands of reais - R\$)

Liabilities and equity	Note	Bank		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Financial instruments		46.064.135	39.064.789	44.895.054	38.419.034
Deposits	15.a	26.106.522	24.680.740	24.937.363	24.034.791
Demand deposits		448.432	328.188	448.409	328.165
Interbank deposits		5.732.358	3.676.689	5.482.464	3.446.520
Time deposits		19.925.732	20.675.863	19.006.490	20.260.106
Funds obtained in the open market	15.b	5.884.794	1.186.562	5.884.794	1.186.562
Own portfolio		5.884.794	1.186.562	5.884.794	1.186.562
Funds from acceptances and issuance of securities	15.c	10.618.218	9.380.408	10.618.218	9.380.408
Funds from financial and real estate bills		10.618.218	9.380.408	10.618.218	9.380.408
Interbank accounts	16	2.270.533	2.462.545	2.270.533	2.462.545
Receipts from payments pending settlement		2.138.323	2.383.754	2.138.323	2.383.754
Local correspondents		132.210	78.791	132.210	78.791
Borrowings	17.a	779.785	822.344	779.863	822.538
Derivative financial instruments	7.c	88.353	39.488	88.353	39.488
Derivative financial instruments		88.353	39.488	88.353	39.488
Other financial liabilities	18.a	315.930	492.702	315.930	492.702
Provisions	19	296.073	366.841	344.282	419.363
Tax obligations		290.260	544.149	337.823	561.761
Current	20	221.099	442.325	249.294	451.271
Deferred	33.e	69.161	101.824	88.529	110.490
Other liabilities		2.773.976	2.658.997	2.849.116	2.704.552
Social and statutory		425.186	371.541	435.207	371.683
Sundry	21	2.348.790	2.287.456	2.413.909	2.332.869
Equity attributable to controlling stockholders	22	7.706.046	5.798.633	7.706.046	5.798.633
Share capital:		5.928.320	4.175.222	5.928.320	4.175.222
Domiciled in Brazil		5.495.435	3.699.805	5.495.435	3.699.805
Domiciled abroad		432.885	475.417	432.885	475.417
Capital reserve		207.322	207.322	207.322	207.322
Revenue reserve		1.822.631	1.436.523	1.822.631	1.436.523
Other comprehensive income		(17.372)	(20.434)	(17.372)	(20.434)
(Treasury shares)		(234.855)	-	(234.855)	-
Non-controlling interests		-	-	1.868	219
Total equity		7.706.046	5.798.633	7.707.914	5.798.852
Total Liabilities and Equity		57.130.490	48.433.409	56.134.189	47.903.562

The accompanying notes are an integral part of these financial statements.

BANCO PAN S.A. AND SUBSIDIARIES
STATEMENT OF INCOME
FOR THE SECOND HALF OF 2022 AND YEARS ENDED DECEMBER 31, 2022 AND 2021

(All amounts in thousands of reais - R\$, except earnings per share)

	Note	Bank			Consolidated	
		2 nd half of 2022	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Income from financial intermediation		7.359.750	14.220.551	10.476.162	14.230.702	10.488.930
Income from loan operations	8.g	6.895.615	12.762.237	9.327.736	12.765.883	9.337.934
Result from leasing operations	8.g	-	-	-	12	65
Result from operations with marketable securities	7.e	260.300	844.711	415.327	851.204	417.832
Result from derivative financial instruments	7.d	485	240.543	665.122	240.543	665.122
Result from foreign exchange operations		498	1.201	1.862	1.201	1.862
Result from compulsory investments		202.852	371.859	66.115	371.859	66.115
Expenses on financial intermediation		(3.741.540)	(7.274.846)	(3.923.917)	(7.155.112)	(3.896.299)
Result from market funding operations	15.d	(2.518.971)	(4.930.496)	(2.170.925)	(4.810.762)	(2.143.205)
Borrowing and onlending operations		(24.890)	13.206	35.671	13.206	35.671
Allowance for expected losses associated with credit risk	8.c	(1.197.679)	(2.357.556)	(1.788.663)	(2.357.556)	(1.788.765)
Gross result from financial intermediation		3.618.210	6.945.705	6.552.245	7.075.590	6.592.631
Other operating income (expenses)		(3.238.539)	(6.137.720)	(5.437.914)	(6.225.474)	(5.511.589)
Income from services rendered	23	418.492	763.275	741.682	1.039.571	743.409
Equity in the results of subsidiaries and associates	12.a	72.642	102.721	44.824	168	-
Personnel expenses	24	(432.677)	(843.510)	(783.813)	(902.205)	(785.367)
Other administrative expenses	25	(1.980.542)	(3.732.044)	(3.796.146)	(3.852.768)	(3.825.823)
Tax expenses	26	(228.844)	(408.594)	(380.773)	(451.263)	(384.765)
Expenses with provisions	27	(106.800)	(221.582)	(181.197)	(219.505)	(181.171)
Other operating income (expenses)	28	(980.810)	(1.797.986)	(1.082.491)	(1.839.472)	(1.077.872)
Operating result		379.671	807.985	1.114.331	850.116	1.081.042
Non-operating results	29	7.460	19.608	28.868	18.826	28.677
Profit before taxation		387.131	827.593	1.143.199	868.942	1.109.719
Taxes on income	33.a	(45.536)	(121.485)	(368.623)	(161.185)	(335.143)
Income tax		81.715	99.291	(244.946)	88.293	(172.521)
Social contribution		62.358	76.418	(199.874)	71.046	(201.710)
Deferred tax asset		(189.609)	(297.194)	76.197	(320.524)	39.088
Non-controlling interests		-	-	-	(1.649)	-
Net profit		341.595	706.108	774.576	706.108	774.576
Attributable to:						
Controlling stockholders		341.595	706.108	774.576	706.108	774.576
Non-controlling stockholders		-	-	-	1.649	-
Basic and diluted earnings per share - weighted average number of outstanding shares attributable to stockholders - R\$						
Earnings per common share		0,27	0,56	0,64		
Earnings per preferred share		0,27	0,56	0,64		

The accompanying notes are an integral part of these financial statements.

BANCO PAN S.A. AND SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND HALF OF 2022 AND YEARS ENDED DECEMBER 31, 2022 AND 2021

(All amounts in thousands of reais - R\$)

	Bank			Consolidated	
	2 nd half of 2022	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net profit	341.595	706.108	774.576	706.108	774.576
Items that will be reclassified to profit or loss					
Other comprehensive income	1.180	3.062	3.297	3.062	3.297
Unrealized gains/(losses) on available-for-sale financial assets	26	67	661	67	661
Unrealized gains/(losses) on other comprehensive income	1,766	4,583	4,445	4,583	4,445
Tax effect	(612)	(1,588)	(1,809)	(1,588)	(1,809)
Comprehensive income for the period	342.775	709.170	777.873	709.170	777.873
Attributable to:					
Controlling stockholders	342.775	709.170	777.873	709.170	777.873
Non-controlling stockholders	-	-	-	1.649	-

The accompanying notes are an integral part of these financial statements.

BANCO PAN S.A.
STATEMENT OF CHANGES IN PARENT COMPANY EQUITY
FOR THE SECOND HALF OF 2022 AND YEARS ENDED DECEMBER 31, 2022 AND 2021
 (All amounts in thousands of reais - R\$)

	Share capital	Capital increase	Capital reserve	Revenue reserves		Other comprehensive income	Treasury shares	Retained earnings	Controlling interest	Non-controlling interests	Total
				Legal	Equity preservation						
At December 31, 2020	4.175.222	-	207.322	78.566	880.089	(23.731)	-	-	5.317.468	-	5.317.468
Capital increase	-	1.753.098	-	-	-	-	-	-	1.753.098	-	1.753.098
Unpaid capital	-	(1.753.098)	-	-	-	-	-	-	(1.753.098)	-	(1.753.098)
Other comprehensive income	-	-	-	-	-	3.297	-	-	3.297	-	3.297
Net profit	-	-	-	-	-	-	-	774.576	774.576	-	774.576
Appropriations:											
Legal reserve	-	-	-	38.729	-	-	-	(38.729)	-	-	-
Transfer from retained earnings to revenue reserve	-	-	-	-	439.139	-	-	(439.139)	-	-	-
Interest on capital deliberated and proposed (Note 22.d)	-	-	-	-	-	-	-	(296.708)	(296.708)	-	(296.708)
Acquisition of investment - non-controlling interest (Note 1.a)	-	-	-	-	-	-	-	-	-	219	219
At December 31, 2021	4.175.222	-	207.322	117.295	1.319.228	(20.434)	-	-	5.798.633	219	5.798.852
At December 31, 2021	4.175.222	-	207.322	117.295	1.319.228	(20.434)	-	-	5.798.633	219	5.798.852
Capital increase (Note 22.b)	1.753.098	-	-	-	-	-	-	-	1.753.098	-	1.753.098
Acquisition of treasury shares (Note 22.f)	-	-	-	-	-	-	(234.855)	-	(234.855)	-	(234.855)
Other comprehensive income	-	-	-	-	-	3.062	-	-	3.062	-	3.062
Net profit	-	-	-	-	-	-	-	706.108	706.108	1.649	707.757
Appropriations:											
Legal reserve	-	-	-	35.305	-	-	-	(35.305)	-	-	-
Transfer from retained earnings to revenue reserve	-	-	-	-	350.803	-	-	(350.803)	-	-	-
Interest on capital deliberated and proposed (Note 22.d)	-	-	-	-	-	-	-	(320.000)	(320.000)	-	(320.000)
At December 31, 2022	5.928.320	-	207.322	152.600	1.670.031	(17.372)	(234.855)	-	7.706.046	1.868	7.707.914
At June 30, 2022	5.928.320	-	207.322	117.295	1.319.228	(18.552)	(56.725)	221.924	7.718.812	182	7.718.994
Capital increase (Note 22.b)	-	-	-	-	-	-	-	-	-	-	-
Unpaid capital (Note 22.a)	-	-	-	-	-	-	-	-	-	-	-
Acquisition of treasury shares (Note 22.f)	-	-	-	-	-	-	(178.130)	-	(178.130)	-	(178.130)
Other comprehensive income	-	-	-	-	-	1.180	-	-	1.180	-	1.180
Net profit	-	-	-	-	-	-	-	341.595	341.595	1.686	343.281
Appropriations:											
Legal reserve	-	-	-	35.305	-	-	-	(35.305)	-	-	-
Transfer from retained earnings to revenue reserve	-	-	-	-	350.803	-	-	(350.803)	-	-	-
Interest on capital deliberated and proposed (Note 22.d)	-	-	-	-	-	-	-	(177.411)	(177.411)	-	(177.411)
At December 31, 2022	5.928.320	-	207.322	152.600	1.670.031	(17.372)	(234.855)	-	7.706.046	1.868	7.707.914

The accompanying notes are an integral part of these financial statements.

BANCO PAN S.A. AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE SECOND HALF OF 2022 AND YEARS ENDED DECEMBER 31, 2022 AND 2021
 (All amounts in thousands of reais - R\$)

(A free translation of the original in Portuguese)

Note	Bank			Consolidated	
	2 nd half of 2022	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash flows from operating activities:					
Net profit	341.595	706.108	774.576	706.108	774.576
Adjustments for non-cash items:					
Effect of foreign exchange rate changes on cash and cash equivalents	(505)	(1.217)	(1.898)	(1.217)	(1.898)
Depreciation and amortization	25 62.420	121.620	77.615	127.851	77.648
Amortization of goodwill	28 59.895	100.810	23.930	105.378	25.053
Constitution of provisions for civil, labor and tax contingencies	19 106.800	221.582	181.197	219.505	181.171
Reversal/(impairment) of other assets	29 1.130	(3.910)	1.093	(2.951)	1.315
Result on the sale of other assets	29 2.291	(4.817)	(29.961)	(5.016)	(29.938)
Foreign exchange gains (losses) on borrowings	(3.045)	(54.420)	(20.978)	(54.420)	(20.940)
Gain sale of investments	(10.881)	(10.881)	-	(10.881)	-
Equity in the results of subsidiaries and associates	12.a (72.642)	(102.721)	(44.824)	(168)	-
Impairment loss	446	446	-	756	-
Provisions for expected losses associated with credit risk	8.c 1.197.679	2.357.556	1.788.663	2.357.556	1.788.765
Deferred income tax and social contribution	189.609	297.194	(76.197)	320.524	(39.088)
Adjusted profit	1.874.792	3.627.350	2.673.216	3.763.025	2.756.664
Changes in assets and liabilities:					
(Increase) in interbank investments	(186.392)	(269.308)	(5.974)	(266.308)	(10.484)
Decrease (increase) in marketable securities	24.583	(549.172)	(349.202)	(537.993)	(342.477)
Decrease (increase) in interbank accounts	122.323	(391.099)	(1.848.664)	(391.099)	(1.848.664)
(Increase) in loan operations	(4.357.400)	(6.502.512)	(6.941.689)	(6.502.512)	(6.941.752)
(Increase) decrease in other financial assets	(13.750)	594.341	934.341	594.809	936.687
Decrease in tax assets	(361.021)	(32.255)	(69.046)	(132.912)	(38.080)
(Increase) decrease in other receivables	(190.743)	(200.472)	(105.682)	244.950	(101.366)
(Increase) in other assets	(138.199)	(323.055)	(83.368)	(323.156)	(82.311)
Increase in deposits	74.282	1.425.782	2.499.395	902.572	2.468.388
Increase (decrease) in funds obtained in the open market	2.831.125	4.698.232	(127.593)	4.698.232	(120.480)
(Decrease) increase in funds from acceptance and issuance of securities	809.681	1.443.123	786.244	1.443.123	786.244
Increase (decrease) in borrowings	8.352	11.861	(17.183)	11.745	(17.027)
(Decrease) increase in derivatives	(4.972)	48.865	39.488	48.865	39.488
(Decrease) increase in other financial liabilities	(86.587)	(176.772)	380.263	(176.772)	380.263
(Decrease) in provisions	(153.269)	(292.350)	(252.700)	(294.586)	(275.430)
Increase (decrease) in tax obligations	313.677	(89.826)	511.602	(46.786)	438.020
Increase in other liabilities	78.755	91.687	295.365	121.272	291.279
Income tax and social contribution paid	(164.063)	(164.063)	(407.439)	(177.152)	(413.027)
Net cash provided by (used in) operating activities	481.174	2.950.357	(2.088.626)	2.979.317	(2.094.065)
Cash flows from investing activities:					
(Increase) in available-for-sale marketable securities	-	-	(225.130)	-	(225.130)
Decrease in available-for-sale marketable securities	204.635	364.240	478.989	364.240	478.989
(Increase) in marketable securities held to maturity	(800.979)	(4.614.862)	(3.876.184)	(4.614.862)	(3.876.184)
Decrease in marketable securities held to maturity	1.739.417	1.950.367	608.524	1.950.367	608.524
Proceeds on disposal of assets not for own use	176.784	274.382	154.286	274.382	154.286
(Acquisition) of investments	(1.128)	(1.128)	(3.029)	(1.128)	(3.029)
Decrease in investments	-	-	2.082	-	2.082
(Purchase) of property and equipment	13.b (904)	(75.316)	(99.509)	(78.127)	(100.337)
(Increase) in intangible assets	14.b (69.796)	(117.346)	(61.862)	(135.774)	(61.862)
Dividends received	4.137	4.137	3.517	-	176
Assignment of rights	-	-	-	-	9.113
Net cash provided by (used in) investing activities	1.252.164	(2.215.526)	(3.018.316)	(2.240.902)	(3.013.372)
Cash flows from financing activities:					
Funds from acceptance and issuance of securities	890.101	2.833.312	8.175.739	2.833.312	8.175.739
Redemption of funds from acceptance and issuance of securities	(2.456.331)	(3.038.625)	(4.927.624)	(3.038.625)	(4.927.624)
Obligations for borrowings	-	-	860.505	-	860.505
Interest on capital paid	-	(296.708)	(254.896)	(296.708)	(254.896)
Non-controlling interests	-	-	-	1.649	219
Acquisition of treasury shares	(178.130)	(234.855)	-	(234.855)	-
Net cash provided by (used in) financing activities	(1.744.360)	(736.876)	3.853.724	(735.227)	3.853.943
Increase (decrease) in cash and cash equivalents	(11.021)	(2.045)	(1.253.218)	3.188	(1.253.494)
Cash and cash equivalents at the beginning of the six-month period/year	5 13.162	3.474	1.254.794	5.196	1.256.792
Effect of foreign exchange rate changes on cash and cash equivalents	505	1.217	1.898	1.217	1.898
Cash and cash equivalents at the end of the six-month period/year	5 2.646	2.646	3.474	9.601	5.196
Supplemental cash flow information					
Interest paid	(2.470.526)	(3.974.780)	(2.155.208)	(3.926.134)	(2.155.208)
Interest received	6.885.879	12.605.077	8.974.175	12.616.677	8.985.144
Transfer of assets not for own use	(1.136)	3.330	(8.639)	3.330	(8.639)
Unrealized gains (losses) on financial assets	1.792	4.650	5.106	4.650	5.106

The accompanying notes are an integral part of these financial statements.

BANCO PAN S.A. AND SUBSIDIARIES
STATEMENT OF VALUE ADDED
FOR THE SECOND HALF OF 2022 AND YEARS ENDED DECEMBER 31, 2022 AND 2021

(All amounts in thousands of reais - R\$)

	Note	Bank		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Revenue		10.727.119	8.218.291	10.977.944	8.238.261
Financial intermediation		14.220.551	10.476.162	14.230.702	10.488.930
Services rendered	23	763.275	741.682	1.039.571	743.409
Provisions for expected losses associated with credit risk	8.c	(2.357.556)	(1.788.663)	(2.357.556)	(1.788.765)
Other income (expenses)		(1.899.151)	(1.210.890)	(1.934.773)	(1.205.313)
Expenses on financial intermediation		(4.917.290)	(2.135.254)	(4.797.556)	(2.107.534)
Inputs acquired from third parties		(3.581.429)	(3.692.114)	(3.680.065)	(3.721.744)
Materials, energy, and other	25	(2.819)	(4.168)	(3.110)	(4.170)
Third-party services	25	(724.944)	(662.988)	(735.952)	(683.821)
Commissions payable to correspondent banks	25	(1.617.254)	(1.815.158)	(1.605.610)	(1.815.158)
Other		(1.236.412)	(1.209.800)	(1.335.393)	(1.218.595)
Data processing	25	(510.896)	(455.965)	(521.216)	(456.587)
Financial system services	25	(311.677)	(307.817)	(312.661)	(308.645)
Advertising, promotions, and publicity	25	(264.961)	(283.574)	(346.418)	(283.940)
Communication	25	(74.231)	(110.152)	(75.319)	(110.225)
Asset search and seizure expenses	25	(28.017)	(12.320)	(28.018)	(12.333)
Maintenance and conservation of property	25	(8.531)	(13.791)	(9.499)	(13.793)
Transportation	25	(5.751)	(5.487)	(5.975)	(5.487)
Fees and emoluments	25	(3.272)	(3.094)	(3.500)	(3.866)
Travel	25	(5.284)	(1.618)	(6.879)	(1.618)
Other	25	(23.792)	(15.982)	(25.908)	(22.101)
Gross value added		2.228.400	2.390.923	2.500.323	2.408.983
Depreciation and amortization		(222.430)	(101.545)	(233.229)	(102.701)
Net value added generated		2.005.970	2.289.378	2.267.094	2.306.282
Value added received in transfer	12.a	102.721	44.824	168	-
Equity in the results of subsidiaries and associates		102.721	44.824	168	-
Total value added to be distributed		2.108.691	2.334.202	2.267.262	2.306.282
Distribution of value added		2.108.691	2.334.202	2.267.262	2.306.282
Personnel		733.348	682.017	781.971	683.468
Direct remuneration	24	576.361	533.650	614.663	534.671
Benefits	24	112.299	103.619	120.494	103.810
FGTS		35.473	34.212	35.688	34.450
Other	24	9.215	10.536	11.126	10.537
Taxes, fees, and contributions		640.240	851.192	732.682	821.807
Federal		610.746	820.534	693.427	790.351
State		255	23	394	23
Municipal		29.239	30.635	38.861	31.433
Remuneration of third-party capital	25	28.995	26.417	44.852	26.431
Rentals		28.995	26.417	44.852	26.431
Remuneration of own capital		706.108	774.576	707.757	774.576
Interest on capital	22.d	320.000	296.708	320.000	296.708
Profits reinvested attributable to controlling stockholders		386.108	477.868	386.108	477.868
Loss attributable to non-controlling interests		-	-	1.649	-

The accompanying notes are an integral part of these financial statements.

1) Operations

Banco PAN S.A. ("Bank", "PAN", "Parent company" or "Institution"), is a publicly traded corporation authorized to operate as a multiple bank. The Bank operates mostly with retail products through a comprehensive credit platform and through financial services. It operates, directly or indirectly, through its subsidiaries in the markets for payroll-deductible credit (loan and credit card), vehicle financing (pre-owned cars and new motorcycles), credit card, personal credit, personal loans guaranteed by amounts due from the Government Severance Indemnity Fund for Employees (FGTS), emergency advances (overdraft facility), as well as insurance, marketplace and acquisitions. Among its services, complementing its current account, the Bank offers simultaneously salary transfers to other accounts and prepaid cell phones top-ups. The Bank has a portfolio of "run-off" financing that includes corporate credit, construction financing for developers and construction firms; real estate financing; acquisition of real estate receivables, and vehicle and other asset leasing operations. It also manages vehicle and property consortium groups. Services rendered among Banco PAN and its subsidiaries and the costs of operational and administrative structures are shared, jointly or individually.

As an alternative strategy to raising funds in the market and as an integral part of the business plan, the Bank also executes credit assignments (mostly with a substantial transfer of risks and benefits) of its portfolio to other financial institutions. When loans with a substantial transfer of risks and benefits are assigned, the results are immediately recognized in the statement of income and the related risk is mitigated ensuring that capital is adequately preserved (Note 3.d.v). These results are recorded in the financial statements under "Income from financial intermediation".

Banco PAN is controlled by Banco BTG Pactual S.A. ("BTG Pactual"), which holds 73.95% of its capital*.

At 12/31/2022, Banco PAN's capital was distributed as follows:

Stockholders	Shareholding structure (thousands of shares)					
	Common	%	Preferred	%	Total	%
Banco BTG Pactual S.A.	657,561	100.00	283,991	46.13	941,552	73.95
Market (free float)	-	-	331,628	53.87	331,628	26.05
Subtotal	657,561	100.00	615,619	100.00	1,273,180	100.00
Treasury shares	-	-	33,153	-	33,153	-
Total issued	657,561	-	648,772	-	1,306,333	-

* Direct and indirect interest through Banco Sistema S.A., a subsidiary of Banco BTG Pactual S.A.

a) Corporate events

- **Consolidation of Banco PAN's control by Banco BTG Pactual S.A.**

On April 5, 2021, Caixa Participações S.A. ("CaixaPar"), a wholly owned subsidiary of Caixa Econômica Federal ("CAIXA"), and Banco Sistema S.A. ("Banco Sistema"), a wholly-owned subsidiary of Banco BTG Pactual S.A. ("BTG Pactual"), entered into a Share Purchase and Sale Agreement and Other Covenants for the acquisition of all registered common shares with no par value issued by the Company and held by CaixaPar ("Agreement"), representing 49.2% of the voting capital and 26.8% of the Company's total capital, fully subscribed and paid-in, for R\$ 11.42 for each of the Shares Subject to the Transaction ("Transaction").

On May 19, 2021, following satisfactory completion of all conditions precedent, including approvals from the Brazilian Central Bank ("BCB" or "BACEN") and the Brazilian antitrust agency, the acquisition of Banco PAN by Banco Sistema was concluded, terminating the stockholders' agreement of Banco PAN entered into by and between BTG Pactual and CaixaPar on January 31, 2011.

- **Acquisition of interest in Mobiauto Edição de Anúncios Online Ltda.**

On September 13, 2021, Banco PAN signed a contract for the acquisition of 80% of the quotas of Mobiauto Edição de Anúncios Online Ltda., a leading independent digital platform for the marketing of vehicles in Brazil. BACEN approved the acquisition on 12/10/2021, and the procedures to formalize the acquisition were completed on 1/12/2022.

- **Merger of the shares of Mosaico Tecnologia ao Consumidor S.A.**

On October 3, 2021, Banco PAN S.A. (B3: BPAN4) signed an Agreement for Association and Other Covenants ("Agreement for Association") for the merger of all shares issued by Mosaico Tecnologia ao Consumidor S.A. ("Mosaico") (B3: MOSI3), a digital company operating under the Zoom, Buscapé and Bondfaro brands, which owns the largest platform of content and sales origination for e-commerce in Brazil ("Mosaico Operation").

On 3/11/2022, the Board of Directors of Banco PAN confirmed the fulfillment of the suspensive conditions related to the Mosaico Operation, as per the Protocol and Justification for the Merger of Shares signed between the Bank and Mosaico on 10/26/2021, consistent with the Bank's 12/1/2021 Extraordinary General Meeting determining the merger of shares as being valid and effective for all intents and purposes.

2) Presentation of the financial statements

The consolidated financial statements of Banco PAN comprise the financial statements of the Bank and its subsidiaries.

The financial statements were prepared in accordance with the accounting practices adopted in Brazil applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN), pursuant to Resolution 4,818/20 of the National Monetary Council (CMN) and BCB Resolution 2/20, including the guidelines from Laws 4,595/64 (National Financial System Law) and Law 6,404/76 (Brazilian Corporate Law), with the respective amendments introduced by Laws 11,638/07 and 11,941/09.

The consolidated financial statements prepared based on the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) for the year ended 12/31/2022 will be presented, within the prescribed dates, on <https://ri.bancopan.com.br>.

a) Consolidation:

The financial statements of Banco PAN were authorized for issue by the Board of Directors on 1/31/2023.

b) The subsidiaries included in the consolidation and the corresponding equity interest of the parent company are as follows:

Stockholders	Total equity interest %	
	12/31/2022	12/31/2021
Direct subsidiaries:		
Pan Arrendamento Mercantil S.A.	100.00	100.00
Brazilian Finance & Real Estate S.A.	100.00	100.00
Brazilian Securities Companhia de Securitização	100.00	100.00
Pan Administradora de Consórcio Ltda.	100.00	100.00
BM Sua Casa Promotora de Vendas Ltda.	100.00	100.00
Mosaico Tecnologia ao Consumidor S.A.	100.00	-
Indirect subsidiaries:		
Mobiauto Edição de Anúncios Online Ltda (1)	80.00	80.00
G.W.H.C. Serviços Online Ltda. (2)	100.00	-

(1) Company controlled by Brazilian Finance & Real Estate S.A. (Note 1.a - Corporate events); and

(2) Company controlled by Mosaico Tecnologia ao Consumidor S.A.

c) New standards issued by BACEN not yet effective:

In compliance with CMN Resolution 4,966/21, which provides for the concepts and accounting criteria applicable to financial instruments and which will come into force on 01/01/2025, the Bank developed a plan for implementing the respective standard aligning with the regulation, definition of the project team, diagnosis of the impacted financial instruments, choice of the work methodology, definition of the journey, setting up of the schedule, presentation to and approval by the Executive Board, and submission for approval to the Board of Directors.

In view of the changes in concepts, criteria and methods, entailing structural adjustments in processes, systems and technological environment, which encompasses specific rules and procedures to meet the requirements of the standard, the implementation plan may undergo changes from the publication of new standards, supplier deadlines, and discussions resulting from understandings.

Banco PAN is in constant and close contact with its technology service providers to contribute to and monitor the progress of the development of the functionalities necessary to meet the new requirements.

CMN Resolution 4,975/21 - Provides for the accounting criteria applicable to lease operations carried out by financial institutions and other institutions authorized to operate by BACEN. These institutions must comply with the Technical Pronouncement of the Accounting Pronouncements Committee (CPC 06 - R2) - Leases in the recognition, measurement, presentation and disclosure of lease operations, according to specific regulation. This Resolution will be effective on 01/01/2025.

3) Significant Accounting Practices

The significant accounting policies applied in the preparation of the financial statements are presented below:

a) Functional and presentation currency:

The financial statements are presented in Brazilian Real/Reais (R\$), which is the Bank's functional currency.

b) Determination of the results of operations:

Income and expenses are recorded on the accrual basis of accounting, which establishes that income and expenses should be included in the results for the periods in which they occur, always simultaneously when they are correlated, irrespective of receipt or payment, and pro rata. Financial income and expenses are calculated based on the exponential method, except for foreign transactions or discounted notes, which are calculated on the straight-line method. Transactions with floating rates or indexed to foreign currencies are adjusted up to the balance sheet date at agreed-upon rates.

c) Cash and cash equivalents:

Cash and cash equivalents comprise cash in local and foreign currencies, interbank deposits, and bank certificates of deposit, with maturities at the original investment date equal to or less than 90 days and which present an immaterial risk of change in fair value, which are utilized by the Bank to manage its short-term commitments.

d) Financial instruments:

Financial instruments are represented by any contract that gives rise to a financial asset for an entity and a financial liability or equity instrument for another. Financial instruments comprise:

i. Interbank investments:

Interbank investments are accounted for at the amount invested plus accrued earnings to the balance sheet date.

ii. Marketable securities:

Marketable securities are presented pursuant to BACEN Circular Letter 3,068/2001 and classified in the following categories:

- Trading securities - securities acquired for the purpose of being actively and frequently traded are adjusted to fair value, with the increase or decrease arising from this adjustment reflected in income;
- Available-for-sale securities - securities that cannot be classified as trading securities or held-to-maturity securities are adjusted to fair value, with the increase or decrease arising from this adjustment reflected in a separate account in equity, net of tax effects. Unrealized gains and losses are recognized in income when effectively realized; and
- Held-to-maturity securities - securities, which the Bank intends and has the ability to hold in its portfolio to maturity, are stated at cost, plus related earnings with a corresponding entry to income.

iii. Derivative financial instruments (assets and liabilities):

The derivative financial instruments consist of futures, swaps and forwards. These financial instruments are classified, on the date the transaction is contracted, reflecting management's intention whether to use them as hedging instruments or not. The appreciation or depreciation in value is recognized in the income or expense accounts of the corresponding financial instruments, in accordance with BACEN Circular Letter 3,082/02.

Operations are recorded at their fair value considering the mark-to-market methodologies adopted by Banco PAN, with their adjustments recorded in profit or loss or equity, depending on the classification of financial instruments and classification of hedge accounting.

The Bank uses derivative financial instruments mainly to hedge against unfavorable variations in the fair value of positions held.

The fair values of derivative financial instruments and their respective hedged items are determined based on available market information, mainly the prices and rates provided by B3 S.A., the Brazilian Commodities, Futures and Stock Exchange. - Brasil, Bolsa, Balcão S.A. ("B3"). Where applicable, mathematical models of rate interpolations are utilized for intermediate periods.

Instruments designated as hedge accounting are classified according to their nature:

- Market risk hedge - realized or unrealized gains or losses from financial instruments classified in this category, as well as their related financial assets and liabilities (hedged item), are recognized in profit or loss.

As to derivatives classified in the accounting hedge category, the following aspects are monitored:

- (i) strategy effectiveness, through retrospective and prospective effectiveness tests; and
- (ii) mark-to-market of hedged items.

iv. Loan operations:

Operations relating to loans, leasing, real estate receivables and other credits with credit concession characteristics are accounted for at present value and calculated on a daily pro rata basis, based on the variation of the index and in the interest rate up to the 59th day in default.

The provision for loan operations is constituted based on management's judgment as to the risk level, considering the economic scenario, past experience, and specific and global risks related to the operation, to the debtors and guarantors, in compliance with CMN Resolution 2,682/99, which requires a periodic portfolio

analysis and the classification of risk into nine levels. Level AA represents the minimum risk and H the maximum risk. Additionally, the overdue periods as defined in this Resolution and a doubling up for transactions with an unexpired term exceeding 36 months are also taken into consideration when rating customer risk.

Income from loan operations past due for more than 60 days, regardless of the risk level, is only recognized when realized. Operations classified in Level H remain at this level for six months, after which period they are written off against the existing allowance, controlled in a memorandum account and no longer presented in the Bank's balance sheet.

Renegotiated transactions remain, at least, at the same rating at which they were classified prior to the renegotiation. Renegotiated loan operations that had already been written off against the allowance and that were recorded in memorandum accounts are classified in level H, and any gains resulting from the renegotiation are recognized as income only when effectively received. When there is a significant amortization of a loan operation or when significant new facts justify a change in risk level, the operation can be reclassified to a lower risk category (CMN Resolution 2,682/99).

The allowance for expected losses on loan operations is determined at an amount which is sufficient to cover losses and considers CMN and BACEN rules and instructions, as well as the assessments carried out by management in determining the credit risk in operations.

The provision for loan operations related to loans assigned with a substantial retention of risks and benefits is calculated based on the same guidelines established by CMN and BACEN for unassigned loan operations.

v. Transactions for the sale or transfer of financial assets:

As determined by CMN Resolution 3,533/08, transactions for the sale or transfer of financial assets are classified and recorded as described below:

- The following procedures are observed for recording the sale or transfer of financial assets classified in the category of transactions with a substantial transfer of risks and benefits:

For asset disposals, the financial asset being sold or transferred is written off from the account in which the original transaction was recorded. The gain or loss determined in the transaction is separately appropriated to the result for the period.

For the purchase of assets, the financial asset acquired is recorded at the amount paid, based on the nature of the original transaction.

- The following procedures are observed for recording the sale or transfer of financial assets classified in the category of transactions with substantial retention of risks and benefits:

For transactions for the sale of assets, the financial asset, which is the object of the sale or transfer, remains recorded in assets at the full amount. The amounts received as a result of the transaction are recorded in assets, with a corresponding entry in liabilities for the obligation assumed, and the income and expenses are appropriated to income over the remaining term of the transaction in a segregated manner; and

For transactions for the purchase of assets, the amounts paid are recorded in assets as a right receivable and the income is appropriated to the result for the period over the remaining term of the transaction.

e) Other assets:

Other assets are comprised mainly of non-financial assets held for sale and prepaid expenses. Non-financial assets held for sale correspond to assets received in the settlement of financial instruments of difficult or

doubtful solution not intended for own use (BNDU) and assets for own use that will be realized by their sale, which are available for immediate sale and whose disposal is highly likely in a period of one year, being adjusted through a valuation allowance, where applicable, calculated based on the historical losses of non-financial assets held for sale. Prepaid expenses relate to advance payments for benefits or services that will occur or be provided in future periods. These expenses are appropriated to the result of the period in which the future benefits are generated.

f) Investments:

Investments in subsidiaries are accounted for on the equity method. Other investments are stated at cost of acquisition, less the corresponding provision for loss and impairment, where applicable.

g) Property and equipment:

Property and equipment relate to the rights acquired over physical assets destined for maintaining the business or which are exercised for this purpose, including those arising from transactions which transfer the risks, benefits and control over assets to the Bank. The assets mainly consist of facilities, leasehold improvements, furniture, and equipment in use.

The assets are stated at cost of acquisition less accumulated depreciation and adjustments for impairment, where applicable. Depreciation is calculated on the straight-line method at annual rates which consider the estimated economic useful lives of the assets.

h) Intangible assets:

Intangible assets relate to identifiable non-monetary assets without physical substance, acquired or developed by the institution, destined for maintaining the business or which are exercised for this purpose.

The assets are stated at acquisition and other directly attributable costs less accumulated amortization and adjustments for impairment, where applicable. These assets are basically represented by goodwill based on the expected future profitability of the investments, software, trademarks, licenses and expenses on the acquisition and development of software. Intangible assets with finite useful lives are amortized on the straight-line method over the estimated period of their use.

According to the rules of the Brazilian Central Bank (BACEN), goodwill refers to amounts paid on the acquisition of investments, corresponding to the amount exceeding the investee's equity value, accounted for in the investor or parent company, which are based on the forecast of future results of the associate or subsidiary and amortized over the projection periods that justified them.

The estimate of the period for generation of future results of the investments in an associate, subsidiary or joint venture for which goodwill has been recognized involves significant judgment by Management, obtained through a Purchase Price Allocation Report. In addition, goodwill is periodically tested for impairment, which involves assumptions and a considerable degree of judgment in estimating the future cash flows and in the discount rates to calculate the present value of these flows.

i) Impairment of non-financial assets:

Non-financial assets are subject to an annual evaluation of their recoverable amounts, or more frequently if conditions or circumstances indicate the possibility of loss in value. Any losses identified are recognized in income when the carrying amount of an asset exceeds its recoverable amount, which is determined as follows:

- i. Potential sales or realization amount, less corresponding expenses; or
- ii. Value in use calculated based on the cash-generating unit.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows, which are largely independent of the cash inflows from other assets or groups of assets.

j) Income tax and social contribution (assets and liabilities):

Provisions for income tax and social contribution due are recorded based on taxable profit, adjusted for additions and exclusions established by the applicable tax legislation. Deferred tax assets on temporary additions are realized on the utilization or reversal of the respective provisions in respect of which the credits were recognized. Deferred tax assets on tax loss carry-forwards are realized according to the expected generation of profit, limited to an annual offset of 30% of taxable income. These deferred tax assets are recognized based on their expected realization, which is periodically reviewed, supported by technical studies and analyses prepared by management.

k) Deposits and other financial instruments:

These comprise funds obtained in the open market, borrowings and onlendings, funds from acceptance and issuance of securities and interbank accounts, which are stated at the corresponding amounts of the liabilities and consider, where applicable, the charges incurred up to the balance sheet date, recognized on a pro rata basis.

l) Specific accounting policies for the consortium segment:

The liabilities for unclaimed funds are recorded at the amount equivalent to returns due to the members of the discontinued consortium groups, including remuneration from their quotas in the investment funds in which the active groups hold investments, minus the permanence fee provided for in the contract for some groups.

m) Provisions, contingent assets and liabilities and legal obligations (tax and social security):

Provisions and contingent assets and contingent liabilities and legal obligations (tax and social security) are measured and disclosed in conformity with the criteria established by CMN Resolution 3,823/09, including, among other:

- Contingent assets - not recorded in the financial statements, except when there is evidence that their realization is guaranteed.
- Provisions - recorded in the financial statements based on estimates of the Bank's management under advice of the legal counsel, when the risk of loss of an administrative or legal action is considered to be probable and can be reliably measured.
- Contingent liabilities considered as representing a possible risk of loss are only disclosed in the notes to the financial statements, when significant. Those classified as remote risk of loss require neither provision nor disclosure; and
- Legal obligations (tax and social security) - correspond to amounts related to lawsuits challenging the legality and constitutionality of certain taxes and contributions, which, regardless of the likelihood of success, are recognized at the full amount in the financial statements.

n) Residual benefit in securitized transactions:

The benefit corresponds to the residual balance, net of any guarantees provided, of the separate equity of the securitized transactions which, in accordance with Law 9,514/97, will be returned to the securitization company when the lien is released, and the related mortgage-backed and agribusiness securities are settled.

o) Earnings per share:

Basic earnings per share are calculated by dividing the profit or loss attributable to the stockholders by the weighted average number of shares in issue at the financial statement dates.

p) Use of accounting estimates:

The preparation of financial statements requires management to make estimates and assumptions, to the best of its judgment, that affect the reported amounts of certain financial or non-financial assets and liabilities, income and expenses, and other transactions, such as: (i) estimated tax assets recoverable; (ii) depreciation rates of property and equipment and amortization of intangible assets; (iii) provisions necessary to absorb the potential risks arising from civil, labor or tax processes; (iv) provision for loss on non-financial assets held for sale; (v) impairment of non-financial assets; (vi) estimated fair value of specific financial instruments and; (vii) expected losses associated with credit risk. The actual settlement amounts of these financial or non-financial assets and liabilities could differ from the estimates.

q) Classification of recurring and non-recurring results:

As provided for in BCB Resolution 2, of 8/12/2020, Banco PAN classifies recurring and non-recurring results in the notes to financial statements, according to the accounting policy approved by its Board, which is based on the segregation of the non-recurring events that occurred and contributed to the results, which are not directly or indirectly related to Banco PAN's normal activities.

r) Non-recurring results:

Non-recurring results arise from activities that are not expected to occur frequently in future years. Recurring results correspond to the Institution's usual activities that are expected to occur frequently in future years. Non-recurring results are presented in Note 4.c.

s) Events after the reporting period:

Events which have occurred between the reporting date of the financial statements and the date of their approval by management are classified as:

- i. events that require adjustment, related to conditions existing at the reporting date of the financial statements; and
- ii. events that do not require adjustment, related to conditions which did not exist at the reporting date of the financial statements.

4) Balance Sheet and Statement of Income by Business Segment

a) Consolidated Balance Sheet:

Assets	Financial (1)	Other (2)	Eliminations (3)	Total
Cash and cash equivalents	683	6,280	(20)	6,943
Interbank investments	277,251	2,197	-	279,448
Marketable securities	8,934,671	1,134,408	(919,243)	9,149,836
Interbank accounts	3,027,522	-	-	3,027,522
Loan operations (4)	36,475,491	-	-	36,475,491
Other financial assets	624,888	1,300	-	626,188
Tax assets	3,827,156	154,564	-	3,981,720
Other receivables	672,195	113,471	(16,130)	769,536
Other assets	374,038	6,464	-	380,502
Investments	1,415,329	-	(1,382,211)	33,118
Property and equipment	130,440	6,288	-	136,728
Intangible assets	1,175,541	91,616	-	1,267,157
Total at 12/31/2022	56,935,205	1,516,588	(2,317,604)	56,134,189
Total at 12/31/2021	48,250,388	787,804	(1,134,630)	47,903,562

Liabilities	Financial (1)	Other (2)	Eliminations (3)	Total
Deposits	25,856,626	-	(919,263)	24,937,363
Funds obtained in the open market	5,884,794	-	-	5,884,794
Funds from acceptances and issuance of securities	10,618,218	-	-	10,618,218
Interbank accounts	2,270,533	-	-	2,270,533
Borrowings	779,785	78	-	779,863
Derivatives	88,353	-	-	88,353
Other financial liabilities	315,930	-	-	315,930
Provisions	338,128	6,154	-	344,282
Tax obligations	296,865	40,958	-	337,823
Other liabilities	2,774,820	90,426	(16,130)	2,849,116
Equity attributable to controlling stockholders	7,706,046	1,382,211	(1,382,211)	7,706,046
Equity attributable to non-controlling stockholders	-	1,868	-	1,868
Total at 12/31/2022	56,930,098	1,521,695	(2,317,604)	56,134,189
Total at 12/31/2021	48,250,388	787,804	(1,134,630)	47,903,562

b) Consolidated Statement of Income:

	Financial (1)	Other (2)	Eliminations (3)	Total
Income from financial intermediation	14,220,563	101,805	(91,666)	14,230,702
Expenses on financial intermediation	(7,246,778)	-	91,666	(7,155,112)
Gross result	6,973,785	101,805	-	7,075,590
Other operating income (expenses)	(6,156,224)	16,546	(85,796)	(6,225,474)
Non-operating results	19,630	(804)	-	18,826
Taxes on income	(131,083)	(30,102)	-	(161,185)
Non-controlling interests	-	(1,649)	-	(1,649)
Total at 12/31/2022	706,108	85,796	(85,796)	706,108
Total at 12/31/2021	774,576	18,221	(18,221)	774,576

(1) Represented by Banco PAN S.A. and Pan Arrendamento Mercantil S.A.

(2) Represented by BM Sua Casa Promotora de Vendas Ltda., Brazilian Securities Companhia de Securitização, Brazilian Finance & Real Estate S.A., Pan Administradora de Consórcio Ltda, Mosaico Tecnologia ao Consumidor S.A., G.W.H.C. Serviços Online Ltda. and Mobiauto Edição de Anúncios Online Ltda.

(3) Eliminations between companies in different segments.

(4) Amounts net of the provision for expected losses associated with credit risk.

c) Consolidated Statement of Recurring and Non-recurring Income:

The consolidated statement of recurring and non-recurring income at 12/31/2022 is presented below. There were no non-recurring events for the period ended 12/31/2021.

Consolidated Statement of Recurring Income	Accounting Income	Non-recurring Events	Recurring Income
Income from financial intermediation	14,230,702	-	14,230,702
Expenses on financial intermediation	(7,155,112)	-	(7,155,112)
Gross result	7,075,590	-	7,075,590
Other operating income (expenses)	(6,225,474)	-	(6,225,474)
Non-operating results (1)	18,826	10,881	7,945
Taxes on income (2)	(161,185)	(4,940)	(156,245)
Non-controlling interests	(1,649)	-	(1,649)
Net result at 12/31/2022	706,108	5,941	700,167

(1) These refer to gains related to the demutualization of the CIP (Interbank Payment Chamber).

(2) Deferred tax of R\$ 2,937 and current tax of R\$ 2,003 were constituted on the capital gain.

5) Cash and Cash Equivalents

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Funds in local currency	155	19	6,421	1,690
Funds in foreign currency	522	2,253	522	2,253
Subtotal (cash)	677	2,272	6,943	3,943
Interbank investments (1)	1,969	1,202	2,658	1,253
Total	2,646	3,474	9,601	5,196

(1) Refer to operations with original maturity equal to or less than 90 days and which present an immaterial risk of change in fair value.

6) Interbank investments:

a) Composition and maturities:

Bank	Current				Non-current	12/31/2022	12/31/2021
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Investments in the open market:	-	-	-	-	-	-	1,202
Own portfolio position	-	-	-	-	-	-	1,202
Financial Treasury Bills (LFT)	-	-	-	-	-	-	1,202
Investments in interbank deposits	1,969	-	-	-	275,282	277,251	5,974
Total at 12/31/2022	1,969	-	-	-	275,282	277,251	-
Total at 12/31/2021	1,202	-	-	-	5,974	-	7,176

Consolidated	Current				Non-current	12/31/2022	12/31/2021
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Investments in the open market:	-	-	-	-	1,508	1,508	5,710
Own portfolio position	-	-	-	-	1,508	1,508	5,710
National Treasury Bills (LTN)	-	-	-	-	1,508	1,508	-
Financial Treasury Bills (LFT)	-	-	-	-	-	-	5,710
Investments in interbank deposits	1,969	-	-	-	275,282	277,251	5,974
Investments in savings deposits	689	-	-	-	-	689	51
Total at 12/31/2022	2,658	-	-	-	276,790	279,448	-
Total at 12/31/2021	1,253	-	-	156	10,326	-	11,735

b) Income from interbank investments:

Classified in the statement of income in results from marketable securities operations.

Bank and Consolidated	12/31/2022	12/31/2021
Income from investments in purchase and sale transactions:	11,043	17,633
Own portfolio position	11,043	17,633
Income from interbank deposits	20,295	25
Total (Note 7.e)	31,338	17,658

7) Marketable Securities

a) Composition of portfolio:

The portfolio of marketable securities at 12/31/2022 and 12/31/2021, by type of security, was comprised as follows:

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Own portfolio:	2,885,495	4,647,050	3,098,576	4,865,283
National Treasury Notes (NTN)	2,843,822	4,223,359	2,843,822	4,223,359
Financial Treasury Bills (LFT)	41,673	423,691	41,673	423,691
Mortgage-backed securities (CRI)	-	-	210,029	218,233
Bank Deposit Certificates (CDB)	-	-	1,039	-
Funds	-	-	2,013	-
Subject to guarantees:	100,865	222,803	102,949	226,330
Financial Treasury Bills (LFT)	73,194	222,803	73,194	222,803
National Treasury Notes (NTN)	27,671	-	27,671	-
Bank Deposit Certificates (CDB)	-	-	2,034	3,527
Other	-	-	50	-
Subject to repurchase agreements:	5,948,311	1,215,324	5,948,311	1,215,324
National Treasury Notes (NTN)	5,944,512	1,210,775	5,944,512	1,210,775
Financial Treasury Bills (LFT)	3,799	4,549	3,799	4,549
Total	8,934,671	6,085,177	9,149,836	6,306,937

b) Composition by category and term:

Bank	12/31/2022								12/31/2021	
	Current		Non-current			Net book value (1) (2) (3)	Monetarily adjusted cost	Marked-to-market adjustment	Net book value (1) (2) (3)	Marked-to-market adjustment
	No stated maturity	Up 12 months	1 to 3 years	3 to 5 years	Over 5 years					
Trading securities:	-	959	45,412	-	-	46,371	46,384	(13)	239,860	(173)
Financial Treasury Bills (LFT)	-	959	45,412	-	-	46,371	46,384	(13)	239,860	(173)
Available-for-sale securities:	-	47,058	14,937	10,300	-	72,295	72,349	(54)	411,183	(121)
Financial Treasury Bills (LFT)	-	47,058	14,937	10,300	-	72,295	72,349	(54)	411,183	(121)
Securities held to maturity	-	3,951,548	3,112,933	868,403	883,121	8,816,005	8,816,005	-	5,434,134	-
National Treasury Notes (NTN)	-	3,951,548	3,112,933	868,403	883,121	8,816,005	8,816,005	-	5,434,134	-
Total	-	3,999,565	3,173,282	878,703	883,121	8,934,671	8,934,738	(67)	6,085,177	(294)

Consolidated	12/31/2022								12/31/2021	
	Current		Non-current			Net book value (1) (2) (3)	Monetarily adjusted cost	Marked-to-market adjustment	Net book value (1) (2) (3)	Marked-to-market adjustment
	No stated maturity	Up 12 months	1 to 3 years	3 to 5 years	Over 5 years					
Trading securities:	-	959	45,412	-	-	46,371	46,384	(13)	239,860	(173)
Financial Treasury Bills (LFT)	-	959	45,412	-	-	46,371	46,384	(13)	239,860	(173)
Available-for-sale securities:	-	72,819	202,278	10,300	-	285,397	311,728	(26,331)	632,943	(31,010)
Financial Treasury Bills (LFT)	-	47,058	14,937	10,300	-	72,295	72,349	(54)	411,183	(121)
Mortgage-backed securities (CRI)	-	25,717	184,312	-	-	210,029	236,306	(26,277)	218,233	(30,889)
Bank Deposit Certificates (CDB)	-	44	3,029	-	-	3,073	3,073	-	3,527	-
Securities held to maturity	-	3,953,611	3,112,933	868,403	883,121	8,818,068	8,818,068	-	5,434,134	-
National Treasury Notes (NTN)	-	3,951,548	3,112,933	868,403	883,121	8,816,005	8,816,005	-	5,434,134	-
Funds	-	2,013	-	-	-	2,013	2,013	-	-	-
Other	-	50	-	-	-	50	50	-	-	-
Total	-	4,027,389	3,360,623	878,703	883,121	9,149,836	9,176,180	(26,344)	6,306,937	(31,183)

(1) Brazilian Association of Financial and Capital Market Institutions (ANBIMA) and the Commodities, Futures and Stock Exchange ("B3"); For the mortgage-backed securities, the market value was determined using internal models and data based on observable market parameters;

(2) Includes mark-to-market adjustment, according to item (2), except for securities classified as held to maturity, whose market value is lower than the cost by R\$ 259,290 (12/31/2021 - lower by R\$ 205,678). In order to comply with Article 8 of BACEN Circular Letter 3,068/01, the Bank declares that it has both the financial ability and the intention to hold to maturity the securities classified in the "securities held to maturity" category; and

(3) Maturities of the securities were considered, regardless of their accounting classification.

c) Derivative financial instruments

The derivative financial instruments consist of futures, swaps and forwards. These financial instruments are classified, on the date the transaction is contracted, reflecting management's intention whether to use them or not as hedging instruments. The appreciation or depreciation in value is recognized in the income or expense accounts of the corresponding financial instruments, in accordance with BACEN Circular Letter 3,082/02, and Circular Letter 3,026/02. The Bank's risk management policy established that derivative instruments should be used to hedge against exposure resulting from the Bank's loan operations as well as from foreign exchange exposure from offshore operations.

Derivative instruments are used for two strategies: trading portfolio (negotiation) and banking portfolio (non-negotiation). The trading portfolio includes derivatives that are used to guide strategies or for economic hedge of other negotiation portfolio elements. The bank portfolio includes derivatives used to hedge instruments classified in the banking portfolio, including those used as hedge accounting. Risks within these portfolios are managed according to perspectives that are consolidated based on risk factors.

Derivative financial instrument transactions, as well as transactions with marketable securities classified as "held for trading" or "available for sale", are valued at market value, and the related appreciation or depreciation are recorded in the results. The market value of instruments traded in stock exchanges corresponds to the instrument market quotations or the quotation of similar products. If there is no market quotation for any products, their market value should be defined under the discounted cash flow method or via pricing models. The gains or losses on derivative financial instruments considered as a market risk hedge, whether realized or unrealized, are also recorded in the result for the year.

The fair values of derivative financial instruments and their respective hedged items are determined based on available market information, mainly the prices and rates provided by B3. Where applicable, mathematical models of rate interpolations are utilized for intermediate periods. Future cash flows, discounted to present value by future interest yield curves, obtained from B3, are utilized to measure the market value of swaps.

The marking to market of futures contracts, such as interest contracts (1-day DI), foreign exchange contracts (DOL) and foreign exchange coupons (DDI), is determined based on the market price in a unique price (PU) format, which is released daily by B3. Based on this price, the daily adjustments are recorded in assets or liabilities and appropriated daily to the results as income or expenses.

Derivative financial instrument transactions (futures, forwards, and swaps) are registered at B3 (stock exchange) or at the Organized Counter for Assets and Derivatives (B3 - over-the-counter). The differences receivable and payable are recorded in the respective derivative financial instrument balance sheet accounts, with a corresponding entry to results from derivative financial instruments in the statement of income, and the nominal amounts of these transactions are recorded in memorandum accounts.

i) Derivative financial instruments (assets and liabilities) include interest accruals, mark to market adjustments, and carrying amount, by period:

Bank and Consolidated	Monetarily adjusted cost	Carrying amount	Current	Non-current	Total -	Total -
			Up to 30	Over 360 days	12/31/2022	12/31/2021
Asset position	785,266	803,059	398,307	404,752	803,059	864,463
Swap	785,266	803,059	398,307	404,752	803,059	864,463
Liability position	(863,772)	(891,412)	(439,696)	(451,716)	(891,412)	(903,951)
Swap	(863,772)	(891,412)	(439,696)	(451,716)	(891,412)	(903,951)
Futures contracts (1)	(9,146)	(9,146)	(9,146)	-	(9,146)	(12,683)
Asset position (Note 9)	697	697	697	-	697	2,498
Liability position	(9,843)	(9,843)	(9,843)	-	(9,843)	(15,181)
Total	(87,652)	(97,499)	(50,535)	(46,964)	(97,499)	(52,171)

(1) Recorded as negotiation and intermediation of securities.

ii) Derivative financial instruments by index:

Bank and Consolidated	12/31/2022				12/31/2021
	Notional value	Monetarily adjusted cost	Mark-to-market	Carrying amount	Notional value
Swap contracts	858,015	(78,506)	(9,847)	(88,353)	858,015
Asset position:	858,015	785,266	17,793	803,059	858,015
Foreign currency	858,015	785,266	17,793	803,059	858,015
Liability position	858,015	(863,772)	(27,640)	(891,412)	858,015
Interbank market	858,015	(863,772)	(27,640)	(891,412)	858,015
Futures	27,141,979	-	-	-	22,492,355
Purchase Commitments:	552,600	-	-	-	859,512
Interbank market	552,600	-	-	-	803,746
Other	-	-	-	-	55,766
Sale Commitments:	26,589,379	-	-	-	21,632,843
Interbank market	26,586,717	-	-	-	21,574,269
Foreign currency	2,662	-	-	-	2,808
Other	-	-	-	-	55,766

iii) Composition by maturity (notional value):

Bank and Consolidated	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	Over 360 days	12/31/2022	12/31/2021
	Swap contracts	-	-	-	429,007	429,008	858,015
Libor x DI	-	-	-	429,007	429,008	858,015	858,015
Futures	4,546,879	2,662	3,935,091	6,324,758	12,332,589	27,141,979	22,492,355
DDI	-	-	-	-	-	-	111,532
DI	4,546,879	-	3,935,091	6,324,758	12,332,589	27,139,317	22,378,015
U.S. dollar	-	2,662	-	-	-	2,662	2,808
Total	4,546,879	2,662	3,935,091	6,753,765	12,761,597	27,999,994	23,350,370

iv) Place of negotiation and counterparties:

Bank and Consolidated	12/31/2022	12/31/2021
Over-the-counter	858,015	858,015
B3 (exchange)	27,141,979	22,492,355
Total	27,999,994	23,350,370

v) Margins provided as guarantee for derivative financial instruments:

Public securities	Bank and Consolidated	
	12/31/2022	12/31/2021
Financial Treasury Bills (LFT)	71,291	121,732
National Treasury Notes (NTN)	27,671	-
Total (1)	98,962	121,732

(1) B3 securities offered as guarantee.

vi) Hedge accounting - market value

Bank and Consolidated	12/31/2022	12/31/2021
Financial instruments		
Asset position	2,255,148	2,244,449
Swap - U.S. Dollar (3)	803,059	864,463
Future D11 B3 - Fixed interest rate - Real (1)	1,452,089	1,379,986
Liability position	(24,817,697)	(19,903,775)
Swap - CDI	(891,412)	(903,951)
Futures D11 B3 - Fixed interest rate - Real (2)	(23,926,285)	(18,999,824)
Hedged item		
Asset position	21,500,881	19,103,995
Loan operations (2)	21,500,881	19,103,995
Liability position	(2,276,720)	(2,241,046)
Funds raised abroad (3)	(779,785)	(822,344)
Time deposit certificates (1)	(1,496,935)	(1,418,702)

(1) Used to mitigate the volatility of fixed interest risk of long-term deposit certificates (Note 15);(1)

(2) This hedged item includes the following retail credit operations: Payroll-deductible loans, vehicles and FGTS loans (Note 8); and

(3) Used to hedge funding operation abroad (Note 17).

d) Result from derivative financial instruments:

Bank and Consolidated	12/31/2022			12/31/2021		
	Revenue	Expense	Net	Revenue	Expense	Net
Swap	77,388	(216,437)	(139,049)	-	(39,488)	(39,488)
Futures	3,406,543	(3,026,951)	379,592	3,726,959	(3,022,349)	704,610
Total	3,483,931	(3,243,388)	240,543	3,726,959	(3,061,837)	665,122

e) Result from operations with marketable securities

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Fixed-income securities	813,373	397,669	819,866	400,174
Interbank investments (Note 6.b)	31,338	17,658	31,338	17,658
Total	844,711	415,327	851,204	417,832

8) Loan operations

a) Composition of the portfolio by type of operation:

	Bank				Consolidated			
	12/31/2022		12/31/2021		12/31/2022		12/31/2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Vehicles (1)	15,928,307	40.80	14,410,813	41.30	15,928,307	40.80	14,410,813	41.30
Payroll-deductible loans (1)	9,025,613	23.12	8,087,183	23.18	9,025,613	23.12	8,087,183	23.18
Financing - credit cards (2)	5,910,178	15.14	3,386,542	9.70	5,910,178	15.14	3,386,542	9.70
FGTS loan (1)	2,943,690	7.54	3,737,316	10.71	2,943,690	7.54	3,737,316	10.71
Bank overdrafts	1,637,417	4.19	1,532,242	4.39	1,637,417	4.19	1,532,242	4.39
Renegotiated loans	455,159	1.17	96,347	0.28	455,159	1.17	96,347	0.28
Personal credit	414,407	1.06	454,180	1.30	414,407	1.06	454,180	1.30
Housing financing	223,596	0.57	269,370	0.77	223,596	0.57	269,370	0.77
Credits linked to the assignment of loans (3)	198,221	0.51	365,240	1.05	198,221	0.51	365,240	1.05
Working capital	34,223	0.09	19,533	0.06	34,223	0.09	19,533	0.06
Emergency credit limit	14,373	0.04	16,002	0.05	14,373	0.04	16,002	0.05
Total loan operations	36,785,184	94.24	32,374,768	92.78	36,785,184	94.24	32,374,768	92.78
Other credits (4)	2,250,263	5.76	2,520,853	7.22	2,250,365	5.76	2,250,955	7.22
Subtotal	39,035,447	100.00	34,895,621	100.00	39,035,549	100.00	34,895,723	100.00
(+/-) Adjustment to market value (1)	(256,298)	-	(563,694)	-	(256,298)	-	(563,694)	-
Total	38,779,149	-	34,331,927	-	38,779,251	-	34,332,029	-
Current	21,263,349		16,994,528		21,263,451		16,994,630	
Non-current	17,515,800		17,337,399		17,515,800		17,337,399	

(1) Contracts including hedge accounting transactions (Note 7.c.vi);

(2) Financing provided to Visa and MasterCard credit card holders;

(3) Loan operations assigned with substantial retention of risks and benefits (Note 8.f ii); and

(4) Credit card receivables and credit instruments receivable with loan characteristics.

b) Analysis of the portfolio by risk levels and maturity:

Bank	Risk levels								Total - 12/31/2022	Total - 12/31/2021
	Operations in course - Abnormal									
	A	B	C	D	E	F	G	H		
Falling due	1,757,296	901,817	939,976	544,536	365,709	242,645	161,961	337,786	5,251,726	4,408,190
01 to 30	83,219	44,647	46,762	26,743	18,100	12,177	8,285	18,190	258,123	212,088
31 to 60	79,925	45,171	47,017	26,593	18,255	12,329	10,113	18,229	257,632	209,386
61 to 90	77,414	39,672	42,295	24,270	15,965	10,532	7,128	15,700	232,976	191,981
91 to 180	211,290	115,032	118,839	67,045	45,101	29,879	19,833	43,349	650,368	538,512
181 to 365	357,296	193,187	198,474	112,071	75,004	49,178	31,826	70,930	1,087,966	893,621
Over 365	948,152	464,108	486,589	287,814	193,284	128,550	84,776	171,388	2,764,661	2,362,602
Past due in days	147,294	334,530	256,417	341,401	297,723	268,881	269,467	838,499	2,754,212	2,144,080
01 to 14	132,881	13,706	44,869	78,320	39,667	28,584	20,810	25,539	384,376	398,192
15 to 30	14,413	307,849	28,981	20,425	14,293	9,618	6,951	15,470	418,000	301,238
31 to 60	-	12,975	163,945	51,007	29,301	20,385	14,833	23,810	316,256	262,293
61 to 90	-	-	13,187	173,123	35,988	22,513	14,513	27,713	287,037	195,676
91 to 180	-	-	5,435	18,526	170,806	174,493	201,262	93,449	663,971	416,909
181 to 365	-	-	-	-	7,668	13,288	11,098	609,881	641,935	521,634
Over 365	-	-	-	-	-	-	-	42,637	42,637	48,138
Subtotal	1,904,590	1,236,347	1,196,393	885,937	663,432	511,526	431,428	1,176,285	8,005,938	6,552,270
Allowance required	9,523	12,364	35,892	88,594	199,029	255,763	301,999	1,176,285	2,079,449	1,729,433

Bank	Risk levels										
	Operations in course - Normal										
	AA	A	B	C	D	E	F	G	H	Total - 12/31/2022	Total - 12/31/2021
Falling due	2,943,103	27,587,168	181,448	118,237	71,601	50,275	28,868	15,247	33,562	31,029,509	28,343,351
01 to 30	157,833	5,561,727	25,682	15,697	6,150	3,382	1,980	1,259	6,836	5,780,546	3,908,422
31 to 60	271,064	1,302,939	11,975	9,758	6,805	4,295	2,626	1,651	2,733	1,613,846	1,447,633
61 to 90	-	1,037,030	9,508	7,416	5,120	3,275	2,003	1,221	1,847	1,067,420	937,976
91 to 180	357,282	2,693,715	23,008	16,937	11,051	7,156	4,127	2,181	3,837	3,119,294	2,820,677
181 to 365	596,042	4,018,898	31,391	19,639	12,041	8,354	4,474	2,241	4,184	4,697,264	4,253,846
Over 365	1,560,882	12,972,859	79,884	48,790	30,434	23,813	13,658	6,694	14,125	14,751,139	14,974,797
Subtotal	2,943,103	27,587,168	181,448	118,237	71,601	50,275	28,868	15,247	33,562	31,029,509	28,343,351
Allowance required	-	137,936	1,814	3,547	7,160	15,083	14,434	10,673	33,562	224,209	265,211
Total (1)	2,943,103	29,491,758	1,417,795	1,314,630	957,538	713,707	540,394	446,675	1,209,847	39,035,447	34,895,621
Total allowance	-	147,459	14,178	39,439	95,754	214,112	270,197	312,672	1,209,847	2,303,658	1,994,644

Consolidated	Risk levels									
	Operations in course - Abnormal									
	A	B	C	D	E	F	G	H	Total - 12/31/2022	Total - 12/31/2021
Falling due	1,757,296	901,817	939,976	544,536	365,709	242,645	161,961	337,786	5,251,726	4,408,190
01 to 30	83,219	44,647	46,762	26,743	18,100	12,177	8,285	18,190	258,123	212,088
31 to 60	79,925	45,171	47,017	26,593	18,255	12,329	10,113	18,229	257,632	209,386
61 to 90	77,414	39,672	42,295	24,270	15,965	10,532	7,128	15,700	232,976	191,981
91 to 180	211,290	115,032	118,839	67,045	45,101	29,879	19,833	43,349	650,368	538,512
181 to 365	357,296	193,187	198,474	112,071	75,004	49,178	31,826	70,930	1,087,966	893,621
Over 365	948,152	464,108	486,589	287,814	193,284	128,550	84,776	171,388	2,764,661	2,362,602
Past due in days	147,294	334,530	256,417	341,401	297,723	268,881	269,467	838,499	2,754,212	2,144,080
01 to 14	132,881	13,706	44,869	78,320	39,667	28,584	20,810	25,539	384,376	398,192
15 to 30	14,413	307,849	28,981	20,425	14,293	9,618	6,951	15,470	418,000	301,238
31 to 60	-	12,975	163,945	51,007	29,301	20,385	14,833	23,810	316,256	262,293
61 to 90	-	-	13,187	173,123	35,988	22,513	14,513	27,713	287,037	195,676
91 to 180	-	-	5,435	18,526	170,806	174,493	201,262	93,449	663,971	416,909
181 to 365	-	-	-	-	7,668	13,288	11,098	609,881	641,935	521,634
Over 365	-	-	-	-	-	-	-	42,637	42,637	48,138
Subtotal	1,904,590	1,236,347	1,196,393	885,937	663,432	511,526	431,428	1,176,285	8,005,938	6,552,270
Allowance required	9,523	12,364	35,892	88,594	199,029	255,763	301,999	1,176,285	2,079,449	1,729,433

Consolidated	Risk levels										
	Operations in course - Normal										
	AA	A	B	C	D	E	F	G	H	Total - 12/31/2022	Total - 12/31/2021
Falling due	2,943,103	27,587,168	181,448	118,237	71,601	50,275	28,868	15,247	33,664	31,029,611	28,343,453
01 to 30	157,833	5,561,727	25,682	15,697	6,150	3,382	1,980	1,259	6,938	5,780,648	3,908,524
31 to 60	271,064	1,302,939	11,975	9,758	6,805	4,295	2,626	1,651	2,733	1,613,846	1,447,633
61 to 90	-	1,037,030	9,508	7,416	5,120	3,275	2,003	1,221	1,847	1,067,420	937,976
91 to 180	357,282	2,693,715	23,008	16,937	11,051	7,156	4,127	2,181	3,837	3,119,294	2,820,677
181 to 365	596,042	4,018,898	31,391	19,639	12,041	8,354	4,474	2,241	4,184	4,697,264	4,253,846
Over 365	1,560,882	12,972,859	79,884	48,790	30,434	23,813	13,658	6,694	14,125	14,751,139	14,974,797
Subtotal	2,943,103	27,587,168	181,448	118,237	71,601	50,275	28,868	15,247	33,664	31,029,611	28,343,453
Allowance required	-	137,936	1,814	3,547	7,160	15,083	14,434	10,673	33,664	224,311	265,313
Total (1)	2,943,103	29,491,758	1,417,795	1,314,630	957,538	713,707	540,394	446,675	1,209,949	39,035,549	34,895,723
Total allowance	-	147,459	14,178	39,439	95,754	214,112	270,197	312,672	1,209,949	2,303,760	1,994,746

(1) Not including the market value adjustment (Note 8.a).

c) Change in the allowances for expected losses associated with credit risk (1):

Bank	12/31/2022			12/31/2021		
	Loan operations	Other (1)	Total	Loan operations	Other (1)	Total
Opening balance	1,994,644	26,999	2,021,643	1,898,490	54,856	1,953,346
Constitution/reversal of allowance	2,364,304	(6,748)	2,357,556	1,816,520	(27,857)	1,788,663
Write-off against allowance	(2,055,290)	-	(2,055,290)	(1,720,366)	-	(1,720,366)
At the end of the year	2,303,658	20,251	2,323,909	1,994,644	26,999	2,021,643
Current	1,794,948	20,251	1,815,199	1,468,771	26,999	1,495,770
Non-current	508,710	-	508,710	525,873	-	525,873
Credit recoveries (2)	334,853	-	334,853	474,187	-	474,187
Effect on results (3)	(2,029,451)	6,748	(2,022,703)	(1,342,333)	27,857	(1,314,476)

Consolidated	12/31/2022			12/31/2021		
	Loan operations	Other (1)	Total	Loan operations	Other (1)	Total
Opening balance	1,994,746	26,999	2,021,745	1,898,490	54,856	1,953,346
Constitution/reversal of allowance	2,364,304	(6,748)	2,357,556	1,816,622	(27,857)	1,788,765
Write-off against allowance	(2,055,290)	-	(2,055,290)	(1,720,366)	-	(1,720,366)
At the end of the year	2,303,760	20,251	2,324,011	1,994,746	26,999	2,021,745
Current	1,795,050	20,251	1,815,301	1,468,873	26,999	1,495,872
Non-current	508,710	-	508,710	525,873	-	525,873
Credit recoveries (2)	338,511	-	338,511	484,450	-	484,450
Effect on results (3)	(2,025,793)	6,748	(2,019,045)	(1,332,172)	27,857	(1,304,315)

(1) Includes other credits without credit characteristics (Notes 9 and 10);

(2) In the year ended 12/31/2022, credits previously written off against the allowance, totaling R\$ 338,511, were recovered (recovered credits of R\$ 334,853 in Banco PAN, R\$ 12 referring to lease operations, and recovered credits of R\$ 3,646 in Brazilian Finance & Real Estate); and

(3) Charge from allowance, net of income from credits recovered.

d) Classification by sector:

	Bank				Consolidated			
	12/31/2022		12/31/2021		12/31/2022		12/31/2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Individuals	37,241,394	95.40	33,203,979	95.15	37,241,394	95.40	33,203,979	95.15
Services	1,419,262	3.64	1,326,370	3.80	1,419,364	3.64	1,326,472	3.80
Financial	676,170	1.73	636,834	1.82	676,272	1.73	636,834	1.82
Utilities	164,701	0.42	106,923	0.31	164,701	0.42	106,923	0.31
Construction and real-estate	63,986	0.16	83,267	0.24	63,986	0.16	83,369	0.24
Media, IT and Telecom	16,495	0.04	10,013	0.03	16,495	0.04	10,013	0.03
Transportation and logistics	5,338	0.01	4,643	0.01	5,338	0.01	4,643	0.01
Vehicle rental	2,593	0.01	470	-	2,593	0.01	470	-
Health, security and education	1,112	-	134	-	1,112	-	134	-
Other services	488,867	1.25	484,086	1.39	488,867	1.25	484,086	1.39
Commercial	374,737	0.96	365,202	1.05	374,737	0.96	365,202	1.05
Wholesale and retail	374,737	0.96	365,202	1.05	374,737	0.96	365,202	1.05
Basic industries	54	-	70	-	54	-	70	-
Textiles	-	-	1	-	-	-	1	-
Other industries	54	-	69	-	54	-	69	-
Total (1)	39,035,447	100.00	34,895,621	100.00	39,035,549	100.00	34,895,723	100.00

(1) Not including the market value adjustment (Note 8.a).

e) Concentration of loan operations:

	Bank				Consolidated			
	12/31/2022		12/31/2021		12/31/2022		12/31/2021	
	Amount	%	Amount	%	Amount	%	Amount	%
10 largest borrowers	698,207	1.79	703,206	2.02	698,207	1.79	703,206	2.02
50 next largest borrowers	581,780	1.49	580,574	1.66	581,780	1.49	580,574	1.66
100 next largest borrowers	234,184	0.60	232,568	0.67	234,184	0.60	232,568	0.67
Other borrowers	37,521,276	96.12	33,379,273	95.65	37,521,378	96.12	33,379,375	95.65
Total	39,035,447	100.00	34,895,621	100.00	39,035,549	100.00	34,895,723	100.00

f) Transactions for the sale or transfer of financial assets:**I. Transactions with substantial transfer of risks and benefits:**

In the years ended 12/31/2022 and 12/31/2021, loans were assigned to financial institutions as below:

Bank and Consolidated	12/31/2022			12/31/2021		
	Assignment amount	Present value	Result	Assignment amount	Present value	Result
Payroll-deductible/FGTS	15,120,169	11,988,292	3,131,877	11,070,749	9,060,789	2,009,960
Total (Note 8.g)	15,120,169	11,988,292	3,131,877	11,070,749	9,060,789	2,009,960

II. Transactions with substantial retention of risks and benefits:**CMN Resolution 3,533/08 Assignments**

The responsibilities for loans assigned with substantial retention of risks and benefits amounted to R\$ 198,221, in Banco PAN and Consolidated (R\$ 365,240 at 12/31/2021), calculated at present value using the agreed contract rates. Obligations of R\$ 304,943 (R\$ 483,373 at 12/31/2021) were assumed for these loans (Note 18.a).

g) Income from loan and leasing operations:

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Vehicles	3,713,635	2,992,460	3,713,635	2,992,460
Profit on loan assignments (Note 8.f)	3,131,877	2,009,960	3,131,877	2,009,960
Payroll-deductible loans	1,925,353	2,318,596	1,925,353	2,318,596
Credit cards	1,810,960	1,329,598	1,810,960	1,329,598
FGTS loan	871,686	189,432	871,686	189,432
Recovery of loans written off as losses	334,853	474,187	338,511	484,450
Personal credit	282,040	178,763	282,040	178,763
Performance bonus on assignments	151,789	354,823	151,789	354,823
Working capital/overdraft accounts	150,464	153,363	150,464	153,363
Renegotiated loans	40,030	27,684	40,030	27,684
Housing loans	35,407	59,096	35,407	59,096
Emergency credit limit	6,671	6,600	6,671	6,600
Other	76	40	76	40
Adjustment to market value - Retail Portfolio (1)	307,396	(766,866)	307,396	(766,866)
Total	12,762,237	9,327,736	12,765,895	9,337,999

(1) Mark-to-market of accounting hedges on retail credits: payroll-deductibles, vehicles and FGTS loan (Note 7.c.vi).

9) Other financial assets

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Amounts receivable from loan assignments	619,005	1,205,548	619,005	1,205,548
Negotiation and intermediation of ...	795	2,840	795	2,840
Acknowledgment of debt (1)	5,088	4,916	5,088	4,916
Real estate receivables (2)	-	-	1,300	1,768
Total	624,888	1,213,304	626,188	1,215,072
Current	299,096	739,004	298,640	738,553
Non-current	325,792	474,300	327,548	476,519

(1) Includes provision for debt acknowledgment of R\$ 1,698 at 12/31/2022 (R\$ 7,623 at 12/31/2021) (Note 8.c); and

(2) INCC/IGPM/SAVINGS/CDI with no indexation accruals, interest from 0% to 14.24% per annum, maturing on 11/15/2034.

10) Other receivables

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Judicial and tax deposits	226,025	188,465	249,834	208,999
Sundry debtors	223,869	122,751	236,821	124,033
Amounts receivable from related parties	38,343	71,628	23,145	61,081
Amounts receivable from payroll-deductible loans	3,390	2,427	3,390	2,427
Products listing	-	-	73,521	-
Residual benefit in securitized transactions	-	-	4,561	4,493
Other (2)	164,902	60,442	178,264	64,772
Total	656,529	445,713	769,536	465,805
Current	519,172	356,582	606,293	365,713
Non-current	137,357	89,131	163,243	100,092

(1) Basically refers to amounts received and not yet transferred to the Bank by state and municipal governments, as transfers are being negotiated by the Bank (allowance for losses constituted), and to transfers in arrears for over 180 days, the balance of which at 12/31/2022 amounted to R\$ 9,731 (R\$ 11,304 at 12/31/2021) (Note 8.c); and

(2) Includes allowance for other credits without credit characteristics of R\$ 8,822 at 12/31/2022 (R\$ 8,072 at 12/31/2021) (Note 8.c).

11) Other assets

a) Assets not for own use and other:

Residual value	Bank				Consolidated			
	Cost	Allowance for losses	12/31/2022	12/31/2021	Cost	Allowance for losses	12/31/2022	12/31/2021
Assets not for own use	236,259	(40,725)	195,534	155,849	242,422	(41,259)	201,163	161,874
Properties	143,102	(34,218)	108,884	140,000	149,025	(34,513)	114,512	146,024
Vehicles	93,157	(6,507)	86,650	15,849	93,397	(6,746)	86,651	15,850
Other	1,496	-	1,496	1,410	1,496	-	1,496	1,410
Total	237,755	(40,725)	197,030	157,259	243,918	(41,259)	202,659	163,284
Current			197,030	157,259			202,659	163,284

b) Prepaid expenses

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Financial system services	107,072	127,242	107,150	127,368
Data processing	2,122	3,890	2,122	3,890
Software maintenance	3,168	6,774	3,168	6,774
Other	64,266	21,093	65,403	22,445
Total	176,628	158,999	177,843	160,477
Current	53,288	25,552	53,943	26,467
Non-current	123,340	133,447	123,900	134,010

12) Investments

a) Investments in subsidiaries and associates:

Companies	Share capital	Adjusted equity	Number of shares/ quotas held (in thousands)			Equity interest	Adjusted results	Balance of investments			Equity accounting adjustment (1)		
			Common shares	Preferred shares	Quotas			%	12/31/2022	12/31/2022	12/31/2021	Year ended	
												12/31/2022	12/31/2021
PAN's direct subsidiaries and associates													
Pan Arrendamento Mercantil S.A. (2)	356,735	243,344	11	-	-	100.00	16,757	243,344	226,587	16,757	26,604		
Pan Administradora de Consórcio Ltda. (2)	42,388	82,299	-	-	48,168	100.00	4,731	82,299	77,792	4,732	3,039		
Brazilian Securities Companhia de Securitização (2)	174,201	230,982	77,865	-	-	100.00	18,511	230,982	217,176	18,511	3,662		
Brazilian Finance & Real Estate S.A. (3)	107,662	201,933	0.2	0.5	-	100.00	12,993	201,933	192,448	12,993	12,248		
BM Sua Casa Promotora de Vendas Ltda. (2)	179,864	224,945	-	-	179,864	100.00	2,589	224,945	220,015	2,589	(729)		
Bw Properties S.A. (4)	400,442	418,776	23	-	-	3.86	-	16,165	15,997	168	-		
Mosaico Tecnologia ao Consumidor S.A. (5)	642,033	636,945	126,596	-	-	100.00	46,971	1,708,111	-	46,971	-		
Total								2,707,779	950,015	102,721	44,824		

(1) Considers results determined by the companies subsequent to acquisition and includes equity interests in the investees other than from results, as well as adjustments arising from the equalization of accounting principles, where applicable.

(2) Companies' financial statements for the year ended 12/31/2022 were audited by the same independent auditor as that of Banco PAN.

(3) Company's financial statements for the year ended 12/31/2022 were reviewed by another independent auditor;

(4) As from December 2021, Banco PAN reclassified the investment held in Bw Properties that was previously classified in Other investments to Investments in subsidiaries, since the entity belongs to the same economic group as PAN (Banco BTG Pactual). The Company is not consolidated into Banco PAN; and

(5) At 12/31/2022, goodwill was recorded on the acquisition of investment in Mosaico, net of amortization, of R\$ 1,071,166 (Note 1.a).

b) Other investments:

Bank and Consolidated	12/31/2022	12/31/2021
Asset and Security Registration Center (Certa)	5,693	4,565
Interbank Payment Chamber (CIP)	11,260	379
Total	16,953	4,944

13) Property and equipment

a) Property and equipment comprise the following:

Bank	Annual depreciation rate	Cost	Depreciation	Residual value	
				12/31/2022	12/31/2021
Facilities, furniture and equipment in use	10%	37,164	(5,780)	31,384	21,956
Security and communications systems	10%	7,423	(3,795)	3,628	3,455
Data processing systems	20%	52,951	(29,643)	23,308	30,327
Card reading machines	33%	106,583	(34,658)	71,925	45,657
Total at 12/31/2022		204,121	(73,876)	130,245	-
Total at 12/31/2021		133,191	(31,796)	-	101,395

Consolidated	Annual depreciation rate	Cost	Depreciation	Residual value	
				12/31/2022	12/31/2021
Facilities, furniture and equipment in use	10%	41,423	(7,585)	33,838	21,890
Security and communications systems	10%	7,653	(3,873)	3,780	3,455
Data processing systems	20%	59,529	(32,344)	27,185	31,221
Card reading machines	33%	106,583	(34,658)	71,925	45,657
Total at 12/31/2022		215,188	(78,460)	136,728	-
Total at 12/31/2021		134,469	(32,246)	-	102,223

b) Changes in property and equipment by category:

Bank	Facilities, furniture and equipment in use	Security and communications systems	Data processing systems	Card machines	Total
At 12/31/2021	21,956	3,455	30,327	45,657	101,395
Purchases	13,208	1,760	2,587	57,761	75,316
Disposals	(7)	(37)	(583)	-	(627)
Depreciation	(3,773)	(1,550)	(9,023)	(31,493)	(45,839)
At 12/31/2022	31,384	3,628	23,308	71,925	130,245

Consolidated	Facilities, furniture and equipment in use	Security and communications systems	Data processing systems	Card machines	Total
At 12/31/2021	21,890	3,455	31,221	45,657	102,223
Merger of balance (1)	1,566	170	2,617	-	4,353
Purchases	14,275	1,760	4,331	57,761	78,127
Disposals	(90)	(37)	(603)	-	(730)
Depreciation	(3,803)	(1,568)	(10,381)	(31,493)	(47,245)
At 12/31/2022	33,838	3,780	27,185	71,925	136,728

(1) Acquisition of Mosaico (Note 1.a).

14) Intangible assets

a) Intangible assets comprise the following:

Bank	Amortization rate	Cost	Amortization	Residual value	
				12/31/2022	12/31/2021
Software	20% to 60%	191,301	(131,120)	60,181	27,172
Software license	20% to 60%	177,715	(133,521)	44,194	35,433
Goodwill	10%	-	-	-	13,389
Other	33.33%	-	-	-	23
Total at 12/31/2022		369,016	(264,641)	104,375	-
Total at 12/31/2021		485,881	(409,864)	-	76,017

Consolidated	Amortization rate	Cost	Amortization	Residual value	
				12/31/2022	12/31/2021
Software	20% to 60%	234,116	(143,490)	90,626	27,310
Software license	20% to 60%	177,796	(133,602)	44,194	35,433
Trademarks and patents	5% to 50%	30,868	(4,910)	25,958	-
Goodwill	10%	1,197,142	(90,763)	1,106,379	53,740
Other	33.33% to 50%	-	-	-	24
Total at 12/31/2022		1,639,922	(372,765)	1,267,157	-
Total at 12/31/2021		546,925	(430,418)	-	116,507

b) Changes in intangible assets by category:

Bank					Total
	Software	Software license	Goodwill	Other	
At 12/31/2021	27,172	35,433	13,389	23	76,017
Additions	44,847	72,499	-	-	117,346
Disposals	(1,098)	(180)	-	-	(1,278)
Amortization	(10,740)	(63,558)	(13,389)	(23)	(87,710)
At 12/31/2022	60,181	44,194	-	-	104,375

Consolidated						Total
	Software	Software license	Trademarks and patents	Goodwill	Other	
At 12/31/2021	27,310	35,433	-	53,740	24	116,507
Merger of balance (1)	15,047	-	27,507	-	316	42,870
Additions (2)	63,275	72,499	-	1,158,017	-	1,293,791
Disposals	(1,098)	(180)	(94)	-	(113)	(1,485)
Amortization	(13,908)	(63,558)	(1,455)	(105,378)	(227)	(184,526)
Total at 12/31/2022	90,626	44,194	25,958	1,106,379	-	1,267,157

(1) Acquisition of Mosaico (Note 1.a); and

(2) At 12/31/2022, goodwill on the acquisition of investment in Mosaico (Note 1.a).

15) Deposits, funds obtained in the open market and funds from acceptance and issuance of securities

a) Deposits:

Bank	Current				Non-current	12/31/2022	12/31/2021
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Demand deposits	448,432	-	-	-	-	448,432	328,188
Interbank deposits	570,395	282,654	848,434	9,987	4,020,888	5,732,358	3,676,689
Time deposits (1)	2,012,729	1,993,969	3,898,465	3,532,130	8,488,439	19,925,732	20,675,863
Total at 12/31/2022	3,031,556	2,276,623	4,746,899	3,542,117	12,509,327	26,106,522	-
Total at 12/31/2021	2,062,216	2,720,679	2,128,046	5,253,956	12,515,843	-	24,680,740

Consolidated	Current				Non-current	12/31/2022	12/31/2021
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Demand deposits	448,409	-	-	-	-	448,409	328,165
Interbank deposits	557,466	281,975	614,030	8,106	4,020,887	5,482,464	3,446,520
Time deposits (1)	2,000,581	1,984,215	3,884,614	3,249,538	7,887,542	19,006,490	20,260,106
Total at 12/31/2022	3,006,456	2,266,190	4,498,644	3,257,644	11,908,429	24,937,363	-
Total at 12/31/2021	2,060,400	2,715,784	1,912,578	5,199,035	12,146,994	-	24,034,791

(1) Hedge accounting transactions (Note 7.c.vi).

b) Funds obtained in the open market:

Bank and Consolidated	Current				Non-current	12/31/2022	12/31/2021
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Own portfolio	5,880,994	202	-	76	3,522	5,884,794	1,186,562
Financial Treasury Bills (LFT)	-	202	-	76	3,522	3,800	4,561
National Treasury Notes (NTN)	5,880,994	-	-	-	-	5,880,994	1,182,001
Total at 12/31/2022	5,880,994	202	-	76	3,522	5,884,794	-
Total at 12/31/2021	1,182,001	-	-	157	4,404	-	1,186,562

c) Funds from acceptance and issuance of securities:

Bank and Consolidated	Current				Non-current	12/31/2022	12/31/2021
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Financial Bills (LF)	4,052	286,925	389,441	1,378,562	8,470,469	10,529,449	9,162,526
Real estate letters of credit (LCI)	10,069	4,234	11,693	52,204	10,569	88,769	217,882
Total at 12/31/2022	14,121	291,159	401,134	1,430,766	8,481,038	10,618,218	-
Total at 12/31/2021	37,557	67,060	135,306	1,921,779	7,218,706	-	9,380,408

d) Expenses on deposits, funds obtained in the open market, funds from issuance of securities and subordinated debt:

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Time deposits	2,576,271	1,341,791	2,484,605	1,325,204
Financial bills	1,427,923	487,270	1,427,923	487,270
Interbank deposits	461,970	243,664	433,902	232,659
Purchase and sale commitments	388,068	32,583	388,068	32,455
Loans assigned with retention of risk	30,681	29,822	30,681	29,822
Contributions to the deposit guarantee fund	28,817	22,496	28,817	22,496
Real estate letters of credit	16,766	13,336	16,766	13,336
Foreign exchange gains/losses	-	(37)	-	(37)
Total	4,930,496	2,170,925	4,810,762	2,143,205

16) Interbank accounts

Bank and Consolidated	12/31/2022	12/31/2021
Receipts and payments pending settlement (1)	2,138,323	2,383,754
Local correspondents (2)	132,210	78,791
Total	2,270,533	2,462,545
Current	2,270,533	2,462,545

(1) Refer mainly to amounts payable related to card transactions; and

(2) Refer to the receipt of installments related to contracts assigned to be transferred to the assignees, updated at the agreed contractual rates. The accounts are represented by vehicle financing, payroll-deductible loans, and real-estate financing.

17) Borrowings

a) Balance sheet accounts:

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Borrowings				
Local	-	-	78	194
Foreign (1)(2)	779,785	822,344	779,785	822,344
Total	779,785	822,344	779,863	822,538
Current	388,458	547	388,536	741
Non-current	391,327	821,797	391,327	821,797

(1) Borrowing obtained on 12/22/2021 in the amount of US\$ 150 million, maturing on 12/15/2025; and

(2) Hedge accounting transactions (Note 7.c.vi).

18) Other financial liabilities

a) Breakdown:

Bank and Consolidated	12/31/2022	12/31/2021
Assignment with substantial retention of risks and benefits (8.f ii)	304,943	483,373
Subordinated debts (18.b)	10,987	9,329
Total	315,930	492,702
Current	172,518	226,054
Non-current	143,412	266,648

b) Subordinated debts:

The composition of tranches and balances updated to the base dates is as follows:

Bank and Consolidated	12/31/2022	12/31/2021
In Brazil:		
R\$ 8,000 (1)	10,987	9,329
Total	10,987	9,329
Non-current	10,987	9,329

(1) Subordinated Financial Bills issued on 4/18/2019, maturing on 4/16/2027.

19) Provisions, contingent assets and liabilities and legal obligations (tax and social security)

Provisions:

The Bank is a party to labor, civil and tax lawsuits arising in the normal course of its business. The corresponding provisions are constituted for all civil, tax and labor processes whenever losses are considered probable, reflecting the history of losses, advice of the legal advisors, the type and complexity of the lawsuits, and recent judicial precedent. The provision recorded is sufficient to cover the probable risk of loss arising from these lawsuits.

Labor

The claims have been brought by former employees and service providers claiming compensation for labor rights, arising, in general, from their classification as bank employees, particularly for overtime, based on Article 224 of the Consolidation of Labor Laws (CLT), in respect of ancillary responsibility in lawsuits involving service providers.

Labor claims are managed individually and accompanied by specialized internal and external legal counsel. Provisions are made to reflect the history of losses for similar lawsuits concluded in the last 12 or 24 months, depending on the type of plaintiff, updated annually or adjusted at a rate of 1% per month.

Civil

These lawsuits are claims for payment, indemnities, tariff revisions and tariff claims.

Civil lawsuits that are classified into two groups, as follows:

1) lawsuits with similar characteristics

A statistical model is applied to estimate the provision for civil lawsuits with similar characteristics, which is calculated based on the average loss for all lawsuits over the last 12 months, updated at quarterly.

2) strategic civil lawsuits

The provision for the strategic civil lawsuits is recorded under the advice of internal experts, based on the characteristics of the lawsuit, the position of the outsourced law firm, timing of the proceeding, judicial precedents, as well as potential to affect the image and operations of the Bank.

There are no other significant administrative proceedings in progress for non-compliance with National Financial System regulations or for payment of fines, which could have a material effect on the financial position of the Bank or its subsidiaries.

Tax

Administrative and judicial proceedings filed by the Federal Government, States, Municipalities and the Federal District against the PAN Group, for taxes allegedly, whether registered or not as obligations. All such tax matters are conducted with specialized firms.

The provision for taxes is supported by extensive studies, taking into account procedural, jurisprudential, doctrinal aspects, supported by legal counsel, and are classified as a probable loss.

I. Provisions by nature:

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Civil	199,052	259,720	204,427	264,853
Labor	91,738	102,605	94,253	106,599
Tax	5,283	4,516	45,602	47,911
Total	296,073	366,841	344,282	419,363

II. Change in provisions:

Bank	Civil	Labor	Tax	Total
At 12/31/2021	259,720	102,605	4,516	366,841
Constitution, net of reversals	179,146	42,058	378	221,582
Indexation and interest accruals	-	-	516	516
Settlements	(239,814)	(52,925)	(127)	(292,866)
At 12/31/2022	199,052	91,738	5,283	296,073

Consolidated	Civil	Labor	Tax	Total
At 12/31/2021	264,853	106,599	47,911	419,363
Merger of balance (1)	1,187	-	-	1,187
Constitution, net of reversals	181,993	40,846	(3,334)	219,505
Indexation and interest accruals	-	-	1,559	1,559
Settlements	(243,606)	(53,192)	(534)	(297,332)
At 12/31/2022	204,427	94,253	45,602	344,282

(1) Acquisition of Mosaico (Note 1.a).

III. Contingent liabilities with possible risk of losses:

The main tax litigation discussions with an estimated likelihood of loss considered as possible are described below.

IRPJ/CSLL - Capital gain obtained on the demutualization of B3 (over-the-counter), in addition to the disallowance of income tax and social contribution losses, referring to 2008 and 2009. In December 2022, the amount related to this lawsuit totals approximately R\$ 784 (R\$ 738 at 12/31/2021).

IRPJ/CSLL - Deductibility of losses on loan operations and other operating expenses, referring to 2007 to 2017. In December 2022, the amounts related to these lawsuits total approximately R\$ 969,867 (R\$ 869,565 at 12/31/2021).

IRPJ/CSLL - Deductibility of PIS/COFINS referring to 2014. In December 2022, the amount related to this lawsuit totals approximately R\$ 24,868 (R\$ 22,928 at 12/31/2021);

IRPJ/CSLL - Deductibility of goodwill paid on the acquisition of equity interests amortized in 2014 to 2017. In December 2022, the amount related to these lawsuits totals approximately R\$ 25,095 (R\$ 22,774 at 12/31/2021).

PIS/COFINS - Deductibility of swap expenses from the calculation base, referring to 2010. In December 2022, the amount related to this lawsuit totals approximately R\$ 5,068 (R\$ 4,758 at 12/31/2021);

PIS/COFINS - Deductibility of commissions paid to bank correspondents and losses on sale or transfer of financial assets for calendar year 2017. In December 2022, the amount related to this lawsuit totals approximately R\$ 239,871 (R\$ 217,972 at 12/31/2021);

INSS on profit or gain sharing and Workers' Meal Program (PAT) - Levy of social security contributions on payments made as profit or gain sharing and PAT for 2012, 2013, 2016 and 2017. In December 2022, the amounts related to these lawsuits total approximately R\$ 135,691 (R\$ 124,424 at 12/31/2021);

IRRF - Capital gain from the acquisition of equity interest abroad, referring to 2012. In December 2022, the amount related to this lawsuit totals approximately R\$ 85,746 (R\$ 79,751 at 12/31/2021); and

Tax offsetting disallowed - Rejection of requests for offsetting IRPJ, CSLL, PIS, COFINS, resulting from overpayments or taxes not due. In December 2022, the amounts related to these lawsuits total approximately R\$ 254,790 (R\$ 235,849 at 12/31/2021);

20) Current tax obligations

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Taxes and contributions on income	130,794	334,770	150,558	341,223
Social Contribution on Revenues (COFINS)	45,055	33,744	46,954	34,238
Taxes and contributions on salaries	25,286	23,385	28,665	24,284
Withholding tax at source on payments to third	5,733	40,696	5,871	40,740
Social Integration Program (PIS)	7,321	5,483	7,703	5,578
Services Tax (ISS)	3,356	3,236	5,099	3,630
Withholding tax on fixed-income securities	3,554	1,011	3,554	1,011
Tax Recovery Program (REFIS) - Law 12,996/14	-	-	890	567
Total	221,099	442,325	249,294	451,271
Current	221,099	442,325	249,294	451,271

21) Other sundry liabilities

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Payables due	1,134,830	1,297,328	1,192,658	1,299,683
Operations linked to assignment	909,860	716,186	909,860	716,186
Collections	118,272	80,812	118,512	81,053
Credit card transactions	37,468	49,006	37,468	49,006
Negotiation and intermediation of securities	18,262	25,584	19,224	26,698
Amounts payable to related parties	36,443	20,328	35,408	19,756
Specific consortium amounts	-	-	1,017	3,686
Other	93,655	98,212	99,762	136,801
Total	2,348,790	2,287,456	2,413,909	2,332,869
Current	2,343,247	2,284,607	2,403,651	2,325,404
Non-current	5,543	2,849	10,258	7,465

22) Equity

a) Composition of capital - number of shares:

Total subscribed and fully paid-up capital at 12/31/2022 and 12/31/2021 amounted to R\$ 5,928,320 and R\$ 4,175,222, respectively.

The nominative registered shares with no par value are shown below (in thousands of shares).

	12/31/2022	12/31/2021
Common	657,561	657,561
Preferred	648,772	547,495
Subtotal	1,306,333	1,205,056
In treasury (preferred) (1)	(33,153)	-
Total	1,273,180	1,205,056

(1) Own shares acquired, based on the approval of the Board of Directors to be held in Treasury or for subsequent cancellation (Note 22.f).

b) Composition of capital - number of shares:

The Extraordinary General Meeting held on 12/01/2021 approved the merger of shares issued by Mosaico and the increase in the Company's capital following the merger of all shares issued by Mosaico, of (a) 101,276,624 registered book-entry preferred shares, with no par value (BPAN4); and (b) as an additional advantage, registered book-entry subscription warrants of 126,595,780, issued by the Company, exercisable in up to 30 months from the date of closure (as defined in the Association Agreement), provided that the performance target of the trading price of BPAN4 shares is achieved. Each warrant will entitle Mosaico's stockholders to subscribe an additional 0.166667 BPAN4 shares (Note 1.a).

BACEN approved on 03/09/2022 the merger of shares issued by Mosaico and the capital increase resulting from the merger of shares issued by Mosaico, resolutions made at the Company's Extraordinary General Meeting held on 12/01/2021.

At a meeting held on 05/09/2022, the Company's Board of Directors approved a new Share Buyback Program ("Buyback Program") (Note 22.f).

Number of shares (thousand shares)	Common	Preferred	Total
At 12/31/2021	657,561	547,495	1,205,056
Capital increase	-	101,277	101,277
Increase in treasury shares	-	(33,153)	(33,153)
At 12/31/2022 (1)	657,561	615,619	1,273,180

(1) Pursuant to art. 67, of CVM Resolution 80/2022, outstanding shares are all shares of the issuer, except for those held by the controlling stockholder, persons related to the controlling stockholder, officers of the issuer, and those held in treasury.

c) Revenue reserves

Legal reserve - pursuant to its Bylaws, the Bank appropriates 5% of its annual net profit, after the deduction of accumulated losses and the income tax provision, to the legal reserve, the balance of which should not exceed 20% of the Bank's paid-up capital. Pursuant to Article 193, paragraph 1, of Corporation Law 6,404/76, the Bank may opt not to appropriate a portion of its net profit to the legal reserve in the year in which the balance of this reserve plus the capital reserves exceeds 30% of capital.

Income reserve - the purpose of the reserve is to ensure that there are sufficient funds to meet the Bank's regulatory and operational capital requirements. The reserve can be converted into capital by a decision of the Board of Directors. Observing the limit of authorized capital, this reserve can be formed, in accordance

with a proposal of the Board of Directors, with up to 100% of the net profit remaining after the annual appropriations, but may not exceed the amount of the Bank's capital.

d) Interest on capital/dividends:

Stockholders are entitled to a minimum dividend corresponding to 35% of annual profit, adjusted pursuant to the Bylaws and Article 202 of Law 6,404/76.

The calculation of the interest on capital is as follows:

	12/31/2022	% (1)	12/31/2021	% (1)
Net profit	706,108		774,576	
(-) Legal reserve	(35,305)		(38,729)	
Calculation base	670,803		735,847	
Interest on capital (gross) approved and provisioned/paid	320,000		261,080	
Withholding Income Tax related to interest on capital	(48,000)		(39,162)	
Interest on capital (net) approved and provisioned/paid	272,000		221,918	
Proposed dividends	-		35,628	
Interest on capital (net) approved and dividends	272,000	40.5%	257,546	35.0%

(1) Percentage of interest on capital on the calculation base.

e) Earnings per share:

	12/31/2022	12/31/2021
Profit attributable to the Bank's stockholders	706,108	774,576
Profit attributable to the Bank's holders of common shares	369,506	422,661
Profit attributable to the Bank's holders of preferred shares (R\$ thousand)	336,602	351,915
Weighted average number of common shares outstanding (thousand)	657,561	657,561
Weighted average number of preferred shares outstanding (thousand)	599,005	547,495
Basic earnings per common share attributable to the Bank's stockholders	0.56	0.64
Basic earnings per preferred share attributable to the Bank's stockholders	0.56	0.64

f) Treasury shares:

At a meeting held on 05/09/2022, the Company's Board of Directors approved the new Banco PAN's Share Buyback Program, authorizing the acquisition of up to 40,000,000 preferred shares of own issue, registered, book-entry and with no par value (BPAN4), to be held in treasury or for subsequent cancellation. The Buyback Program will be in place up to 18 months from 05/09/2022.

On 11/29/2022, the Board of Directors approved the cancellation of preferred shares already held in the Company's treasury, resulting from acquisitions made under the Buyback Program, without reduction of the Company's share capital.

At 12/31/2022, the balance of treasury shares totaled R\$ 234,855, comprising 33,153 preferred shares.

23) Income from services rendered

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Loan operations	300,783	312,780	300,783	312,780
Credit cards	316,620	231,113	316,624	231,113
Business intermediation	139,292	195,819	139,292	195,819
Revenue in products listing (1)	-	-	224,297	-
Advertising revenue (2)	-	-	41,227	-
Other	6,580	1,970	17,348	3,697
Total	763,275	741,682	1,039,571	743,409

(1) Amounts related to the provision of price comparison services; and

(2) Amounts related to online advertising revenue.

24) Personnel expenses

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Salaries	540,497	508,775	573,420	509,796
Social charges	145,635	136,008	155,922	136,349
Benefits (Note 32)	112,299	103,619	120,494	103,810
Fees	35,864	24,875	41,243	24,875
Other	9,215	10,536	11,126	10,537
Total	843,510	783,813	902,205	785,367

25) Other administrative expenses

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Commissions payable to correspondent banks	1,617,254	1,815,158	1,605,610	1,815,158
Third-party services	724,944	662,988	735,952	683,821
Data processing	510,896	455,965	521,216	456,587
Financial system services	311,677	307,817	312,661	308,645
Advertising, promotions and publicity	264,961	283,574	346,418	283,940
Communication	74,231	110,152	75,319	110,225
Rentals	28,995	26,417	44,852	26,431
Depreciation and amortization	121,620	77,615	127,851	77,648
Asset search and seizure expenses	28,017	12,320	28,018	12,333
Maintenance and conservation of property	8,531	13,791	9,499	13,793
Transportation	5,751	5,487	5,975	5,487
Travel	5,284	1,618	6,879	1,618
Fees and emoluments	3,272	3,094	3,500	3,866
Water, power and gas	1,462	1,739	1,578	1,741
Consumption materials	1,357	2,429	1,532	2,429
Other	23,792	15,982	25,908	22,101
Total	3,732,044	3,796,146	3,852,768	3,825,823

26) Tax expenses

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Social Contribution on Revenues (COFINS)	320,073	295,702	347,106	298,353
Social Integration Program (PIS)	52,085	48,052	57,656	48,531
Services Tax (ISS)	29,016	30,391	37,930	30,433
Taxes and charges	7,420	6,628	8,571	7,448
Total	408,594	380,773	451,263	384,765

27) Provisions expenses

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Constitution (reversal) of provision for civil	(179,146)	(133,289)	(181,993)	(132,218)
Constitution (reversal) of provision for labor	(42,058)	(46,466)	(40,846)	(44,728)
Constitution (reversal) of provision for tax	(378)	(1,442)	3,334	(4,225)
Total	(221,582)	(181,197)	(219,505)	(181,171)

28) Other operating income and expenses

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Recovery of charges and expenses	332,408	190,074	292,628	191,508
Indexation/foreign exchange variations	75,753	27,459	79,442	29,262
Assignment of loans	(1,657,071)	(1,030,086)	(1,657,071)	(1,030,086)
Discounts granted	(239,985)	(116,143)	(239,985)	(116,143)
Losses on loan/financing operations and frauds	(140,665)	(69,568)	(140,665)	(69,568)
Liens	(30,160)	(35,820)	(30,165)	(35,838)
Amortization of goodwill (Note 14.b)	(100,810)	(23,930)	(105,378)	(25,053)
Other	(37,456)	(24,477)	(38,278)	(21,954)
Total	(1,797,986)	(1,082,491)	(1,839,472)	(1,077,872)

29) Non-operating income

	Bank		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Reversal/(impairment) of other assets	3,910	(1,093)	2,951	(1,315)
Result on the sale of other assets	4,817	29,961	5,016	29,938
Other (1)	10,881	-	10,859	54
Total	19,608	28,868	18,826	28,677

(1) In 2022, this refers to gains related to the demutualization of CIP (Interbank Payment Chamber).

30) Balances and transactions with related parties

Transactions with related parties (direct and indirect) are carried out under conditions and rates which are compatible with the average terms practiced with third parties obtained on the contract dates.

a) Balances and transactions with related parties

Bank	Maximum term	12/31/2022	12/31/2021	12/31/2022	12/31/2021
		Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Interbank investments (a)		275,282	5,974	25,417	15,694
Banco BTG Pactual S.A.	9/23/2027	275,282	5,974	25,417	15,635
Caixa Econômica Federal (b)	-	-	-	-	59
Loan assignments		2,225	2,541	(286)	2,541
Banco BTG Pactual S.A. (c)	No term	2,225	2,541	(286)	2,541
Other receivables		39,263	71,628	-	-
,Too Seguros S.A.	No term	23,121	61,060	-	-
Pan Arrendamento Mercantil S.A.	No term	105	-	-	-
Pan Corretora de Seguros Ltda.	No term	24	21	-	-
Mosaico Tecnologia ao Consumidor S.A. (d)	No term	5,107	-	-	-
Brazilian Securities Companhia de Securitização (d) (e)	No term	4,467	1,988	-	-
Pan Administradora de Consórcio Ltda.(d) (e)	No term	240	144	-	-
Brazilian Finance & Real Estate S.A. (d) (e)	No term	5,280	8,415	-	-
Key management personnel	No term	919	-	-	-
Demand deposits (f)		(422)	(360)	-	-
,Too Seguros S.A.	No term	(337)	(337)	-	-
Pan Arrendamento Mercantil S.A.	No term	(3)	(4)	-	-
Pan Administradora de Consórcio Ltda.	No term	(12)	(8)	-	-
Pan Corretora de Seguros Ltda.	No term	(62)	-	-	-
BM sua Casa Promotora de Vendas Ltda.	No term	(2)	(3)	-	-
Brazilian Securities Companhia de Securitização	No term	(4)	(7)	-	-
Brazilian Finance & Real Estate S.A.	No term	(2)	(1)	-	-
Interbank deposits (g)		(4,685,112)	(2,529,479)	(375,312)	(180,579)
Banco BTG Pactual S.A.	05/26/2026	(4,435,218)	(2,299,309)	(347,244)	(114,759)
Caixa Econômica Federal (b)	-	-	-	-	(54,816)
Pan Arrendamento Mercantil S.A.	12/20/2023	(249,894)	(230,170)	(28,068)	(11,004)
Time deposits (h)		(970,465)	(465,595)	(98,560)	(19,496)
Pan Corretora de Seguros Ltda.	03/27/2025	(49,559)	(48,294)	(6,760)	(2,783)
Pan Administradora de Consórcio Ltda.	12/15/2025	(75,948)	(71,820)	(8,766)	(2,980)
Brazilian Securities Companhia de Securitização	12/08/2025	(204,375)	(183,567)	(22,640)	(7,145)
Brazilian Finance & Real Estate S.A.	12/14/2025	(87,625)	(115,907)	(10,047)	(4,749)
BM sua Casa Promotora de Vendas Ltda.	12/05/2025	(60,541)	(44,463)	(6,332)	(1,714)
Mosaico Tecnologia ao Consumidor S.A.	12/20/2024	(489,714)	-	(43,841)	-
Mobiauto Edição de Anúncios Online Ltda	09/11/2023	(1,040)	-	(40)	-
Key management personnel	03/15/2027	(1,663)	(1,544)	(134)	(125)
Liabilities for purchase and sale commitments		(5,880,994)	(1,178,410)	(385,713)	(20,538)
Banco BTG Pactual S.A.	08/31/2026	(5,880,994)	(1,178,410)	(385,713)	(20,388)
Caixa Econômica Federal (b)	-	-	-	-	(23)
Pan Administradora de Consórcio Ltda.	-	-	-	-	(127)
Derivative financial instruments (i)		(88,353)	(39,488)	(139,049)	(39,488)
Banco BTG Pactual S.A.	12/15/2025	(88,353)	(39,488)	(139,049)	(39,488)

Bank	Maximum term	12/31/2022	12/31/2021	12/31/2022	12/31/2021
		Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Other liabilities		(373,757)	(208,318)	-	-
Banco BTG Pactual S.A. (j)	No term	(337,351)	(187,990)	-	-
,Too Seguros S.A.	No term	(35,370)	(19,756)	-	-
Brazilian Finance & Real Estate S.A.	No term	(241)	(518)	-	-
Brazilian Securities Companhia de Securitização	No term	(240)	(54)	-	-
Mosaico Tecnologia ao Consumidor S.A.	No term	(555)	-	-	-
Income from services rendered		-	-	140,807	196,054
,Too Seguros S.A. (k)	-	-	-	140,460	195,819
Caixa Econômica Federal (b)	-	-	-	-	235
Mosaico Tecnologia ao Consumidor S.A.	-	-	-	347	-
Personnel expenses		-	-	(302)	(322)
,Too Seguros S.A.	-	-	-	(302)	(322)
Other administrative expenses		-	-	(94,102)	(53,105)
,Too Seguros S.A.	-	-	-	(3,587)	(5,146)
Banco BTG Pactual S.A. (l)	-	-	-	(3,968)	(13,029)
BTG Pactual Corretora (m)	-	-	-	(124)	(115)
Tecban S.A.	-	-	-	(37,312)	(9,958)
Mosaico Tecnologia ao Consumidor S.A.	-	-	-	(9,530)	-
Interbank Payment Chamber	-	-	-	(39,581)	(24,857)
Other operating expenses		-	-	(1,387)	-
Banco BTG Pactual S.A. (n)	-	-	-	(1,387)	-
Result from loan assignment		-	-	575,320	-
Banco BTG Pactual S.A.	-	-	-	575,320	-

(a) Refer to the Bank's investments accruing CDI rates;

(b) From 5/19/2021 Caixa Participações S.A. ("CaixaPar"), a wholly-owned subsidiary of Caixa Econômica Federal ("CAIXA"), is no longer considered a related party (Note 1);

(c) Refer to the performance bonus on the assignment of loans without recourse;

(d) Provisions for dividends to be paid until 12/31/2023, of which: R\$ 5,107 relates to Mosaico Tecnologia ao Consumidor S.A., R\$ 3,937 to Brazilian Finance & Real Estate S.A., R\$ 4,390 to Brazilian Securities Companhia de Securitização, and R\$ 225 to Pan Administradora de Consórcio Ltda.;

(e) Provisioned balance of R\$ 1,343, referring to the remaining balance of the capital reduction of Brazilian Finance & Real Estate S.A., according to the Extraordinary General Meeting of 9/18/2013; provisioned balance of R\$ 77, substantially related to amounts received from different borrowers referring to loan operations acquired from the company Brazilian Securities Companhia de Securitização;

(f) Refer to the outstanding balances of current accounts of affiliates held at the Bank;

(g) Refer to the funding through interbank deposits with rates equivalent to the CDI rate;

(h) Refer to the funding through time deposits made at the Bank;

(i) Refer to swaps;

(j) Refers to the interest on capital for 2022 in the gross amount of R\$ 236,649 and provision for early settlement liability on credit assignments, in the amount of R\$ 100,684;

(k) Refers to the commissions paid to the Bank for insurance intermediation and the commissions paid to the correspondent for business intermediation;

(l) Refers to expenses with property rentals;

(m) Refers to expenses with market makers; and

(n) Refers to expenses with credit assignment related to early settlement liability.

Consolidated	Maximum term	12/31/2022	12/31/2021	12/31/2022	12/31/2021
		Assets	Assets	Income	Income
		(liabilities)	(liabilities)	(expenses)	(expenses)
Cash and cash equivalents (a)		3,450	-	-	-
Banco BTG Pactual S.A.	-	3,450	-	-	-
Interbank investments (c)		275,282	5,974	25,417	15,694
Banco BTG Pactual S.A.	9/23/2027	275,282	5,974	25,417	15,635
Caixa Econômica Federal (b)	-	-	-	-	59
Loan assignments (d)		2,225	2,541	(286)	159,245
Banco BTG Pactual S.A.	No term	2,225	2,541	(286)	2,541
Caixa Econômica Federal (b)	-	-	-	-	156,704
Other receivables		24,064	61,081	-	-
,Too Seguros S.A.	No term	23,121	61,060	-	-
Pan Corretora de Seguros Ltda.	No term	24	21	-	-
Key management personnel	No term	919	-	-	-
Demand deposits (e)		(399)	(337)	-	-
,Too Seguros S.A.	No term	(337)	(337)	-	-
Pan Corretora de Seguros Ltda.	No term	(62)	-	-	-
Interbank deposits (f)		(4,435,218)	(2,299,309)	(347,244)	(169,575)
Banco BTG Pactual S.A.	05/26/2026	(4,435,218)	(2,299,309)	(347,244)	(114,759)
Caixa Econômica Federal (b)	-	-	-	-	(54,816)
Time deposits (g)		(51,222)	(49,838)	(6,894)	(2,908)
Pan Corretora de Seguros Ltda.	03/27/2025	(49,559)	(48,294)	(6,760)	(2,783)
Key management personnel	03/15/2027	(1,663)	(1,544)	(134)	(125)
Liabilities for purchase and sale commitments		(5,880,994)	(1,178,410)	(385,713)	(20,411)
Banco BTG Pactual S.A.	08/31/2026	(5,880,994)	(1,178,410)	(385,713)	(20,388)
Caixa Econômica Federal (b)	-	-	-	-	(23)
Derivative financial instruments (h)		(88,353)	(39,488)	(139,049)	-
Banco BTG Pactual S.A.	12/15/2025	(88,353)	(39,488)	(139,049)	-
Other liabilities		(373,276)	(207,746)	-	-
Banco BTG Pactual S.A. (i)	No term	(337,351)	(187,990)	-	-
,Too Seguros S.A.	No term	(35,370)	(19,756)	-	-
Mosaico Tecnologia ao Consumidor S.A.	No term	(555)	-	-	-
Income from services rendered		-	-	140,807	196,054
,Too Seguros S.A. (j)	-	-	-	140,460	195,819
Caixa Econômica Federal (b)	-	-	-	-	235
Mosaico Tecnologia ao Consumidor S.A.	-	-	-	347	-
Personnel expenses		-	-	(302)	(322)
,Too Seguros S.A.	-	-	-	(302)	(322)
Other administrative expenses		-	-	(94,102)	(53,105)
,Too Seguros S.A.	-	-	-	(3,587)	(5,146)
Banco BTG Pactual S.A. (k)	-	-	-	(3,968)	(13,029)
BTG Pactual Corretora (l)	-	-	-	(124)	(115)
Tecban S.A.	-	-	-	(37,312)	(9,958)
Mosaico Tecnologia ao Consumidor S.A.	-	-	-	(9,530)	-
Interbank Payment Chamber	-	-	-	(39,581)	(24,857)

Consolidated	Maximum term	12/31/2022	12/31/2021	12/31/2022	12/31/2021
		Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Other operating expenses					
Banco BTG Pactual S.A. (m)	-	-	-	(1,387)	-
Result from loan assignment					
Banco BTG Pactual S.A.	-	-	-	575,320	-

- (a) Refer to current accounts of Mosaico Tecnologia ao Consumidor S.A. and Mobiauto Edição de Anúncios Online Ltda.;
- (b) From 5/19/2021 Caixa Participações S.A. ("CaixaPar"), a wholly-owned subsidiary of Caixa Econômica Federal ("CAIXA"), is no longer considered a related party (Note 1);
- (c) Refer to the Bank's investments accruing CDI rates;
- (d) Refer to the performance bonus on the assignment of loans without recourse;
- (e) Refer to the outstanding balances of current accounts of affiliates held at the Bank;
- (f) Refer to the funding through interbank deposits with rates equivalent to the CDI rate;
- (g) Refer to the funding through time deposits made at the Bank;
- (h) Refer to swaps;
- (i) Refers to interest on capital for 2022 in the gross amount of R\$ 236,649 and provision for early settlement liability on credit assignments, in the amount of R\$ 100,684;
- (j) Refers to the commissions paid to the Bank for insurance intermediation and the commissions paid to the correspondent for business intermediation;
- (k) Refers to expenses with property rentals;
- (l) Refers to expenses with market makers; and
- (m) Refers to expenses with credit assignment related to early settlement liability.

• Other information

Pursuant to legislation, the Bank has loan operations with related parties, with comparable market terms and conditions, including related limits, interest rates, grace periods, maturities and required guarantees. Criteria are approved to classify these operations according to their risks for purposes of constituting the allowance for probable losses, without additional or differentiated benefits in relation to the operations carried out with other clients with the same profile.

31) Financial Instruments

• Risk management

The Bank is a wholly-owned subsidiary of the BTG Group and its assets and liabilities are subject to derivative financial instruments, which are recorded in the balance sheet, income and expenses and memorandum accounts.

The Bank's senior management is dedicated to risk management principles and the Board of Directors is responsible for approving the risk appetite included in the Risk Appetite Statement (RAS). Approval also extends to the policies, strategies and limits for risk management, among other guidelines of this management, pursuant to article 48 of CMN Resolution 4,557/17. The control and compliance management area, which is independent of the business and operational areas, is responsible for identifying, assessing, measuring, monitoring and controlling risk, in addition to reporting compliance with the risk guidelines established by management, without jeopardizing the duties of the Board of Directors included in Resolution above.

• Capital management

The Bank considers capital management to be one of its strategic pillars designed to optimize the utilization of available capital, contribute to the achievement of its objectives and strategies, always complying with the minimum capital limits established by the regulations in force.

Capital management is a continuous process of: (i) monitoring and controlling capital; (ii) assessing the need for capital to cover the potential risks to the Bank; and (iii) planning the capital targets and requirements. Capital management is based on the Bank's strategic objectives, business opportunities and the regulatory environment.

The Bank manages its capital based on a timely and prospective approach, in line with best practices and in compliance with the recommendations issued by the Basel Committee, consolidated in the regulation issued by CMN and BACEN, through policies and strategies that anticipate the capital that could be required as a result of possible changes in market conditions, and which are reviewed periodically by the Executive Board and Board of Directors. Management includes the allocation of capital funds for the expansion of the Bank's businesses, including for the necessary investments, according to the strategies that are being implemented.

Senior management is fully committed and the Board of Directors approves all policies and strategies for capital management, in accordance with article 48 of CMN Resolution 4,557/17.

Operating Limit - Basel Accord

Banco BTG Pactual became the sole owner of Banco PAN and, consequently, Banco PAN became a member of the group of companies that comprise the BTG Pactual Economic and Financial Conglomerate, which reports, on a consolidated basis, its indicators of capital to the Brazilian Central Bank (Note 1).

Banco PAN prepares and reports its operating limit calculations using only a "managerial" format (pro forma) as from June 30, 2021, therefore complying with the minimum capital requirements established by CMN Resolutions 4192/13 and 4193/13. Capital requirements are calculated in accordance with BACEN Circular Letter 3,644/13 for credit risk, BACEN Circular Letters 3,634/13 to 3,639/13, 3,641/13 and 3,645/13 for market risk, and BACEN Circular Letter 3,640/13 for operating risk.

The calculation of the Indicators of Capital is presented below:

Calculation base - Basel index	12/31/2022*	12/31/2021
Tier I reference equity	5,170,802	4,514,796
Core capital	5,170,802	4,514,796
Tier II reference equity	8,789	9,329
Reference equity for comparison with risk-weighted assets (RWA)	5,179,591	4,524,125
Reference equity	5,179,591	4,524,125
- Credit risk	28,982,927	26,364,443
- Market risk	367	1,527
- Operating risk	4,242,955	2,973,556
Risk-weighted assets (RWA)	33,226,249	29,339,526
Basel Index	15.59%	15.42%
Tier I	15.56%	15.39%
Tier II	0.03%	0.03%

*Pro forma

Further details about the risk and capital management can be found in the Corporate Governance/Risk Management section of BTG Pactual's website, www.btgpactual.com.br/ri.

- **Credit risk**

Credit risk can arise from losses from the non-fulfillment by customers or counterparties of their corresponding financial obligations under the agreed terms, a default on a loan agreement as a result of a deterioration in the borrower's risk rating, decreased gains or remuneration, advantages granted in renegotiations and recovery costs.

Management of credit risks is carried out based on policies and strategies, operating limits, risk mitigation techniques and procedures for maintaining the credit risk exposure at levels which are considered to be acceptable by the Bank.

- **Market risk**

This risk arises from rate volatility and the mismatching of the terms and currencies of the Bank's consolidated asset and liability portfolios. These risks are managed daily through methodologies established by best practice guidelines.

The transactions are exposed to the following risk factors: fixed interest rates, interest rates linked to foreign exchange variations and their corresponding spot rates, interest rates linked to price indices (National Consumer Price Index (INPC), National Civil Construction Index (INCC), Amplified Consumer Price Index (IPCA) and the General Market Price Index (IGPM)), as well as other interest rates (TR), foreign exchange variations (US\$) and share price variations.

The financial instruments are segregated into the following portfolios:

Trading portfolio: all transactions conducted with financial instruments, including derivatives, held with the intention of trading or for hedging other trading portfolio instruments. Transactions realized for trading are those intended for resale, for obtaining benefits from effective or expected changes in prices or arbitrage.

Banking portfolio: all transactions not classified in the trading portfolio. These consist of structured operations arising from the Bank's business lines and any related hedges.

Sensitivity analysis:

Risk factors	Trading and Banking Portfolio exposures subject to variation:	SCENARIOS(*)		
		(1) Probable	(2) Possible	(3) Remote
Interest rates	Fixed interest rates	(108)	(40,118)	(82,837)
Coupon - other interest rates	Coupon rates of interest rates	(15)	(3,725)	(6,735)
Coupon - price index	Coupon rates of price index	(4)	(1,633)	(2,239)
Foreign currency	Foreign exchange rate	-	(38)	(77)
Foreign exchange coupon	Foreign exchange coupon rates	-	(669)	(1,340)
Total at 12/31/2022		(127)	(46,183)	(93,228)
Total at 12/31/2021		(146)	(31,662)	(62,136)

The sensitivity analysis was carried out based on the market data for the last day in December 2022 focused on the adverse impact for each scenario. The effects do not consider the correlation between the scenario and the risk factors and tax effects.

Scenario 1: a one basis point (0.01% scenarios stress factor (increase or decrease) was applied to the forward interest rate structure in all scenarios/terms. For example: a 10% p.a. rate becomes 10.01% p.a. or 9.99% p.a. For foreign currencies and shares, a 1% stress factor was applied to the effective price.

Scenario 2: A 25% stress factor (increase or decrease) was applied to the rates (application of the 1.25 multiplier). For example: a 10% p.a. rate becomes 12.50% p.a. or 7.50% p.a. For foreign currencies and shares, a 25% stress factor was applied to the effective price.

Scenario 3: A 50% stress factor (increase or decrease) was applied to the rates (application of the 1.50 multiplier). For example: a 10% p.a. rate becomes 15.00% p.a. or 5.00% p.a. For foreign currencies and shares, a 50% stress factor was applied to the effective price.

The results of scenarios (2) and (3) are for simulations which involve significant stress situations, without considering mitigating actions. They do not reflect expected variations arising from market dynamics, the probability of the occurrence of which is considered to be low, and ignore measures which could be taken to mitigate potential risks.

The Bank uses derivative financial instruments for hedging purposes to meet its needs for managing market risks arising from the mismatching of currencies, indices, portfolio terms and arbitrage.

Foreign exchange exposure

The Bank uses derivative financial instruments for hedging purposes to meet its needs for managing market risks arising from the mismatching of currencies, indices, portfolio terms and arbitrage.

At 12/31/2022 and 12/31/2021, the position of derivative financial instruments, in foreign currency, was as follows:

	Notional		Market value	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Purchased position - U.S. Dollar				
Swap	(858,015)	(858,015)	(803,059)	(864,463)
Total	(858,015)	(858,015)	(803,059)	(864,463)
Sold position - U.S. dollar				
DOL	(2,662)	(2,808)	(2,662)	(2,808)
Total	(2,662)	(2,808)	(2,662)	(2,808)

- **Liquidity risk**

Liquidity risk arises from the possibility that the Bank may not be able to honor its expected and unexpected, current and future obligations, including those arising from related guarantees, without affecting its daily operations and without incurring significant losses; and also, the possibility of the Bank not being able to negotiate a specific position at market price, due to the amount being significant in relation to the financial volume normally transacted or some market interruptions.

The liquidity position, mismatching of primary risk factors, and of rates and terms of assets and liabilities in the portfolio, are constantly monitored.

The Bank maintains adequate liquidity levels, resulting from the quality of its assets and risk controls, in accordance with the Liquidity Risk Management Policy established and the regulatory requirements of the National Monetary Council (CMN Resolution 4,557/17). The results of the analyses of liquidity gaps are reported every two weeks to the Treasury Committee or whenever necessary.

- **Operating risk**

This risk refers to the possibility of losses occurring as a result of the failure, deficiency or inadequacy of internal processes, people and systems, or external events. This definition includes legal risk which is the risk related to the inadequacy or deficiencies in contracts entered into by the Bank, as well as any sanctions imposed as a result of non-compliance with the legal provisions and indemnities for damages to third parties arising from the activities carried out by the Bank.

The operating risk management structure is comprised of different areas and committees that participate in the operating and legal risk management process, with their respective roles and responsibilities, and comply with the segregation of duties. These areas and committees seek synergy, efficiency, process efficacy and effectiveness, besides respecting risk limits and appetite defined by the management of the Conglomerate's management.

In compliance with the requirements established by BACEN Circular Letter 3,930/19, the information on the risk management process is available for consultation on the website: <https://ri.bancopan.com.br/governanca-corporativa/gestao-de-riscos>.

Market value

The net book and market values of the main financial instruments are presented below:

Consolidated	12/31/2022		12/31/2021	
	Net book value	Market value	Net book value	Market value
Investments in interbank deposits	277,251	275,235	5,974	5,981
Marketable securities	9,149,836	8,890,546	6,306,937	6,101,259
- Trading securities	46,371	46,371	239,860	239,860
- Available-for-sale securities	285,397	285,397	632,943	632,943
- Securities held to maturity	8,818,068	8,558,778	5,434,134	5,228,456
Loan operations	38,779,251	40,939,398	34,332,029	36,006,114
Interbank deposits	5,482,464	5,655,271	3,446,520	3,597,823
Time deposits	19,006,490	19,764,186	20,260,106	20,886,454
Funds from issuance of securities	10,618,218	10,841,545	9,380,408	9,788,404
Foreign borrowings	779,785	823,179	822,344	822,344
Subordinated debts	10,987	13,459	9,329	11,541
Other financial liabilities	304,943	216,575	483,373	421,755

Determination of the market value of financial instruments:

- The market values of marketable securities, subordinated debts, and derivative financial instruments are based on market price quotations at the balance sheet date. When market quotations are not available, the market values are based on pricing models or equivalent instruments.

- The market values of the loan and leasing operations are determined by discounting future flows at the rates practiced in the market for equivalent transactions at the balance sheet date.

- The market values of time and interbank deposits and borrowings and onlendings are calculated by applying the rates practiced at the balance sheet date for equivalent instruments to the existing assets and liabilities.

32) Employee Benefits

In line with the best market practices, PAN offers a number of social benefits to its employees, including: (a) healthcare assistance; (b) dental care assistance; (c) life insurance; (d) meal vouchers; (e) food vouchers. In the year ended 12/31/2022, the benefit expenses amounted to R\$ 112,299 and R\$ 120,494 in Banco PAN and in the Consolidated, respectively (R\$ 103,619 and R\$ 103,810 in Banco PAN and in the Consolidated, respectively, in the year ended 12/31/2021).

33) Income Tax and Social Contribution

a) Income tax and social contribution reconciliation:

	Bank		Consolidated (3)	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Profit before income tax and social contribution	827,593	1,143,199	868,942	1,109,719
Total charges at the nominal statutory combined rate (1)	(375,517)	(544,044)	(379,149)	(524,028)
Reconciliation to tax expense:				
Equity in the results of investees	47,251	22,114	77	-
Interest on capital	147,200	130,540	147,200	130,540
Other amounts (2) (3)	59,581	22,767	70,687	58,345
Income tax and social contribution expense	(121,485)	(368,623)	(161,185)	(335,143)

(1) Standard rates: (i) the provision for income tax is recorded based on the rate of 15% of taxable profit, plus a 10% surcharge; (ii) the social contribution on net profit for Banco PAN is calculated at the rate of 20% (25% from 07/2021 to 12/2021 and 21% from 08/2022 to 12/2022); for Pan Arrendamento Mercantil at the rate of 15% (20% from 07/2021 to 12/2021 and 21% from 08/2022 to 12/2022), and for other companies at the rate of 9%.

(2) Refers mainly to the effect of the Tax Incentive for Technological Innovation established by Law 11,196/05 and the recognition of IRPJ and CSLL recoverable on SELIC interest accruals receivable on overpaid taxes from 2016 to 2020 (Case 962 of STF); and

(3) As from the first quarter of 2022, the financial information of Mobiauto and Mosaico started to be consolidated in the financial statements of the PAN Group.

b) Deferred income tax and social contribution assets

Bank	At 12/31/2021	Constituted	Realized	At 12/31/2022
Allowance for expected losses associated with credit risk	1,671,502	993,168	(1,450,030)	1,214,640
Provision for civil contingencies	116,874	93,535	(120,835)	89,574
Provision for labor contingencies	46,172	24,076	(28,967)	41,281
Provision for tax contingencies	2,032	474	(129)	2,377
Provision for loss on assets not for own use	23,029	1,284	(5,986)	18,327
Other provisions	635,020	670,779	(539,659)	766,140
Total deferred tax assets on temporary differences	2,494,629	1,783,316	(2,145,606)	2,132,339
Income tax and social contribution losses	971,949	123,329	(58,234)	1,037,044
Total deferred tax assets	3,466,578	1,906,645	(2,203,840)	3,169,383
Deferred tax liabilities (Note 33.e)	(101,824)	(507,836)	540,499	(69,161)
Deferred tax assets, net of deferred tax liabilities	3,364,754	1,398,809	(1,663,341)	3,100,222

Consolidated	At 12/31/2021	Constituted	Realized	At 12/31/2022
Allowance for expected losses associated with credit risk	1,683,726	993,368	(1,450,094)	1,227,000
Provision for civil contingencies	118,627	95,509	(122,786)	91,350
Provision for labor contingencies	47,562	24,160	(29,553)	42,169
Provision for tax contingencies	17,673	3,262	(4,148)	16,787
Provision for loss on assets not for own use	23,360	1,369	(6,198)	18,531
Mark-to-market adjustment of derivatives	12,225	282	(1,793)	10,714
Other provisions	637,139	695,755	(553,975)	778,919
Total deferred tax assets on temporary differences	2,540,312	1,813,705	(2,168,547)	2,185,470
Income tax and social contribution losses	995,852	199,306	(81,892)	1,113,266
Total deferred tax assets	3,536,164	2,013,011	(2,250,439)	3,298,736
Deferred tax liabilities (Note 33.e)	(110,490)	(521,358)	543,319	(88,529)
Deferred tax assets, net of deferred tax liabilities	3,425,674	1,491,653	(1,707,120)	3,210,207

c) Expected realization of deferred tax assets from temporary differences and income tax and social contribution carry-forward losses:

The projected realization of deferred tax assets was based on the study of the current and future scenarios, at 12/31/2022, the main assumptions used in the projections were macroeconomic indicators, production indicators, and cost of funding. This study was approved by the Bank's Board of Directors on 1/31/2023.

Deferred income tax and social contribution assets will be realized as the temporary differences are reversed or when they qualify for tax deductibility, or on the offset of the tax losses, a portion of which offset is being challenged at the administrative level. Management is confident its position will prevail.

The estimated realization of these assets is as follows:

Bank	Temporary differences		Income tax and social contribution losses		Total	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
2022	-	1,478,874	-	234,529	-	1,713,403
2023	1,302,098	640,335	104,334	375,319	1,406,432	1,015,654
2024	684,349	287,287	226,543	362,101	910,892	649,388
2025	36,224	66,514	386,586	-	422,810	66,514
From 2026 to 2029	109,668	21,619	319,581	-	429,249	21,619
Total	2,132,339	2,494,629	1,037,044	971,949	3,169,383	3,466,578

Consolidated	Temporary differences		Income tax and social contribution losses		Total	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
2022	-	1,481,595	-	238,493	-	1,720,088
2023	1,315,275	643,923	124,864	379,251	1,440,139	1,023,174
2024	694,280	294,655	250,934	364,613	945,214	659,268
2025	41,444	72,385	397,625	2,579	439,069	74,964
From 2026 to 2029	134,471	47,754	339,843	10,916	474,314	58,670
Total	2,185,470	2,540,312	1,113,266	995,852	3,298,736	3,536,164

At 12/31/2022, the present value of the tax credits, calculated based on Banco PAN's average funding rate, totaled R\$ 2,431,984 and R\$ 2,527,748 in the Consolidated (R\$ 2,795,789 in Banco PAN and R\$ 2,835,491 in the Consolidated at 12/31/2021).

d) Tax assets not recognized

At 12/31/2022, tax loss carryforwards totaled R\$ 230,396 in Banco PAN and R\$ 582,869 in the Consolidated (12/31/2021 - R\$ 230,396 in Banco PAN and R\$ 582,869 in the Consolidated), including tax assets/credits not recorded of R\$ 103,678 in Banco PAN and R\$ 244,667 in the Consolidated (12/31/2021 - R\$ 103,678 in Banco PAN and R\$ 244,667 in the Consolidated).

e) Deferred tax liabilities:

Bank	At 12/31/2021	Constituted	Realized	At 12/31/2022
Adjustment to market value of marketable and other securities	(101,824)	(504,899)	540,499	(66,224)
Indexation accrual Invest CIP S.A.	-	(2,937)	-	(2,937)
Deferred tax assets, net of deferred tax liabilities	(101,824)	(507,836)	540,499	(69,161)

Consolidated	At 12/31/2021	Constituted	Realized	At 12/31/2022
Adjustment to market value of marketable and other securities	(109,624)	(518,421)	542,701	(85,344)
Indexation accrual Invest CIP S.A.	-	(2,937)	-	(2,937)
Excess depreciation	(866)	-	618	(248)
Deferred tax assets, net of deferred tax liabilities	(110,490)	(521,358)	543,319	(88,529)

34) Other Information

- a) At 12/31/2022 and 12/31/2021, the Bank and its subsidiaries had no lease agreements for assets.
- b) Agreements for the Clearance and Settlement of Liabilities - CMN Resolution 3,263/05: the Bank entered into an agreement for the clearance and settlement of liabilities within the National Financial System (SFN), in respect of transactions with corporate entities being SFN members or not. This resolution allows for the offsetting of credits and debits with the same counterparty, where the settlement of the related rights and obligations can be accelerated to match the date on which an event of default by either party occurs or in the case of the bankruptcy of the debtor.
- c) Since the beginning of **COVID-19**, the Bank has adopted measures to minimize the impacts of the pandemic, as also to assure the continuity and sustainability of the business, in addition to following the recommendations of health authorities. The well-being of customers, partners, employees and suppliers is a priority. Management continues to monitor any new developments from the pandemic, ready to respond in a timely manner to minimize any effects.

Declaration of the Executive Board on the Financial Statements

In compliance with the determinations of Instruction 480/09, of the Brazilian Securities Commission (CVM), the Executive Board of Banco PAN declares that it has discussed, reviewed and agrees with the financial statements for the year ended 12/31/2022.

Declaration of the Executive Board on the Independent Auditor's Report

In compliance with the determinations of Instruction 480/09, of the Brazilian Securities Commission (CVM), the Executive Board of Banco PAN declares that it has discussed, reviewed and agrees with the opinion expressed in the independent auditor's report on the financial statements for the year ended 12/31/2022.

São Paulo, January 31, 2023

BOARD OF DIRECTORS

Chairman

Roberto Balls Sallouti

Board Members

André Santos Esteves

André Fernandes Lopes Dias

Sérgio Cutolo dos Santos

Alexandre Camara e Silva

Fábio de Barros Pinheiro

Marcelo Adilson Tavarone Torresi

Guilherme Goulart Pacheco

Maíra Habimorad

EXECUTIVE BOARD

Chief Executive Officer

Carlos Eduardo Pereira Guimarães

Officers

Alex Sander Moreira Gonçalves

Camila Corá Reis Pinto Piccini

Dermeval Bicalho Carvalho

Diogo Ciuffo da Silva

Leandro Marçal Araujo

Leonardo Ricci Scutti

Roberta Cardim Geyer

AUDIT COMMITTEE

Fábio de Barros Pinheiro

Pedro Paulo Longuini

Sidnei Corrêa Marques

ACCOUNTANT

Rodney Fabiano Fernandes

CRC 1SP270936/O-7

(A free translation of the original in Portuguese)

Banco Pan S.A.
Parent company and consolidated
financial statements
at December 31, 2022
and independent auditor's report



(A free translation of the original in Portuguese)

Independent auditor's report

To the Board of Directors and Stockholders
Banco Pan S.A.

Opinion

We have audited the accompanying parent company financial statements of Banco Pan S.A. ("Bank"), which comprise the balance sheet as at December 31, 2022 and the statements of income, comprehensive income, changes in equity and cash flows for the year and six-month period then ended, as well as the accompanying consolidated financial statements of Banco Pan S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2022 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year and six-month period then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

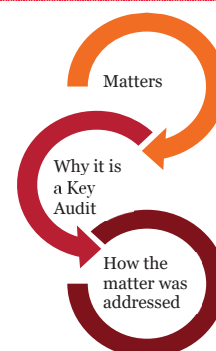
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Banco Pan S.A. and of Banco Pan S.A. and its subsidiaries as at December 31, 2022, and its financial performance and cash flows, as well as the consolidated financial performance and cash flows, for the year and six-month period then ended, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements section of our report. We are independent of the Institution and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.





Banco Pan S.A.

Why it is a Key Audit Matter

How the matter was addressed in the audit

**Provision for expected losses - credit risk
(Notes 3(d iv) e 8)**

Banco Pan S.A. and its subsidiaries operate mainly in the retail banking sector (Note 1). Management's judgment is applied to determine assumptions and criteria when recording the provision for expected losses associated to credit risks.

This process is consistent with the standards and instructions issued by the National Monetary Council (CMN) and the BACEN for estimating credit risk.

We focused again on this area in our audit because of the nature of the inherent risks.

Our key audit procedures included updating our understanding of the significant controls in place to calculate the provision for losses associated with credit risks, to assure the completeness of the database, the processing and recording of the provisions and related disclosures.

We also tested the reconciliation of the accounting balances with the analytical records and recalculated, on a test basis, the provision for expected losses associated to credit risks, based on the Bank's policies, which include, among others, an evaluation of the risks and effects of delinquencies, consistent with applicable standards.

We consider the assumptions and criteria used by Management are consistent with the information provided in the financial statements.

Information technology environment

The Bank and its subsidiaries operate in a business environment in which the information technology structure is critical to their operations and to ensure they continue operating as a going concern. The technology structure includes the processing of a high volume of transactions on a daily basis, which relies on diverse processes to manage the access and security of the information.

Information technology risks inherent in the processing of transactions, using different legacy systems, could generate incorrect information critical to the preparation of the financial statements.

We decided to again select this area for focus in our audit because of these risks.

With the support of our system specialists, our audit encompassed an understanding and testing of the information technology general controls and security environment. These covered systemic changes and program development, the security over program and database access, data processing center physical security and compensating controls, as required.

We also tested the automated controls over technology-dependent information, access restrictions and segregation of duties for processes relevant to the financial statement presentation.

Our procedures provided us with reasonable audit evidence with respect to the information technology environment used for the preparation of financial statements.

Tax assets (Notes 3(j) e 33(b))

The Bank and its subsidiaries recorded deferred tax assets of R\$ 3.3 billion for income tax and social contribution carryforward losses and

Our key audit procedures included reviewing the calculation and accounting processes based on tax regulations and accounting standards for



Banco Pan S.A.

Why it is a Key Audit Matter	How the matter was addressed in the audit
<p>temporary differences which are supported by projections of taxable profit. The projections are based on a study prepared by Management using current and future scenarios based on its judgment and selection of subjective assumptions.</p> <p>We focused again on this area in our audit as the use of a different set of assumptions for determining projected taxable profit could significantly change the estimated offset dates and tax asset amounts. The estimation process is required to comply with CMN and BACEN protocols for recording and maintaining such assets in the financial statements.</p>	<p>recording tax assets, pursuant to specific CMN and BACEN requirements. We obtained an understanding of the relevant assumptions used by Management to estimate future taxable profits supporting the tax asset realization.</p> <p>We compared the assumptions used by the Bank and its subsidiaries for projected taxable profits with the budgets approved by the Board of Directors and with market projections. We also performed back-testing to support the reasonableness of past projections.</p> <p>We consider the assumptions and criteria adopted by Management to be consistent with the recorded tax assets and estimated realization.</p>

Other matters

Statements of Value Added

The parent company and consolidated Statements of Value Added for the year and six-month period then ended December 31, 2022, prepared under the responsibility of the Institution's management and presented as supplementary information for purposes of the Brazilian Central Bank, were submitted to audit procedures performed in conjunction with the audit of the Institution's financial statements. The presentation of this statement is required by the Brazilian corporate legislation for listed companies. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these Statements of Value Added have been properly prepared in all material respects, in accordance with the criteria established in the Technical Pronouncement, and are consistent with the parent company and consolidated financial statements taken as a whole.

Other information accompanying the parent company and consolidated financial statements and the auditor's report

The Institution's management is responsible for the other information that comprises the Management Report.

Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report 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 in the Management Report, we are required to report that fact. We have nothing to report in this regard.



Banco Pan S.A.

Responsibilities of management and those charged with governance for the parent company and consolidated financial statements

Management is responsible for the preparation and fair presentation of these parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN), and for such internal control as management 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 parent company and consolidated financial statements, management is responsible for assessing the Institution'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 management either intends to liquidate the Institution or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Institution and its subsidiaries.

Auditor's responsibilities for the audit of the parent company and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing 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.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated 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 internal control of the Institution and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Institution's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial



Banco Pan S.A.

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 auditor's report. However, future events or conditions may cause the Institution to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 8, 2023

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

Tatiana Fernandes Kagohara Gueorguiev
Contadora CRC 1SP245281/O-6

SUMMARY OF THE AUDIT COMMITTEE REPORT

The Audit Committee ("Committee" or "COAUD") for Banco PAN S.A. ("Banco PAN" or "Company") and its subsidiaries ("Grupo PAN"), established in accordance with the Regulations in force, especially Resolution of the National Monetary Council ("CMN") 4,910, of May 27, 2021 ("CMN Resolution 4,910") and Resolution of the Brazilian Securities Commission ("CVM") 23, of February 25, 2021 ("CVM Resolution 23"), is a statutory body linked to the Board of Directors. It is currently composed of three members, two of whom are also part of the Audit Committee of Banco BTG Pactual S.A., the Company's indirect controlling shareholder.

The Committee's assessments are mainly based on information obtained from the Independent Auditors of Grupo PAN, Internal Audit, those responsible for risk management, the areas of compliance, internal controls, finance and others, as well as on its own analysis, based on documents and information collected within the Company and from other sources.

The main activities of by the Committee developed in the 2nd half of 2022 are described below, in summary, in order to comply with the provisions of art. 15 of CMN Resolution 4,910, as well as to state its opinion and the information it considers relevant.

I - FINANCIAL STATEMENTS

In the second half of 2022, the Committee monitored the process of preparation of the Financial Statements for the 4th quarter and 2nd half of 2022 ("Financial Statements or FS"), in order to ensure compliance with quality and integrity requirements. With this objective, the Committee discussed with the Internal Audit area of the Company and with the Independent Auditor, and also had frequent contacts with the areas of Banco PAN involved in the preparation of the FS, including the: (i) Accounting area, responsible for organizing the accounting matters and for preparing the Financial Statements; (ii) Internal Audit; and (iii) Independent Auditor. The Committee also carried out its own analysis of the financial statements, including the explanatory notes.

The COAUD did not identify any fact or evidence that compromised the quality and integrity of the financial statements.

II - INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The Committee assessed the effectiveness of the internal controls related to its main processes and the risks to which Banco PAN is exposed in its operations and business. It held periodic meetings with the areas responsible for these topics and with the Internal Audit and Independent Auditor.

With regard to risk management, meetings were held at least monthly with those responsible, in order to assess the level of adherence of the risk indicators to the Company's RAS (Risk Appetite Statement).

During the period, the Committee did not identify any fact or evidence that compromises the effectiveness of internal controls and risk management.

III - REPORTED ERRORS OR CASES OF FRAUDS THAT MAY COMPROMISE THE FINANCIAL STATEMENTS OR PUT BANCO PAN'S CONTINUITY AT RISK

Grupo PAN has internal procedures for investigating complaints, with or without identification of the complainant, centralized in the Whistleblower Channel.

The Whistleblower Channel provides a way for any employee or third party to make a complaint about non-compliance with legal provisions, regulations, internal regulations of Grupo PAN or infractions of any other nature.

Structured procedures are in place for investigating and addressing the complaint or for preserving the confidentiality of the whistleblower's identification.

The Committee did not identify, nor was it made aware of, any fact or evidence of error or fraud that requires communication to the Brazilian Central Bank ("BCB"), pursuant to art. 13 of CMN Resolution 4,910, or to other regulators, as provided for in the respective regulations.

IV - INDEPENDENT AUDIT

The Committee maintained continuous communication with the independent auditors (PricewaterhouseCoopers - PwC) for the purpose of assessing the compliance with the Annual Audit Plan, as well as monitoring their independence in performing the independent audit work, especially those carried out to assess the quality and integrity of the Financial Statements and the effectiveness of the internal controls of Banco PAN.

In this interaction and from the information provided by the Independent Auditor and in the Banco PAN documents, the COAUD did not identify any fact or evidence that could impair the auditor's independence.

V - INTERNAL AUDIT

The Committee supervised the preparation and execution of the Annual Audit Plan, regarding: (i) the approach and extent of the audits; (ii) the results of the audits, including the preparation and execution of action plans aimed at corrections and improvements eventually necessary by the audited areas; and (iii) the preparation of any revisions of the Annual Audit Plan. The most significant audit topics and action plans with the respective execution status were communicated and reported by COAUD to the Company's Board of Directors.

Based on the reports and other documents presented, the Committee concluded that the Internal Audit acts effectively and independently in relation to the audited areas and the Executive Board, reporting directly to the Board of Directors.

VI - FRAUD - MEANS OF PAYMENT

According to the documents presented, including the consolidated monthly assessment report of incidents, preventive measures and corrective measures adopted, the Committee concluded that Banco PAN has the structure and systems to prevent and deal with issues of this nature.

After evaluating the documentation and information provided by Management, the Committee concluded that no event had occurred that could impair its operation and continuity. With respect to means of payment, the Committee also concluded that PAN carried out the proper monitoring of fraud attempts, adopting all necessary preventive and corrective measures as provided for in BCB Resolution 42, of November 19, 2021.

VII - CUSTOMERS' REPORTS AND COMPLAINTS

The Committee has carefully monitored the number of complaints and Management's efforts to improve processes and procedures in order to improve client service. In this regard, during the six-month period, the Committee suggested actions for improvement in the methodology for identifying the causes of complaints and, thus, allowing Management to implement more effective resolution measures. The suggestions were accepted and the Committee will continue to monitor the situation and actions to correct and improve processes and procedures in place.

VIII - MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION

Also according to the information provided, including the Compliance Report provided for in BCB Circular Letter 3,978 of January 23, 2020, Banco PAN has a structure and procedures to prevent money laundering and terrorist financing.

Based on its analyses, the Committee concluded that there was no indication or evidence of material weakness in Banco PAN that could allow its use for money laundering and terrorist financing purposes.

IX - OTHER INFORMATION

The Committee declares that:

- a) the recommendations presented to the Executive Board are included in the action plans prepared by the areas of Banco PAN in agreement with the Internal Audit, with a view to correct weaknesses and make improvements, for compliance monitored by the Committee based on information obtained at the meetings, at least monthly, with the Internal Audit and with the employees and directors responsible for the audited areas;
- b) other services provided by the Independent Auditor were properly evaluated and, in the absence of any indication of a breach of independence, were approved by the Committee, namely: (i) evaluation of the registration and maintenance of credit assignment operations and Banco PAN's internal controls; and (ii) carrying out a technical study on the Company's information technology area; and
- c) according to the information provided by Management and the Independent Auditor, there are no material disagreements between Management, the Independent Auditor and this Committee in relation to the Financial Statements comprised in the period covered by this report.

X - CONCLUSION

Based on the results of its assessments, and after considering its responsibilities and attributions, considering the natural limitations arising from the scope of its activities, the Committee recommended the approval, by the Board of Directors, of the Financial Statements and other consolidated financial information of Banco PAN S.A. for the period ended December 31, 2022.

São Paulo, February 8, 2023

Fábio de Barros Pinheiro

CEO

Pedro Longuini

Member

Sidnei Corrêa Marques

Member