

FINANCIAL STATEMENTS

December 2023





**Management
Report**

4Q23

São Paulo, January 30, 2024 – In accordance with legal provisions, 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, 2023, 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,

Our purpose is to improve the financial lives of our clients, understanding that each of them has unique goals, expectations and challenges. Through our complete digital platform, we integrate all products and services into a single application, acting as a credit and consumption assistant for our clients. In this way, we offer a personalized approach, with the cross-selling of products across our platforms, leading to a significant impact on client satisfaction, as well as our growth and performance.

Our strategy is based on three pillars: (i) strengthen and boost the integration of our channels, connecting B2B clients to our application, increasing engagement; (ii) provide excellence in UX, investing in improving the client experience, and (iii) become an aspirational brand, related to UX, but going further, improving the way the client perceives Banco PAN. These connected pillars result in continuous and profitable growth.

Throughout 2023, we significantly improved the experience and relationship with our clients, achieving **28 million clients**. This progress is the result of our significant investments in UX and launch of new products and tools, offering intelligent, creative and personalized solutions.

This year, credit offers have also been improved and can now be requested and completed in just a few steps through our app, WhatsApp and the Mosaico or Mobiauto platforms, **also boosting B2C origination and strengthening the leadership we have achieved in these segments over time.**

Furthermore, in line with our rebranding, we launched a new card called “Estelar”, a premium product which provides exclusive benefits such as: 50% discount on cinema tickets, exclusive pre-sale offers on concerts, transfers to international airports in Brazil and others. **We also introduced the current account with income from deposits from day one.**

Finally, in 4Q23 we , presented good results with important improvements in our business strategy, highlighting the following main points:

- 1.** Strong origination, with emphasis on the highest historical volume of vehicle financing, aligned with our assertive pricing model and UX improvements, both for clients and retailers;
- 2.** Better default rates, with evolution in credit models and maintenance of a conservative approach;
- 3.** Robust margins, with growth linked to greater vehicle profitability.

4. Relevant advances in client experience, with significant improvements in the user experience, with emphasis on our application, with a new layout: more intuitive and easy to use.

The advancement of our business does not come at the expense of lower profitability: this quarter, we generated a **profit of R\$ 195 million** and **ROE of 11.1%**, both adjusted by goodwill. Our **accumulated profit in 2023 was R\$ 777 million, with ROE of 11.3%** (adjusted by goodwill).

BUSINESS LINES

Transactional Bank

In line with our client loyalty and engagement strategy, we continue with our investments in UX excellence, ensuring an intelligent and simple experience, with growth through efficient cross-sell.

In this sense, we highlight relevant deliveries carried out throughout 2023:

- i. New application layout, with a more friendly, intuitive and aspirational experience;
- ii. smart PIX - based on the identification of the copied text, our app automatically fills in the recipient's data and value, optimizing transactions and ensuring greater agility in the process;
- iii. new benefits program, which we continually improve, with a gamified experience which encourages the use of the various products and services on our platform, boosting cross-sell;
- iv. new credit cards, with the available limit being released according to use (build your credit journey),
- v. current account with a balance that earns interest from the first day.

These examples are aligned with our one bank strategy, allowing all clients, whether or not they have a PAN current account, to have access to the application. Through this complete platform, with a personalized credit and service offering, we intensify cross-selling between products and strengthen the connection with all our clients – also considering those who only have vehicle financing or payroll loans, boosting engagement and transactionality.

In this way, we maintained high levels of engagement this year. At the end of 2023, we had 28 million clients, an annual growth of 18%, and more than 8.2 million clients with registered PIX keys. In addition, we had 14.3 million clients with credit, an increase of 13% over 2022.

In the fourth quarter of 2023, we also began to show growth in our TPV, reaching R\$ 25.5 billion in the period against R\$ 22 billion in the previous quarter. Our activation level was 65% in this quarter, with a cross sell of 2.2 products per active client.

Payroll-Deductible Loans and FGTS

We have a successful track record in the payroll-deductible loan market, focused on loans and credit cards for government employees, retirees and pensioners of the National Institute of Social Security (INSS). In this way, we maintain our relevant position in the market, with origination at high levels, also driven by the scale gain of B2C origination.

The total payroll-deductible loan portfolio closed 2023 with a balance of R\$ 11,922 million, compared to R\$ 10,458 million in 3Q23. The payroll-deductible credit card portfolio ended the year at R\$ 3,843 million over the R\$ 4,275 million in 3Q23. The FGTS anniversary early withdrawal portfolio concluded 2023 with a balance of R\$ 1,449 million vs R\$ 1,506 million in 3Q23.

Vehicle Financing

Over the last year, we have significantly increased vehicle financing origination, consolidating ourselves as one of the main platforms in Brazil. Our success is a consequence of our constant investments in UX, evolving both the clients and retailers experience. In this way, with a more agile and simplified credit granting process, also aligned with an assertive pricing strategy, we achieved the highest historical origination in this segment: R\$ 13.7 billion in 2023, R\$ 4.3 billion in the last quarter alone. All of this also considering greater profitability.

Our investments in the retailers' experience also allow negotiations to be carried out in less time, without compromising the assertiveness of the model: with a simplified form, credit analysis is carried out considering only three pieces of information for used vehicles and five for new motorcycles.

Aligned with our strategy and together with Mobiauto, we also provide multiple solutions to meet the different demands of the vehicle financing ecosystem. When clients contact us, we offer pre-approved loans to choose a vehicle within budget thereby optimizing their journey. Mobiauto also offers tools and services that help retailers and clients with their daily needs (Mobi Gestor, Passe Carros and Mobi Já).

Also in line with our channel integration strategy, regardless of having a PAN current account, all clients with vehicle financing will soon have access to our application. This way, it will be possible to consult their installments and have access to exclusive benefits, also increasing engagement levels.

The vehicle financing portfolio ended 2023 with a balance of R\$ 22,044 million, an increase of 10% compared to R\$ 20,070 million in 3Q23 and of 32% against R\$ 16,741 million at the end of 2022.

Credit Cards

Since the end of 2021, we have adopted a more conservative stance in this segment, in order to take precautions in relation to the challenging scenario that we foresee ahead. In fact, we observed an increase in provisions in 2022, which gradually reduced throughout 2023.

We consider credit cards an important tool for our clients, contributing to their engagement. Therefore, this quarter, we began to recover this line of credit gradually and supported by an improved credit model, also in line with the recent launch of our two new credit cards: "Atmosfera" (standard) and "Estelar" (premium) – both linked to our new benefits program.

Even with greater issuance of credit cards this quarter, we maintained our conservative approach and reduced the average initial limit per client. Our strategy is based on adopting the 'build your credit journey': clients will have their limits increased as they use their cards appropriately, providing even more assertive information for our analyses.

In 4Q23, we issued 227 thousand new credit cards, 65% above the 137 thousand in 4Q22. We ended 2023 with a balance of R\$ 2,055 million in the credit card portfolio, against R\$ 3,611 million in 2022.

Personal Loans

We have also adopted a conservative stance on this line of credit since the end of 2021, even though we consider personal loans to be an essential product for engaging and retaining clients. Therefore, our strategy is to gradually resume growth in this segment, supported by our robust and improved credit model, while also taking advantage of cross-sell opportunities.

Our portfolio ended 2023 with a balance of R\$ 218 million, compared to R\$ 301 million in 3Q23 and R\$ 429 million at the end of 2022.

Marketplace

Our marketplace is an important line of business for attracting and engaging clients, in addition to being related to our strategy of offering credit and financial services in a personalized way.

Throughout this year, we have made relevant improvements in this segment, making comparisons and price history also available on the PAN app, and consolidating ourselves as a shopping assistant for our clients. Furthermore, we released the web version of Shopping PAN, offering another channel option for our clients to make their purchases.

We closed 4Q23 with a take rate of 6.3% versus 6.5% in 3Q23. Furthermore, this quarter we achieved a GMV of R\$ 949 million, above the R\$ 721 million in the previous quarter, given the seasonality of the period, especially Black Friday.

Insurance

Considering our diversification strategy, the advancement of the insurance segment is an important strategy for expanding our platform with the cross sell of clients.

We closed 2023 with 3.4 million clients with insurance contracted, an increase of 56% compared to 2022. Still this quarter, we originated R\$ 229 million in insurance premiums, 20% higher than the R\$ 191 million originated in 4Q22, mainly following vehicle origination volumes.

Investments

In line with our strategy of product completeness, excellence in UX, and increased transactionality and engagement, we launched our new income account in October, with the client's balance in a bank account (from R\$30) earning interest from the first day, as long as he or she does not stop operating the account for more than 60 days.

Furthermore, we promote campaigns with a return of 130% of the CDI, aiming to increase not only engagement levels, but also the volume of demand deposits.

CREDIT

CREDIT ORIGINATION

We continue to originate relevant volumes of credit, including vehicle financing, payroll-deductible loans and FGTS. Our investments in technology and UX lead not only to a better experience for retailers and bank correspondents, but also for our clients in our application, increasing B2C origination.

This quarter, we acquired a portfolio of R\$1.3 billion (including goodwill) of payroll-deductible loans, expanding our portfolio growth strategy.

We provide an agile and simplified process and, in this way, we once again achieved record volume of origination in vehicle financing, with strong profitability, and maintained our high level of collateralized portfolio: 95% at the end of 2023 against 90% in 2022.

In 4Q23, we originated R\$ 9,564 million in new credits, compared to R\$ 7,473 million in 3Q23.

CREDIT PORTFOLIO

Our credit portfolio ended this year with a balance of R\$ 41.8 billion against R\$ 39.2 billion in 3Q23 and 7% above the R\$ 39.0 billion in 4Q22.

At the end of 4Q23, 14.3 million clients already had at least one credit product, an annual increase of 13%. Furthermore, we continue to have strong engagement of our clients: 65% 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

Over the years, we have expanded the number of products offered and diversified our credit portfolio, including products with higher margins and potential for engagement. At the same time, we managed to maintain a high level of collateralized portfolio, representing 95% of the total in 4Q23.

In 4Q23, the indicator of loans past due over 90 days was 7.3%, compared to 7.9% in the previous quarter. Whereas, 9.0% of loans were past due between 15 and 90 days versus 9.1% in 3Q23.

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 usual tool of capital and liquidity management. In 4Q23, we performed assignment of R\$ 3,309 million, compared to R\$ 2,709 million assigned in 3Q23 and R\$ 2,876 million in 4Q22. As previously mentioned, this quarter we also acquired a payroll-deductible loan portfolio in the amount of R\$1.3 billion.

FUNDING

The balance of funds raised totaled R\$ 40.1 billion at the end of 4Q23, comprised as follows: (i) R\$ 21.0 billion in time deposits, equivalent to 52% of the total; (ii) R\$ 13.0 billion related to issuance of financial bills, or 32% of the total; (iii) R\$ 5.5 billion in interbank deposits, or 14% of the total; and (iv) other sources of financing - R\$ 0.6 billion, equivalent to 2% of the total funding.

INCOME

Management Net Financial Margin - NIM

In 4Q23, we maintained consistent deliveries, with a financial margin of R\$ 2,086 million, a 9% increase compared to R\$ 1,889 million in 3Q23. For average earning assets, NIM was 19.1% in 4Q23 versus 18.3% in 3Q23, while NIM without assignment was 15.1% in 4Q23 and 13.9% in 3Q23.

The NIM net of assignment and credit cost was 10.0% in 4Q23 versus 8.8% in 3Q23.

The improvement in these indicators is a consequence of our strong origination, in line with the improvement of our credit models, with more assertive pricing.

Allowances for Losses and Recovery of Credits

The net allowance for losses charge totaled R\$ 474 million, against R\$ 450 million in 3Q23 and R\$ 558 million in 4Q22, in line with management's expectations. Regarding the portfolio, annualized net expenses remained at 4.7% in 4Q23.

In 2023, net provision expenses totaled R\$1,838 million, 9% below the R\$ 2,018 million in 2022.

Costs and Expenses

Administrative and personnel expenses totaled R\$ 661 million in 4Q23, compared to R\$ 643 million in 3Q23 and R\$ 580 million in 4Q22.

Origination expenses totaled R\$ 587 million at the end of the quarter, compared to R\$ 445 million in 3Q23 and R\$ 635 million in 4Q22, accompanying the strong credit origination volumes and clients acquisition.

Statement of Income

In 4Q23, adjusted EBIT was R\$ 258 million, compared to R\$ 244 million in 3Q23 and R\$ 238 million in 4Q22.

Adjusted profit in the quarter was R\$ 195 million, higher than the R\$ 198 million in 3Q23 and R\$ 191 million in 4Q22.

CAPITAL, RATINGS & MARKET

EQUITY

PAN's Consolidated Equity totaled R\$ 8,107 million in 4Q23 compared to R\$ 8,006 million in 3Q23 and R\$ 7,706 million in 4Q22.

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 4Q23 was 15.8%, in line with the 15.8% recorded at the end of 3Q23 and 15.6% in 4Q22, 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 162/22, PAN engaged PwC in 2023 to provide the following non-audit services: (i) cybersecurity consultancy for a fee of R\$ 8,947, totaling more than 5% of the total fees related to external audit services. 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 30, 2024

BANCO PAN S.A. AND SUBSIDIARIES
BALANCE SHEET
AS AT DECEMBER 31, 2023 AND DECEMBER 31, 2022
 (All amounts in thousands of reais - R\$)

Assets	Note	Bank		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash and cash equivalents	5	597	677	6,220	6,943
Financial instruments		50,914,282	49,339,823	51,223,168	49,558,485
Interbank investments	6.a	258,096	277,251	259,584	279,448
Investments in the open market		191,039	-	192,426	1,508
Investments in interbank deposits		67,057	277,251	67,057	277,251
Investments in savings deposits		-	-	101	689
Marketable securities	7.a	7,090,383	8,934,671	7,304,817	9,149,836
Own portfolio		1,886,539	2,885,495	2,097,292	3,098,576
Subject to guarantees		444,508	100,865	448,189	102,949
Subject to repurchase agreements		4,759,336	5,948,311	4,759,336	5,948,311
Interbank accounts		3,281,152	3,027,522	3,281,152	3,027,522
Payments and receipts pending settlement		34,828	-	34,828	-
Credits - Deposits at the BACEN		3,244,015	3,022,679	3,244,015	3,022,679
Local correspondents		2,309	4,843	2,309	4,843
Loan operations		39,665,932	36,475,491	39,757,397	36,475,491
Loan operations	8.a	40,522,316	36,528,886	40,613,781	36,528,886
Securities and credits receivable	8.a	1,608,684	2,250,263	1,608,786	2,250,365
(Provision for expected losses associated with credit risk)	8.c	(2,465,068)	(2,303,658)	(2,465,170)	(2,303,760)
Other financial assets	9	618,719	624,888	620,218	626,188
Tax assets		3,657,084	3,800,451	3,814,866	3,981,720
Current		444,658	631,068	491,477	682,984
Deferred	33.b	3,212,426	3,169,383	3,323,389	3,298,736
Other receivables	10	859,397	656,529	936,880	769,536
Other assets		425,753	373,658	432,001	380,502
Other assets	11.a	258,194	237,755	263,640	243,918
(Provision for losses)	11.a	(36,597)	(40,725)	(37,083)	(41,259)
Prepaid expenses	11.b	204,156	176,628	205,444	177,843
Investments		2,712,788	2,724,732	37,187	33,118
Investments in subsidiaries	12.a	2,695,781	2,707,779	20,180	16,165
Other investments	12.b	17,007	16,953	17,007	16,953
Property and equipment	13.a	100,178	130,245	106,075	136,728
Other property and equipment in use		225,526	204,121	237,276	215,188
(Accumulated depreciation)		(125,348)	(73,876)	(131,201)	(78,460)
Intangible assets	14.a	173,024	104,375	1,246,721	1,267,157
Intangible assets		535,077	369,016	1,847,106	1,639,922
(Accumulated amortization)		(362,053)	(264,641)	(600,385)	(372,765)
Total Assets		58,843,103	57,130,490	57,803,118	56,134,189

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

BANCO PAN S.A. AND SUBSIDIARIES
BALANCE SHEET
AS AT DECEMBER 31, 2023 AND DECEMBER 31, 2022

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

Liabilities	Note	Bank		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Financial instruments		47,713,698	46,064,135	46,525,208	44,895,054
Deposits	15.a	27,738,686	26,106,522	26,550,196	24,937,363
Demand deposits		79,993	448,432	76,385	448,409
Interbank deposits		5,678,281	5,732,358	5,517,415	5,482,464
Time deposits		21,980,412	19,925,732	20,956,396	19,006,490
Funds obtained in the open market	15.b	4,703,896	5,884,794	4,703,896	5,884,794
Own portfolio		4,703,896	5,884,794	4,703,896	5,884,794
Funds from acceptance and issuance of securities	15.c	13,039,005	10,618,218	13,039,005	10,618,218
Funds from financial and real estate bills		13,039,005	10,618,218	13,039,005	10,618,218
Interbank accounts	16	1,691,789	2,270,533	1,691,789	2,270,533
Receipts from payments pending settlement		1,576,733	2,138,323	1,576,733	2,138,323
Local correspondents		115,056	132,210	115,056	132,210
Borrowings	17	363,541	779,785	363,541	779,863
Derivative financial instruments	7.c	70,327	88,353	70,327	88,353
Derivative financial instruments		70,327	88,353	70,327	88,353
Other financial liabilities	18.a	106,454	315,930	106,454	315,930
Provisions	19	282,187	296,073	321,138	344,282
Tax obligations		353,215	290,260	390,916	337,823
Current	20	305,255	221,099	336,765	249,294
Deferred	33.e	47,960	69,161	54,151	88,529
Other liabilities		2,386,681	2,773,976	2,455,007	2,849,116
Social and statutory		378,671	425,186	391,869	435,207
Sundry	21	2,008,010	2,348,790	2,063,138	2,413,909
Equity attributable to controlling stockholders	22	8,107,322	7,706,046	8,107,322	7,706,046
Share capital:		5,928,320	5,928,320	5,928,320	5,928,320
Domiciled in Brazil		5,458,383	5,495,435	5,458,383	5,495,435
Domiciled abroad		469,937	432,885	469,937	432,885
Capital reserve		207,322	207,322	207,322	207,322
Revenue reserves		2,016,735	1,822,631	2,016,735	1,822,631
Other comprehensive income		(14,206)	(17,372)	(14,206)	(17,372)
(Treasury shares)		(30,849)	(234,855)	(30,849)	(234,855)
Non-controlling interests		-	-	3,527	1,868
Total equity		8,107,322	7,706,046	8,110,849	7,707,914
Total Liabilities and Equity		58,843,103	57,130,490	57,803,118	56,134,189

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

BANCO PAN S.A. AND SUBSIDIARIES
STATEMENT OF INCOME
FOR THE 2nd HALF OF 2023 AND YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	Note	Bank			Consolidated	
		2 nd half of 2023	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Income from financial intermediation		7,908,329	15,587,678	14,220,551	15,593,046	14,230,702
Income from loan operations	8.g	7,510,435	15,045,083	12,762,237	15,051,143	12,765,895
Result from operations with marketable securities	7.e	326,886	879,695	844,711	879,003	851,204
Result from derivative financial instruments	7.d	(114,048)	(689,419)	240,543	(689,419)	240,543
Result from foreign exchange operations		821	1,482	1,201	1,482	1,201
Result from compulsory investments		184,235	350,837	371,859	350,837	371,859
Expenses on financial intermediation		(3,789,200)	(7,862,728)	(7,274,846)	(7,717,621)	(7,155,112)
Result from market funding operations	15.d	(2,687,331)	(5,761,179)	(4,930,496)	(5,611,042)	(4,810,762)
Borrowing and lending operations		(43,902)	(8,188)	13,206	(8,188)	13,206
Provision for expected losses associated with credit risk	8.c	(1,057,967)	(2,093,361)	(2,357,556)	(2,098,391)	(2,357,556)
Gross result from financial intermediation		4,119,129	7,724,950	6,945,705	7,875,425	7,075,590
Other operating income (expenses)		(3,696,343)	(6,913,148)	(6,137,720)	(7,020,116)	(6,225,474)
Income from services rendered	23	525,058	961,362	763,275	1,250,600	1,039,571
Equity in the results of subsidiaries and associates	12.a	54,680	121,739	102,721	4,015	168
Personnel expenses	24	(471,755)	(854,682)	(843,510)	(914,729)	(902,205)
Other administrative expenses	25	(1,922,346)	(3,750,912)	(3,744,510)	(3,873,662)	(3,865,234)
Tax expenses	26	(255,605)	(480,642)	(408,594)	(526,344)	(451,263)
Expenses with provisions	27	(162,150)	(288,266)	(221,582)	(284,663)	(219,505)
Other operating income (expenses)	28	(1,464,225)	(2,621,747)	(1,785,520)	(2,675,333)	(1,827,006)
Operating result		422,786	811,802	807,985	855,309	850,116
Non-operating results	29	(4,822)	(3,388)	19,608	(4,133)	18,826
Profit before taxation		417,964	808,414	827,593	851,176	868,942
Taxes on income	33.a	(65,310)	(113,455)	(121,485)	(154,558)	(161,185)
Income tax		8,257	(80,471)	99,291	(97,426)	88,293
Social contribution		(2,939)	(76,028)	76,418	(83,266)	71,046
Deferred tax asset		(70,628)	43,044	(297,194)	26,134	(320,524)
Non-controlling interests		-	-	-	(1,659)	(1,649)
Net profit		352,654	694,959	706,108	694,959	706,108
Attributable to:						
Controlling stockholders		352,654	694,959	706,108	694,959	706,108
Non-controlling stockholders		-	-	-	1,659	1,649
Basic and diluted earnings per share - weighted average number of outstanding shares attributable to stockholders - R\$						
Earnings per common share		0.28	0.55	0.56		
Earnings per preferred share		0.28	0.55	0.56		

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

BANCO PAN S.A. AND SUBSIDIARIES
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE 2nd HALF OF 2023 AND YEARS ENDED DECEMBER 31, 2023 AND 2022
 (All amounts in thousands of reais - R\$)

	Bank			Consolidated	
	2 nd half of 2023	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net profit	352,654	694,959	706,108	694,959	706,108
Items that will be reclassified to profit or loss	1,289	3,166	3,062	3,166	3,062
Other comprehensive income					
Unrealized gains/(losses) on available-for-sale financial assets	1,944	4,876	4,650	4,876	4,650
Tax effect	(655)	(1,710)	(1,588)	(1,710)	(1,588)
Comprehensive income for the year	353,943	698,125	709,170	698,125	709,170
Attributable to:					
Controlling stockholders	353,943	698,125	709,170	698,125	709,170
Non-controlling stockholders	-	-	-	1,659	1,649

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

BANCO PAN S.A.
STATEMENT OF CHANGES IN EQUITY
FOR THE 2nd HALF OF 2023 AND YEARS ENDED DECEMBER 31, 2023 AND 2022
(All amounts in thousands of reais - R\$)

	Share capital	Capital reserve	Revenue reserves		Other comprehensive income	Treasury shares	Retained earnings	Controlling stockholders	Non-controlling stockholders	Total
			Legal	Equity preservation						
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	1,753,098	-	-	-	-	-	-	1,753,098	-	1,753,098
Acquisition of treasury shares	-	-	-	-	-	(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.c)	-	-	-	-	-	-	(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 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
Acquisition of treasury shares (Note 22.e)	-	-	-	-	-	(23,849)	-	(23,849)	-	(23,849)
Cancellation of treasury shares (Note 22.e)	-	-	-	(227,855)	-	227,855	-	-	-	-
Other comprehensive income	-	-	-	-	3,166	-	-	3,166	-	3,166
Net profit	-	-	-	-	-	-	694,959	694,959	1,659	696,618
Appropriations:										
Legal reserve	-	-	34,748	-	-	-	(34,748)	-	-	-
Transfer from retained earnings to revenue reserve	-	-	-	387,211	-	-	(387,211)	-	-	-
Interest on capital deliberated and proposed (Note 22.c)	-	-	-	-	-	-	(273,000)	(273,000)	-	(273,000)
At December 31, 2023	5,928,320	207,322	187,348	1,829,387	(14,206)	(30,849)	-	8,107,322	3,527	8,110,849
At June 30, 2023	5,928,320	207,322	152,600	1,442,176	(15,495)	(26,773)	208,405	7,896,555	2,685	7,899,240
Acquisition of treasury shares (Note 22.e)	-	-	-	-	-	(4,076)	-	(4,076)	-	(4,076)
Other comprehensive income	-	-	-	-	1,289	-	-	1,289	-	1,289
Net profit	-	-	-	-	-	-	352,654	352,654	842	353,496
Appropriations:										
Legal reserve	-	-	34,748	-	-	-	(34,748)	-	-	-
Transfer from retained earnings to revenue reserve	-	-	-	387,211	-	-	(387,211)	-	-	-
Interest on capital deliberated and proposed (Note 22.c)	-	-	-	-	-	-	(139,100)	(139,100)	-	(139,100)
At December 31, 2023	5,928,320	207,322	187,348	1,829,387	(14,206)	(30,849)	-	8,107,322	3,527	8,110,849

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

BANCO PAN S.A. AND SUBSIDIARIES
STATEMENT OF CASH FLOWS

FOR THE 2nd HALF OF 2023 AND YEARS ENDED DECEMBER 31, 2023 AND 2022

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

	Note	Bank			Consolidated	
		2 nd half of 2023	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash flows from operating activities:						
Net profit		352,654	694,959	706,108	694,959	706,108
Adjustments for non-cash items:						
Effect of foreign exchange rate changes on cash and cash equivalents		(5,812)	(6,483)	(1,217)	(6,483)	(1,217)
Depreciation and amortization	25	80,095	150,413	121,620	161,359	127,851
Amortization of goodwill	28	57,901	115,802	100,810	120,963	105,378
Constitution of provision for civil, labor, and tax contingencies	19	162,150	288,266	221,582	284,663	219,505
Reversal/(impairment) of other assets	29	3,686	1,603	(3,910)	2,715	(2,951)
Result on the sale of other assets	29	7,912	8,928	(4,817)	8,882	(5,016)
Foreign exchange gains (losses) on borrowings		7,013	(52,763)	(54,420)	(52,763)	(54,420)
(Gain) on investments		-	-	(10,881)	-	(10,881)
Equity in the results of subsidiaries and associates	12.a	(54,680)	(121,739)	(102,721)	(4,015)	(168)
Impairment loss		-	97	446	197	756
Provision for expected losses associated with credit risk	8.c	1,057,967	2,093,361	2,357,556	2,098,391	2,357,556
Deferred income tax and social contribution		70,628	(43,044)	297,194	(26,134)	320,524
Result of non-controlling stockholders		-	-	-	1,659	1,649
Adjusted profit		1,739,514	3,129,400	3,627,350	3,284,393	3,764,674
Changes in assets and liabilities:						
Decrease (increase) in interbank investments		297,422	218,422	(269,308)	218,543	(266,308)
(Increase) in marketable securities		(194,290)	(604,128)	(549,172)	(595,485)	(537,993)
(Increase) in interbank accounts		(490,677)	(832,374)	(391,099)	(832,374)	(391,099)
(Increase) in loan operations		(4,644,830)	(5,284,915)	(6,502,512)	(5,376,380)	(6,502,512)
(Increase) decrease in other financial assets		(2,672)	7,418	594,341	7,219	594,809
(Increase) decrease in tax assets		(54,428)	184,702	(32,255)	191,279	(132,912)
(Increase) decrease in other receivables		(118,540)	(194,818)	(200,472)	(172,510)	244,950
(Increase) in other assets		(146,269)	(354,059)	(323,055)	(354,529)	(323,156)
(Decrease) increase in deposits		(1,255,838)	1,632,164	1,425,782	1,612,833	902,572
Increase (decrease) in funds obtained in the open market		400,818	(1,180,898)	4,698,232	(1,180,898)	4,698,232
Increase in funds from acceptance and issuance of securities		788,330	1,536,408	1,443,123	1,536,408	1,443,123
Increase in borrowings		6,830	3,313	11,861	3,236	11,745
(Decrease) increase in derivatives		(81,999)	(18,026)	48,865	(18,026)	48,865
(Decrease) in other financial liabilities		(63,381)	(209,476)	(176,772)	(209,476)	(176,772)
(Decrease) in provisions		(163,557)	(302,152)	(292,350)	(307,807)	(294,586)
Increase (decrease) in tax obligations		184,039	285,740	(89,826)	311,769	(46,786)
(Decrease) increase in other liabilities		(32,599)	(340,294)	91,687	(347,108)	121,272
Income tax and social contribution paid		(168,958)	(222,785)	(164,063)	(258,676)	(177,152)
Net cash (used in) provided by operating activities		(4,001,085)	(2,546,358)	2,950,357	(2,487,590)	2,980,966
Cash flows from investing activities:						
(Increase) in available-for-sale marketable securities		(199,785)	(499,672)	-	(504,677)	-
Decrease in available-for-sale marketable securities		5,073	53,056	364,240	53,056	364,240
(Increase) in marketable securities held to maturity		(386,348)	(1,626,585)	(4,614,862)	(1,626,585)	(4,614,862)
Decrease in marketable securities held to maturity		122,198	4,523,585	1,950,367	4,523,585	1,950,367
Proceeds on disposal of assets not for own use		152,328	291,433	274,382	291,433	274,382
Disposal of investments		1,871	-	-	1,871	-
(Increase) in investments		-	(1,926)	(1,128)	(1,926)	(1,128)
(Purchase) of property and equipment	13.b	(15,007)	(22,803)	(75,316)	(23,998)	(78,127)
(Increase) in intangible assets	14.b	(76,688)	(166,290)	(117,346)	(207,431)	(135,774)
Dividends received		12,658	12,658	4,137	-	-
Net cash (used in) provided by investing activities		(383,700)	2,565,327	(2,215,526)	2,505,328	(2,240,902)
Cash flows from financing activities:						
Funds from acceptance and issuance of securities		3,302,525	4,039,498	2,833,312	4,039,498	2,833,312
Redemption of funds from acceptance and issuance of securities		(1,990,419)	(3,155,119)	(3,038,625)	(3,155,119)	(3,038,625)
Payment of obligations for borrowings		(366,795)	(366,795)	-	(366,795)	-
Interest on capital paid		-	(320,000)	(296,708)	(320,000)	(296,708)
Acquisition of treasury shares		(4,076)	(23,849)	(23,845)	(23,849)	(23,845)
Net cash provided by (used in) financing activities		941,235	173,735	(736,876)	173,735	(736,876)
Net increase in cash and cash equivalents		(3,443,550)	192,704	(2,045)	191,473	3,188
Cash and cash equivalents at the beginning of the year	5	3,639,571	2,646	3,474	9,601	5,196
Effect of foreign exchange rate changes on cash and cash equivalents		5,812	6,483	1,217	6,483	1,217
Cash and cash equivalents at the end of the year	5	201,833	201,833	2,646	207,557	9,601
Supplemental cash flow information						
Interest paid		(2,922,221)	(4,426,475)	(3,974,780)	(4,380,930)	(3,926,134)
Interest received		8,938,061	14,657,259	12,605,077	14,657,259	12,616,677
Transfer of assets not for own use		(4,370)	(2,286)	3,330	(2,286)	3,330
Unrealized gains (losses) on financial assets		1,944	4,876	4,650	4,876	4,650

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

BANCO PAN S.A. AND SUBSIDIARIES

**STATEMENT OF VALUE ADDED
FOR THE 2nd HALF OF 2023 AND YEARS ENDED DECEMBER 31, 2023 AND 2022**
(All amounts in thousands of reais - R\$)

	Note	Bank			Consolidated	
		2 nd half of 2023	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Revenue		5,802,125	11,658,080	10,739,585	11,902,089	10,990,410
Financial intermediation		7,908,329	15,587,678	14,220,551	15,593,046	14,230,702
Services rendered	23	525,058	961,362	763,275	1,250,600	1,039,571
Provision for expected losses associated with credit risk	8.c	(1,057,967)	(2,093,361)	(2,357,556)	(2,098,391)	(2,357,556)
Other income (expenses)		(1,573,295)	(2,797,599)	(1,886,685)	(2,843,166)	(1,922,307)
Expenses on financial intermediation		(2,731,233)	(5,769,367)	(4,917,290)	(5,619,230)	(4,797,556)
Inputs acquired from third parties		(1,826,320)	(3,568,509)	(3,593,895)	(3,676,112)	(3,705,421)
Materials, energy, and other	25	(1,470)	(3,135)	(2,819)	(3,449)	(3,110)
Third-party services	25	(363,261)	(739,223)	(724,944)	(750,146)	(735,952)
Commissions payable to correspondent banks	25	(730,142)	(1,441,574)	(1,617,254)	(1,427,291)	(1,605,610)
Other		(731,447)	(1,384,577)	(1,248,878)	(1,495,226)	(1,360,749)
Data processing	25	(332,043)	(646,038)	(510,896)	(672,384)	(534,106)
Financial system services	25	(170,004)	(318,105)	(311,677)	(319,438)	(312,661)
Advertising, promotions, and publicity	25	(164,834)	(288,049)	(277,427)	(363,459)	(358,884)
Communication	25	(19,541)	(47,070)	(74,231)	(48,386)	(75,319)
Asset search and seizure expenses	25	(20,761)	(38,746)	(28,017)	(38,746)	(28,018)
Maintenance and conservation of property	25	(6,850)	(13,335)	(8,531)	(15,085)	(9,499)
Transportation	25	(1,523)	(4,013)	(5,751)	(4,237)	(5,975)
Fees and emoluments	25	(3,242)	(5,041)	(3,272)	(5,374)	(3,500)
Travel	25	(3,224)	(5,988)	(5,284)	(8,226)	(6,879)
Other	25	(9,425)	(18,192)	(23,792)	(19,891)	(25,908)
Gross value added		1,244,572	2,320,204	2,228,400	2,606,747	2,487,433
Depreciation and amortization		(137,996)	(266,215)	(222,430)	(282,322)	(233,229)
Net value added generated		1,106,576	2,053,989	2,005,970	2,324,425	2,254,204
Value added received in transfer	12.a	54,680	121,739	102,721	4,015	168
Equity in the results of subsidiaries and associates		54,680	121,739	102,721	4,015	168
Total value added to be distributed		1,161,256	2,175,728	2,108,691	2,328,440	2,254,372
Distribution of value added		1,161,256	2,175,728	2,108,691	2,328,440	2,254,372
Personnel		419,336	755,011	733,348	803,335	781,971
Direct remuneration	24	326,530	581,944	576,361	617,998	614,663
Benefits	24	62,216	116,690	112,299	127,190	120,494
FCTS		22,934	44,685	35,473	44,201	35,688
Other	24	7,656	11,692	9,215	13,946	11,126
Taxes, fees, and contributions		373,333	693,768	640,240	792,296	732,682
Federal		349,991	652,164	610,746	740,497	693,427
State		248	417	255	424	394
Municipal		23,094	41,187	29,239	51,375	38,861
Remuneration of third-party capital	25	15,933	31,990	28,995	36,191	31,962
Rentals		15,933	31,990	28,995	36,191	31,962
Remuneration of own capital		352,654	694,959	706,108	696,618	707,757
Interest on capital	22.c	139,100	273,000	320,000	273,000	320,000
Retained earnings attributable to controlling stockholders		213,554	421,959	386,108	421,959	386,108
Retained earnings attributable to non-controlling stockholders		-	-	-	1,659	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, prepaid cell phones top-ups, Authorized Direct Debit (DDA) and loyalty program. The Bank has a portfolio of "run-off" financing that includes corporate credit, construction financing for developers and construction firms; real estate financing and acquisition of real estate receivables. 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 73.88% of its capital.

At 12/31/2023, Banco PAN's capital was distributed as follows:

Stockholders	Shareholding structure (thousands of shares)					
	Common	%	Preferred	%	Total	%
Banco BTG Pactual S.A. (1)	657,561	100.00	283,137	45.99	940,698	73.88
Market (free float)	-	-	328,341	53.33	328,341	25.79
Subtotal	657,561	100.00	611,478	99.32	1,269,039	99.67
Treasury shares (2)	-	-	4,160	0.68	4,160	0.33
Total issued	657,561	100.00	615,638	100.00	1,273,199	100.00

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

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

a) Corporate events

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

On October 3, 2021, Banco PAN S.A. 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"), a digital company operating under the Zoom, Buscapé and Bondfaro brands, which owns the 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 that the suspensive conditions had been met for 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 12/01/2021 Extraordinary General Meeting determining the merger of shares as being valid and effective for all intents and purposes.

- **PAN Financeira S.A. – Crédito, Financiamento e Investimentos (current name of “PAN Arrendamento Mercantil S.A.)**

The Extraordinary General Meeting held on 11/04/2022 approved the change in the corporate purpose of PAN Arrendamento Mercantil S.A. from a leasing company to a credit, financing and investment company, as well as in the corporate name to PAN Financeira S.A. – Crédito, Financiamento e Investimentos, as approved by the Brazilian Central Bank on 01/24/2023.

- **Request for cancellation of authorization to operate**

PAN Administradora de Consórcio Ltda. (“PAN Consórcio”) communicated on December 26, 2023 its intention to file a request for cancellation of its license to operate and manage consortium groups, as provided for in article 17 of the Brazilian Central Bank (“BCB”) Resolution 233 of July 27, 2022 (“BCB Resolution 233”). Such request is subject to the analysis and approval of the BCB, in accordance with current regulations.

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 the standards issued by the National Monetary Council (CMN) and BACEN, including CMN Resolution 4,818 and BCB Resolution 2, both of 2020, the pronouncements of the Accounting Pronouncements Committee (CPC) included in CMN or BACEN rules, and Brazilian corporate law.

The consolidated financial statements for the year ended 12/31/2023, prepared based on the international accounting standard issued by the International Accounting Standards Board (IASB) as provided for in CMN Resolution 4,818, of 2020, 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 01/30/2024.

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

Stockholders	Total equity interest %	
	12/31/2023	12/31/2022
Direct subsidiaries:		
PAN Financeira S.A. – Crédito, Financiamento e Investimentos	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	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	100.00

(1) Company controlled by Brazilian Finance & Real Estate S.A.

(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 definitions and accounting criteria applicable to financial instruments and which will come into force in January 2025, the Bank is implementing an action plan aimed at complying with the guidelines contained in this Resolution. The action plan covers the following steps: (i) carrying out a regulatory study; (ii) definition of the project team; (iii) diagnosis of the impacted financial instruments; (iv) choice of the work methodology; (v) definition of the processes; (vi) definition of the project implementation schedule; (vii) presentation to and approval by the Executive Board; and (viii) finally, 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, deadlines and discussions.

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 conducted 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, 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 3,068/01 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., - Brasil, Bolsa, Balcão ("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:

Transactions relating to loans, real estate receivables and other credits with credit concession characteristics are accounted for at present value and calculated on a 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 provision 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 expected losses on 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:
 - a) 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.
 - b) 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:
 - a) 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.
 - b) 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.

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.

Consistent with the regulations of the Brazilian Central Bank (BACEN), goodwill refers to assets that represent future economic benefits resulting from assets that are not individually identified nor separately recognized, acquired in a transaction to acquire an interest in an associate, subsidiary or joint venture, which are based on forecasts of future results of the associate or subsidiary and are 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 carryforwards are realized according to the expected generation of profit, limited to an annual offset of 30% of annual 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:

- (i) 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, contingent assets and liabilities and legal obligations (tax and social security) are measured and disclosed in conformity with the criteria established by CPC 25, included in CMN Resolution 3,823/09, including, among others:

- 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/ 20, 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 Bank'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	813	5,421	(14)	6,220
Interbank investments	258,096	1,488	-	259,584
Marketable securities	7,095,505	1,233,328	(1,024,016)	7,304,817
Interbank accounts	3,281,152	-	-	3,281,152
Loan operations (4)	39,757,397	-	-	39,757,397
Other financial assets	618,719	1,499	-	620,218
Tax assets	3,677,779	137,087	-	3,814,866
Other receivables	870,512	89,297	(22,929)	936,880
Other assets	426,144	5,857	-	432,001
Investments	1,493,972	14,110	(1,470,895)	37,187
Property and equipment	100,178	5,897	-	106,075
Intangible assets	1,142,147	104,574	-	1,246,721
Total at 12/31/2023	58,722,414	1,598,558	(2,517,854)	57,803,118
Total at 12/31/2022	56,930,098	1,521,695	(2,317,604)	56,134,189

Liabilities	Financial (1)	Other (2)	Eliminations (3)	Total
Deposits	27,574,226	-	(1,024,030)	26,550,196
Funds obtained in the open market	4,703,896	-	-	4,703,896
Funds from acceptance and issuance of securities	13,039,005	-	-	13,039,005
Interbank accounts	1,691,789	-	-	1,691,789
Borrowings	363,541	-	-	363,541
Derivatives	70,327	-	-	70,327
Other financial liabilities	106,454	-	-	106,454
Provisions	316,256	4,882	-	321,138
Tax obligations	360,842	30,074	-	390,916
Other liabilities	2,388,756	89,679	(23,428)	2,455,007
Equity attributable to controlling stockholders	8,107,322	1,473,923	(1,473,923)	8,107,322
Equity attributable to non-controlling stockholders	-	-	3,527	3,527
Total at 12/31/2023	58,722,414	1,598,558	(2,517,854)	57,803,118
Total at 12/31/2022	56,930,098	1,521,695	(2,317,604)	56,134,189

b) Consolidated Statement of Income:

	Financial (1)	Other (2)	Eliminations (3)	Total
Income from financial intermediation	15,590,007	122,941	(119,902)	15,593,046
Expenses on financial intermediation	(7,832,493)	(5,030)	119,902	(7,717,621)
Gross result	7,757,514	117,911	-	7,875,425
Other operating income (expenses)	(6,932,895)	16,953	(104,174)	(7,020,116)
Non-operating results	(3,382)	(751)	-	(4,133)
Taxes on income	(126,278)	(28,280)	-	(154,558)
Non-controlling interests	-	-	(1,659)	(1,659)
Total at 12/31/2023	694,959	105,833	(105,833)	694,959
Total at 12/31/2022	706,108	85,796	(85,796)	706,108

(1) Represented by Banco PAN S.A. and Pan Financeira S.A. – Crédito, Financiamento e Investimentos.

(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:

In 2023, there were no non-recurring events addressed by BCB Resolution 2/20.

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	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Funds in local currency	113	155	5,736	6,421
Funds in foreign currency	484	522	484	522
Subtotal (cash)	597	677	6,220	6,943
Interbank investments (1)	201,236	1,969	201,337	2,658
Total	201,833	2,646	207,557	9,601

(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	12/31/2023	12/31/2022
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Investments in the open market:	191,039	-	-	-	-	191,039	-
Own portfolio position	191,039	-	-	-	-	191,039	-
National Treasury Notes (NTN)	191,039	-	-	-	-	191,039	-
Investments in interbank deposits	10,197	-	-	-	56,860	67,057	277,251
Total at 12/31/2023	201,236	-	-	-	56,860	258,096	-
Total at 12/31/2022	1,969	-	-	-	275,282	-	277,251

Consolidated	Current				Non-current	12/31/2023	12/31/2022
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Investments in the open market:	192,426	-	-	-	-	192,426	1,508
Own portfolio position	192,426	-	-	-	-	192,426	1,508
Financial Treasury Bills (LFT)	1,387	-	-	-	-	1,387	1,508
National Treasury Notes (NTN)	191,039	-	-	-	-	191,039	-
Investments in interbank deposits	10,197	-	-	-	56,860	67,057	277,251
Investments in savings deposits	101	-	-	-	-	101	689
Total at 12/31/2023	202,724	-	-	-	56,860	259,584	-
Total at 12/31/2022	2,658	-	-	-	276,790	-	279,448

b) Income from interbank investments:

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

Bank and Consolidated	12/31/2023	12/31/2022
Income from investments in purchase and sale transactions:	14,391	11,043
Own portfolio position	14,391	11,043
Income from interbank deposits	97,057	20,295
Total (Note 7.e)	111,448	31,338

7) Marketable Securities

a) Composition of portfolio:

The portfolio of marketable securities at 12/31/2023 and 12/31/2022, by type of security, is as follows:

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Own portfolio:	1,886,539	2,885,495	2,097,292	3,098,576
National Treasury Notes (NTN)	1,734,537	2,843,822	1,734,537	2,843,822
Financial Treasury Bills (LFT)	152,002	41,673	157,124	41,673
Mortgage-backed securities (CRI)	-	-	204,741	210,029
Bank Deposit Certificates (CDB)	-	-	890	1,039
Funds	-	-	-	2,013
Subject to guarantees:	444,508	100,865	448,189	102,949
Financial Treasury Bills (LFT)	444,508	73,194	444,508	73,194
National Treasury Notes (NTN)	-	27,671	-	27,671
Bank Deposit Certificates (CDB)	-	-	3,681	2,034
Other	-	-	-	50
Subject to repurchase agreements:	4,759,336	5,948,311	4,759,336	5,948,311
National Treasury Notes (NTN)	4,756,468	5,944,512	4,756,468	5,944,512
Financial Treasury Bills (LFT)	2,868	3,799	2,868	3,799
Total	7,090,383	8,934,671	7,304,817	9,149,836

b) Composition by category and term:

Bank	12/31/2023									12/31/2022	
	Current		Non-current			Net book value (1) (2) (3)	Updated 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:	-	51,342	-	-	-	51,342	51,353	(11)	46,371	(13)	
Financial Treasury Bills (LFT)	-	51,342	-	-	-	51,342	51,353	(11)	46,371	(13)	
Available-for-sale securities:	-	11,316	218,371	318,349	-	548,036	547,623	413	72,295	(54)	
Financial Treasury Bills (LFT)	-	11,316	218,371	318,349	-	548,036	547,623	413	72,295	(54)	
Securities held to maturity	-	2,617,800	2,066,172	1,807,033	-	6,491,005	6,491,005	-	8,816,005	-	
National Treasury Notes (NTN)	-	2,617,800	2,066,172	1,807,033	-	6,491,005	6,491,005	-	8,816,005	-	
Total	-	2,680,458	2,284,543	2,125,382	-	7,090,383	7,089,981	402	8,934,671	(67)	

Consolidated	12/31/2023									12/31/2022	
	Current		Non-current			Net book value (1) (2) (3)	Updated 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:	-	51,342	-	-	-	51,342	51,353	(11)	48,384	(13)	
Financial Treasury Bills (LFT)	-	51,342	-	-	-	51,342	51,353	(11)	46,371	(13)	
Funds	-	-	-	-	-	-	-	-	2,013	-	
Available-for-sale securities:	-	37,828	401,171	323,471	-	762,470	783,925	(21,455)	285,397	(26,331)	
Financial Treasury Bills (LFT)	-	11,316	218,371	323,471	-	553,158	552,728	430	72,295	(54)	
Mortgage-backed securities (CRI)	-	25,492	179,249	-	-	204,741	226,626	(21,885)	210,029	(26,277)	
Bank Deposit Certificates (CDB)	-	1,020	3,551	-	-	4,571	4,571	-	3,073	-	
Securities held to maturity	-	2,617,800	2,066,172	1,807,033	-	6,491,005	6,491,005	-	8,816,055	-	
National Treasury Notes (NTN)	-	2,617,800	2,066,172	1,807,033	-	6,491,005	6,491,005	-	8,816,005	-	
Other	-	-	-	-	-	-	-	-	50	-	
Total	-	2,706,970	2,467,343	2,130,504	-	7,304,817	7,326,283	(21,466)	9,149,836	(26,344)	

(1) Brazilian Association of Financial and Capital Market Institutions (ANBIMA) and the Commodities, Futures and Stock Exchange ("B3 S.A."). 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). 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;

(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 and for economic hedge of other trading portfolio elements. The banking 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 instruments, their market value should be defined under the discounted cash flow 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	Adjusted cost	Carrying amount	Current		Non-current	Total -	Total -
			Up to 30 days	From 31 to 90 days	Over 360 days	12/31/2023	12/31/2022
Asset position	364,414	372,395	-	-	372,395	372,395	803,059
Swap	364,414	372,395	-	-	372,395	372,395	803,059
Liability position	(431,221)	(442,722)	-	-	(442,722)	(442,722)	(891,412)
Swap	(431,221)	(442,722)	-	-	(442,722)	(442,722)	(891,412)
Futures contracts (1)	21,624	21,624	21,624	-	-	21,624	(9,146)
Asset position (Note 9)	22,442	22,442	22,442	-	-	22,442	697
Liability position	(818)	(818)	(818)	-	-	(818)	(9,843)
Total	(45,183)	(48,703)	21,624	-	(70,327)	(48,703)	(97,499)

(1) Recorded as negotiation and intermediation of securities.

ii) Derivative financial instruments by index:

Bank and Consolidated	12/31/2023				12/31/2022
	Notional value	Adjusted cost	Mark-to-market	Carrying amount	Notional value
Swap contracts					
Asset position:	429,008	364,414	7,981	372,395	858,015
Foreign currency	429,008	364,414	7,981	372,395	858,015
Liability position	429,008	(431,221)	(11,501)	(442,722)	858,015
Interbank market	429,008	(431,221)	(11,501)	(442,722)	858,015
Futures	30,734,738	-	-	-	27,141,979
Purchase Commitments:	496,013	-	-	-	552,600
Interbank market	496,013	-	-	-	552,600
Sale Commitments:	30,238,725	-	-	-	26,589,379
Interbank market	30,236,290	-	-	-	26,586,717
Foreign currency	2,435	-	-	-	2,662
Total	31,163,746	(66,807)	(3,520)	(70,327)	27,999,994

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	12/31/2023	12/31/2022
Swap contracts	-	-	-	-	429,008	429,008	858,015
Libor x DI	-	-	-	-	429,008	429,008	858,015
Futures	2,972,102	2,435	3,974,382	6,774,588	17,011,231	30,734,738	27,141,979
DI	2,972,102	-	3,974,382	6,774,588	17,011,231	30,732,303	27,139,317
U.S. dollar	-	2,435	-	-	-	2,435	2,662
Total	2,972,102	2,435	3,974,382	6,774,588	17,440,239	31,163,746	27,999,994

iv) Place of negotiation and counterparties:

Bank and Consolidated	12/31/2023	12/31/2022
Over-the-counter	429,008	858,015
B3 S.A. (exchange)	30,734,738	27,141,979
Total	31,163,746	27,999,994

v) Margins provided as guarantee for derivative financial instruments:

Public securities	Bank and Consolidated	
	12/31/2023	12/31/2022
Financial Treasury Bills (LFT)	444,280	71,291
National Treasury Notes (NTN)	-	27,671
Total (1)	444,280	98,962

(1) B3 securities offered as guarantee

vi) Hedge accounting - market value

Bank and Consolidated	12/31/2023	12/31/2022
Financial instruments		
Asset position	2,079,578	2,255,148
Swap - U.S. Dollar (1)	372,395	803,059
Futures DI1 B3 - Fixed interest rate - Real (2)	1,707,183	1,452,089
Liability position	(31,131,632)	(24,817,697)
Swap - CDI	(442,722)	(891,412)
Futures DI1 B3 - Fixed interest rate - Real (3)	(30,688,910)	(23,926,285)
Hedged item		
Asset position	29,615,006	21,500,881
Loan operations (3)	29,615,006	21,500,881
Liability position	(2,114,521)	(2,276,720)
Funds raised abroad (1)	(363,541)	(779,785)
Time deposit certificates (2)	(1,750,980)	(1,496,935)

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

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

(3) Hedged item includes retail credit operations: Payroll-deductible loans, vehicles, FGTS loans and payroll-deductible cards. (Note 8).

d) Result from derivative financial instruments:

Bank and Consolidated	12/31/2023			12/31/2022		
	Revenue	Expense	Net	Revenue	Expense	Net
Swap	210,921	(327,568)	(116,647)	77,388	(216,437)	(139,049)
Futures	2,713,486	(3,286,258)	(572,772)	3,406,543	(3,026,951)	379,592
Total	2,924,407	(3,613,826)	(689,419)	3,483,931	(3,243,388)	240,543

e) Result from operations with marketable securities

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Fixed-income securities	768,247	813,373	767,555	819,866
Interbank investments (Note 6.b)	111,448	31,338	111,448	31,338
Total	879,695	844,711	879,003	851,204

8) Loan operations

a) Composition of the portfolio by type of operation:

	Bank				Consolidated			
	12/31/2023		12/31/2022		12/31/2023		12/31/2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Vehicles (1)	20,941,244	50.3	15,928,307	40.80	20,941,244	50.2	15,928,307	40.80
Payroll-deductible loans (1) (6)	10,409,238	25.0	9,025,613	23.12	10,409,238	24.9	9,025,613	23.12
Financing - credit cards (1) (2)	4,249,231	10.2	5,910,178	15.14	4,249,231	10.2	5,910,178	15.14
FGTS loan (1)	1,357,653	3.3	2,943,690	7.54	1,449,118	3.5	2,943,690	7.54
Bank overdrafts	1,501,647	3.6	1,637,417	4.19	1,501,647	3.6	1,637,417	4.19
Renegotiated loans (3)	1,064,235	2.5	455,159	1.17	1,064,235	2.5	455,159	1.17
Personal credit	212,788	0.5	414,407	1.06	212,788	0.5	414,407	1.06
Housing financing	189,044	0.4	223,596	0.57	189,044	0.4	223,596	0.57
Credits linked to the assignment of loans (4)	77,963	0.2	198,221	0.51	77,963	0.2	198,221	0.51
Working capital	32,160	0.1	34,223	0.09	32,160	0.1	34,223	0.09
Emergency credit limit	4,826	-	14,373	0.04	4,826	-	14,373	0.04
Total loan operations	40,040,029	96.1	36,785,184	94.24	40,131,494	96.1	36,785,184	94.24
Other credits (5)	1,608,684	3.9	2,250,263	5.76	1,608,786	3.9	2,250,365	5.76
Subtotal	41,648,713	100.00	39,035,447	100.00	41,740,280	100.00	39,035,549	100.00
(+/-) Adjustment to market value (1)	482,287	-	(256,298)	-	482,287	-	(256,298)	-
Total	42,131,000	-	38,779,149	-	42,222,567	-	38,779,251	-
Current	20,054,751		21,263,349		20,089,184		21,263,451	
Non-current	22,076,249		17,515,800		22,133,383		17,515,800	

(1) Contracts including hedge accounting transactions.

(2) Financing provided to Visa, MasterCard and Elo credit card holders.

(3) Includes renegotiation of debts of individuals in default – Desenrola Brasil (Note 34);

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

(5) Credit card receivables and credit instruments receivable with loan characteristics; and

(6) Credits in the amount of R\$ 1,206,923 were acquired in the market,

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

Bank	Risk levels									Total - 12/31/2023	Total - 12/31/2022
	Operations in course - Abnormal										
	A	B	C	D	E	F	G	H			
Falling due	2,319,010	1,210,414	1,218,355	669,448	473,174	347,767	264,338	593,415	7,095,921	5,251,726	
01 to 30	113,961	65,737	66,191	35,043	24,056	17,320	12,819	29,594	364,721	258,123	
31 to 60	109,430	63,445	64,701	34,417	23,628	17,145	12,705	29,739	355,210	257,632	
61 to 90	105,410	60,208	59,967	31,742	22,174	15,973	11,960	27,817	335,251	232,976	
91 to 180	279,288	166,990	166,985	88,310	60,799	43,807	32,347	75,496	914,022	650,368	
181 to 365	484,011	276,873	276,709	146,387	100,974	73,036	53,635	126,515	1,538,140	1,087,966	
Over 365	1,226,910	577,161	583,802	333,549	241,543	180,486	140,872	304,254	3,588,577	2,764,661	
Past due in days	169,404	110,034	194,591	364,194	181,807	171,461	180,767	636,827	2,009,085	2,754,212	
01 to 14	147,210	12,190	29,832	16,649	10,713	7,526	6,439	11,201	241,760	384,376	
15 to 30	22,194	78,570	38,508	19,828	14,290	10,326	13,233	31,361	228,310	418,000	
31 to 60	-	19,274	98,981	36,869	25,477	18,238	13,430	31,509	243,778	316,256	
61 to 90	-	-	19,309	83,180	25,681	18,064	13,491	31,789	191,514	287,037	
91 to 180	-	-	7,961	207,668	91,882	93,601	108,382	121,226	630,720	663,971	
181 to 365	-	-	-	-	13,764	23,706	25,792	343,862	407,124	641,935	
Over 365	-	-	-	-	-	-	-	65,879	65,879	42,637	
Subtotal	2,488,414	1,320,448	1,412,946	1,033,642	654,981	519,228	445,105	1,230,242	9,105,006	8,005,938	
Provision required	12,442	13,204	42,388	103,364	196,495	259,615	311,574	1,230,242	2,169,324	2,079,449	

Bank	Risk levels										Total - 12/31/2023	Total - 12/31/2022
	Operations in course - Normal											
	AA	A	B	C	D	E	F	G	H			
Falling due	1,357,156	30,505,228	239,095	151,097	97,062	56,671	40,069	25,919	71,410		32,543,707	31,029,509
01 to 30	69,747	2,622,331	18,554	12,566	11,732	4,097	2,409	1,729	13,356		2,756,521	5,780,546
31 to 60	64,009	1,320,227	12,902	7,968	3,980	2,390	1,758	1,580	2,403		1,417,217	1,613,846
61 to 90	58,823	1,178,729	11,265	6,963	3,691	2,213	1,639	1,291	2,204		1,266,818	1,067,420
91 to 180	148,824	3,130,215	28,616	17,278	9,577	5,958	4,303	2,881	5,735		3,353,387	3,119,294
181 to 365	299,731	4,848,343	43,857	25,043	14,983	9,726	7,012	4,453	8,944		5,262,092	4,697,264
Over 365	716,022	17,405,383	123,901	81,279	53,099	32,287	22,948	13,985	38,768		18,487,672	14,751,139
Subtotal	1,357,156	30,505,228	239,095	151,097	97,062	56,671	40,069	25,919	71,410		32,543,707	31,029,509
Provision required	-	152,526	2,392	4,533	9,706	17,001	20,033	18,143	71,410		295,744	224,209
Total (1)	1,357,156	32,993,642	1,559,543	1,564,043	1,130,704	711,652	559,297	471,024	1,301,652		41,648,713	39,035,447
Total provision	-	164,968	15,596	46,921	113,070	213,496	279,648	329,717	1,301,652		2,465,068	2,303,658

Consolidated	Risk levels									Total - 12/31/2023	Total - 12/31/2022
	Operations in course - Abnormal										
	A	B	C	D	E	F	G	H			
Falling due	2,319,010	1,210,414	1,218,355	669,448	473,174	347,767	264,338	593,415		7,095,921	5,251,726
01 to 30	113,961	65,737	66,191	35,043	24,056	17,320	12,819	29,594		364,721	258,123
31 to 60	109,430	63,445	64,701	34,417	23,628	17,145	12,705	29,739		355,210	257,632
61 to 90	105,410	60,208	59,967	31,742	22,174	15,973	11,960	27,817		335,251	232,976
91 to 180	279,288	166,990	166,985	88,310	60,799	43,807	32,347	75,496		914,022	650,368
181 to 365	484,011	276,873	276,709	146,387	100,974	73,036	53,635	126,515		1,538,140	1,087,966
Over 365	1,226,910	577,161	583,802	333,549	241,543	180,486	140,872	304,254		3,588,577	2,764,661
Past due in days	169,404	110,034	194,591	364,194	181,807	171,461	180,767	636,827		2,099,085	2,754,212
01 to 14	147,210	12,190	29,832	16,649	10,713	7,526	6,439	11,201		241,760	384,376
15 to 30	22,194	78,570	38,508	19,828	14,290	10,326	13,233	31,361		228,310	418,000
31 to 60	-	19,274	98,981	36,869	25,477	18,238	13,430	31,509		243,778	316,256
61 to 90	-	-	19,309	83,180	25,681	18,064	13,491	31,789		191,514	287,037
91 to 180	-	-	7,961	207,668	91,882	93,601	108,382	121,226		630,720	663,971
181 to 365	-	-	-	-	13,764	23,706	25,792	343,862		407,124	641,935
Over 365	-	-	-	-	-	-	-	65,879		65,879	42,637
Subtotal	2,488,414	1,320,448	1,412,946	1,033,642	654,981	519,228	445,105	1,230,242		9,105,006	8,005,938
Provision required	12,442	13,204	42,388	103,364	196,495	259,615	311,574	1,230,242		2,169,324	2,079,449

Consolidated	Risk levels										Total - 12/31/2023	Total - 12/31/2022
	Operations in course - Normal											
	AA	A	B	C	D	E	F	G	H			
Falling due	1,448,621	30,505,228	239,095	151,097	97,062	56,671	40,069	25,919	71,512		32,635,274	31,029,611
01 to 30	71,793	2,622,331	18,554	12,566	11,732	4,097	2,409	1,729	13,356		2,758,567	5,780,648
31 to 60	66,987	1,320,227	12,902	7,968	3,980	2,390	1,758	1,580	2,403		1,420,195	1,613,846
61 to 90	62,329	1,178,729	11,265	6,963	3,691	2,213	1,639	1,291	2,204		1,270,324	1,067,420
91 to 180	158,598	3,130,215	28,616	17,278	9,577	5,958	4,303	2,881	5,735		3,363,161	3,119,294
181 to 365	315,860	4,848,343	43,857	25,043	14,983	9,726	7,012	4,453	8,944		5,278,221	4,697,264
Over 365	773,054	17,405,383	123,901	81,279	53,099	32,287	22,948	13,985	38,870		18,544,806	14,751,139
Subtotal	1,448,621	30,505,228	239,095	151,097	97,062	56,671	40,069	25,919	71,512		32,635,274	31,029,611
Provision required	-	152,526	2,392	4,533	9,706	17,001	20,033	18,143	71,512		295,846	224,311
Total (1)	1,448,621	32,993,642	1,559,543	1,564,043	1,130,704	711,652	559,297	471,024	1,301,754		41,740,280	39,035,549
Total provision	-	164,968	15,596	46,921	113,070	213,496	279,648	329,717	1,301,754		2,465,170	2,303,760

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

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

Bank	12/31/2023			12/31/2022		
	Loan operations	Other (1)	Total	Loan operations	Other (1)	Total
Opening balance	2,303,658	20,251	2,323,909	1,994,644	26,999	2,021,643
Constitution/reversal of provision	2,094,474	(1,113)	2,093,361	2,364,304	(6,748)	2,357,556
Written off against provision	(1,933,064)	-	(1,933,064)	(2,055,290)	-	(2,055,290)
At the end of the year	2,465,068	19,138	2,484,206	2,303,658	20,251	2,323,909
Current	1,670,995	19,138	1,690,133	1,794,948	20,251	1,815,199
Non-current	794,073	-	794,073	508,710	-	508,710
Credit recoveries (2)	256,772	-	256,772	334,853	-	334,853
Effect on results (3)	(1,837,702)	1,113	(1,836,589)	(2,029,451)	6,748	(2,022,703)

Consolidated	12/31/2023			12/31/2022		
	Loan operations	Other (1)	Total	Loan operations	Other (1)	Total
Opening balance	2,303,760	23,328	2,327,088	1,994,746	26,999	2,021,745
Merger of balance (4)	-	-	-	-	3,077	3,077
Constitution/reversal of provision	2,094,474	3,917	2,098,391	2,364,304	(6,748)	2,357,556
Written off against provision	(1,933,064)	-	(1,933,064)	(2,055,290)	-	(2,055,290)
At the end of the year	2,465,170	27,245	2,492,415	2,303,760	23,328	2,327,088
Current	1,671,097	27,245	1,698,342	1,795,050	23,328	1,818,378
Non-current	794,073	-	794,073	508,710	-	508,710
Credit recoveries (2)	260,602	-	260,602	338,511	-	338,511
Effect on results (3)	(1,833,872)	(3,917)	(1,837,789)	(2,025,793)	6,748	(2,019,045)

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

(2) In the year ended 12/31/2023, credits previously written off against the provision, totaling R\$ 260,602 (recovered credits of R\$ 256,772 in Banco PAN and recovered credits of R\$ 3,830 in Brazilian Finance & Real Estate);

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

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

d) Classification by sector:

	Bank				Consolidated			
	12/31/2023		12/31/2022		12/31/2023		12/31/2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Individuals	39,987,792	96.01	37,241,394	95.40	40,079,256	96.02	37,241,394	95.40
Services	1,323,836	3.18	1,419,262	3.64	1,323,938	3.17	1,419,364	3.64
Financial	622,734	1.50	676,170	1.73	622,836	1.49	676,272	1.73
Utilities	177,409	0.43	164,701	0.42	177,409	0.43	164,701	0.42
Construction and real-estate development	49,952	0.12	63,986	0.16	49,952	0.12	63,986	0.16
Media, IT and Telecom	21,157	0.05	16,495	0.04	21,157	0.05	16,495	0.04
Transportation and logistics	4,848	0.01	5,338	0.01	4,848	0.01	5,338	0.01
Vehicle rental	1,452	-	2,593	0.01	1,452	-	2,593	0.01
Health, security and education	-	-	1,112	-	-	-	1,112	-
Other services	446,284	1.07	488,867	1.25	446,284	1.07	488,867	1.25
Commercial	337,044	0.81	374,737	0.96	337,044	0.81	374,737	0.96
Wholesale and retail	337,044	0.81	374,737	0.96	337,044	0.81	374,737	0.96
Basic industries	41	-	54	-	41	-	54	-
Other industries	41	-	54	-	41	-	54	-
Total (1)	41,648,713	100.00	39,035,447	100.00	41,740,280	100.00	39,035,549	100.00

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

e) Concentration of loan operations:

	Bank				Consolidated			
	12/31/2023		12/31/2022		12/31/2023		12/31/2022	
	Amount	%	Amount	%	Amount	%	Amount	%
10 largest borrowers	626,395	1.50	698,207	1.79	626,395	1.50	698,207	1.79
50 next largest borrowers	543,090	1.30	581,780	1.49	543,090	1.30	581,780	1.49
100 next largest borrowers	197,940	0.48	234,184	0.60	197,940	0.47	234,184	0.60
Other borrowers	40,281,288	96.72	37,521,276	96.12	40,372,854	96.72	37,521,378	96.12
Total	41,648,713	100.00	39,035,447	100.00	41,740,280	100.00	39,035,549	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 12/31/2023 and 12/31/2022, loans were assigned to financial institutions as below:

Bank and Consolidated	12/31/2023			12/31/2022		
	Assignment amount	Present value	Result	Assignment amount	Present value	Result
Payroll-deductible/FGTS	17,097,950	13,268,190	3,829,760	15,120,169	11,988,292	3,131,877
Total (Note 8.g)	17,097,950	13,268,190	3,829,760	15,120,169	11,988,292	3,131,877

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\$ 77,963, in Banco PAN and Consolidated (R\$ 198,221 at 12/31/2022), calculated at present value using the agreed contract rates. Obligations of R\$ 93,408 (R\$ 304,943 at 12/31/2022) were assumed for these loans (Note 18.a).

g) Income from loan operations:

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Vehicles	4,999,574	3,713,635	4,999,574	3,713,635
Profit on loan assignments (Note 8.f)	3,829,760	3,131,877	3,829,760	3,131,877
Payroll-deductible loans	2,080,504	1,925,353	2,080,504	1,925,353
Credit cards	2,125,741	1,810,960	2,125,741	1,810,960
FGTS loan	472,765	871,686	474,995	871,686
Recovery of loans written off as losses	256,772	334,853	260,602	338,511
Personal credit	169,771	282,040	169,771	282,040
Performance bonus on assignments	92,328	151,789	92,328	151,789
Working capital/overdraft accounts	168,170	150,464	168,170	150,464
Renegotiated loans (1)	87,725	40,030	87,725	40,030
Housing loans	19,784	35,407	19,784	35,407
Emergency credit limit	3,575	6,671	3,575	6,671
Other	29	76	29	76
Adjustment to market value - Retail Portfolio (2)	738,585	307,396	738,585	307,396
Total	15,045,083	12,762,237	15,051,143	12,765,895

(1) Includes renegotiation of debts of individuals in default – Desenrola Brasil; and

(2) 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	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Amounts receivable from loan assignments	593,916	619,005	593,916	619,005
Negotiation and intermediation of securities	23,609	795	23,609	795
Acknowledgment of debt (1)	1,194	5,088	1,194	5,088
Real estate receivables (2)	-	-	1,499	1,300
Total	618,719	624,888	620,218	626,188
Current	311,628	299,096	308,983	298,640
Non-current	307,091	325,792	311,235	327,548

(1) Includes provision for debt acknowledgment of R\$ 449 at 12/31/2023 (R\$ 1,698 at 12/31/2022) (Note 8.c).

(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	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Judicial and tax deposits	372,473	226,025	397,182	249,834
Sundry debtors	255,861	223,869	269,336	236,821
Amounts receivable from related parties	60,550	38,343	33,021	23,145
Amounts receivable from payroll-deductible loans (1)	5,016	3,390	5,016	3,390
Products listing (2)	-	-	54,426	81,485
Residual benefit in securitized transactions	-	-	4,093	4,561
Other (3)	165,497	164,902	173,806	170,300
Total	859,397	656,529	936,880	769,536
Current	828,748	519,172	867,251	606,293
Non-current	30,649	137,357	69,629	163,243

(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 12/31/2023 amounted to R\$ 9,496 (R\$ 9,731 at 12/31/2022) (Note 8.c);

(2) Includes allowance for amounts receivable, related to services rendered, of R\$ 8,107 at 12/31/2023 (R\$ 3,077 at 12/31/2022); and

(3) Includes allowance for other credits without credit characteristics of R\$ 9,193 at 12/31/2023 (R\$ 8,822 at 12/31/2022) (Note 8.c).

11) Other assets

a) Assets not for own use and other:

Residual value	Bank				Consolidated			
	Cost	Allowance for losses	12/31/2023	12/31/2022	Cost	Allowance for losses	12/31/2023	12/31/2022
Assets not for own use	257,868	(36,597)	221,271	195,534	263,314	(37,083)	226,231	201,163
Properties	124,934	(27,846)	97,088	108,884	130,149	(28,100)	102,049	114,512
Vehicles	132,934	(8,751)	124,183	86,650	133,165	(8,983)	124,182	86,651
Other	326	-	326	1,496	326	-	326	1,496
Total	258,194	(36,597)	221,597	197,030	263,640	(37,083)	226,557	202,659
Current			221,597	197,030			226,557	202,659

b) Prepaid expenses

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Financial system services	124,199	107,072	124,240	107,150
Data processing	1,222	2,122	1,222	2,122
Software maintenance	6,330	3,168	6,330	3,168
Other	72,405	64,266	73,652	65,403
Total	204,156	176,628	205,444	177,843
Current	61,773	53,288	62,613	53,943
Non-current	142,383	123,340	142,831	123,900

12) Investments

a) Investments in subsidiaries and associates:

Companies	Share capital	Adjusted equity	Number of shares/ quotas held (in thousands)			Equity interest %	Adjusted results 12/31/2023	Balance of investments		Equity accounting adjustment (1) Year ended	
			Common shares	Preferred shares	Quotas			12/31/2023	12/31/2022	12/31/2023	12/31/2022
								12/31/2023	12/31/2022	12/31/2023	12/31/2022
PAN's direct subsidiaries and associates											
Pan Financeira S.A. – Crédito, Financiamento e Investimentos (2)	356,735	263,452	11	-	-	100.00	20,098	263,452	243,344	20,098	16,757
Pan Administradora de Consórcio Ltda. (2)	42,388	88,159	-	-	48,168	100.00	6,152	88,159	82,299	6,152	4,732
Brazilian Securities Companhia de Securitização (2)	174,201	242,317	77,865	-	-	100.00	14,103	242,317	230,982	14,103	18,511
Brazilian Finance & Real Estate S.A. (3)	107,662	212,678	0.2	0.5	-	100.00	14,635	212,678	201,933	14,635	12,993
BM Sua Casa Promotora de Vendas Ltda. (2)	179,864	231,953	-	-	179,864	100.00	4,097	231,953	224,945	4,097	2,589
Bw Properties S.A.	400,442	522,794	23	-	-	3.86	4,015	20,180	16,165	4,015	168
Mosaico Tecnologia ao Consumidor S.A. (4)	642,033	681,678	126,596	-	-	100.00	58,639	1,637,042	1,708,111	58,639	46,971
Total								2,695,781	2,707,779	121,739	102,721

(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 12/31/2023 were audited by the same independent auditor as that of Banco PAN.

(3) Company's financial statements for the year ended 12/31/2023 were reviewed by another independent auditor; and

(4) At 12/31/2023, goodwill was recorded on the acquisition of investment in Mosaico, net of amortization, of R\$ 955,364 (Note 1.a (Corporate Events)).

b) Other investments:

Bank and Consolidated	12/31/2023	12/31/2022
CIP S.A.	17,007	11,260
CERTA - Central de Registros de Títulos e Ativos S.A.	-	5,693
Total	17,007	16,953

13) Property and equipment

a) Property and equipment comprise the following:

Bank	Annual depreciation rate	Cost	Depreciation	Residual value	
				12/31/2023	12/31/2022
Facilities, furniture and equipment in use	10%	38,449	(11,138)	27,311	31,384
Security and communications systems	10%	7,536	(4,860)	2,676	3,628
Data processing systems	20%	72,958	(39,170)	33,788	23,308
Card reading machines	33%	106,583	(70,180)	36,403	71,925
Total at 12/31/2023		225,526	(125,348)	100,178	-
Total at 12/31/2022		204,121	(73,876)	-	130,245

Consolidated	Annual depreciation rate	Cost	Depreciation	Residual value	
				12/31/2023	12/31/2022
Facilities, furniture and equipment in use	10%	42,797	(13,392)	29,405	33,838
Security and communications systems	10%	7,766	(4,959)	2,807	3,780
Data processing systems	20%	80,130	(42,670)	37,460	27,185
Card reading machines	33%	106,583	(70,180)	36,403	71,925
Total at 12/31/2023		237,276	(131,201)	106,075	-
Total at 12/31/2022		215,188	(78,460)	-	136,728

b) Changes in property and equipment by category:

Bank	Facilities, furniture and equipment in use	Security and communications systems	Data processing systems	Card reading machines	Total
At December 31, 2022	31,384	3,628	23,308	71,925	130,245
Purchases	1,285	275	21,243	-	22,803
Disposals	-	(18)	(566)	-	(584)
Depreciation	(5,358)	(1,209)	(10,197)	(35,522)	(52,286)
At December 31, 2023	27,311	2,676	33,788	36,403	100,178

Consolidated	Facilities, furniture and equipment in use	Security and communications systems	Data processing systems	Card reading machines	Total
At December 31, 2022	33,838	3,780	27,185	71,925	136,728
Purchases	1,423	276	22,299	-	23,998
Disposals	(14)	(18)	(650)	-	(682)
Depreciation	(5,842)	(1,231)	(11,374)	(35,522)	(53,969)
At December 31, 2023	29,405	2,807	37,460	36,403	106,075

14) Intangible assets

a) Intangible assets comprise the following:

Bank	Amortization rate	Cost	Amortization	Residual value	
				12/31/2023	12/31/2022
Software	20% to 60%	271,333	(151,015)	120,318	60,181
Software license	20% to 100%	263,744	(211,038)	52,706	44,194
Total at 12/31/2023		535,077	(362,053)	173,024	-
Total at 12/31/2022		369,016	(264,641)	-	104,375

Consolidated	Amortization rate	Cost	Amortization	Residual value	
				12/31/2023	12/31/2022
Software	20% to 60%	355,273	(171,089)	184,184	90,626
Software license	20% to 100%	263,824	(211,118)	52,706	44,194
Trademarks and patents	5% to 50%	30,867	(6,452)	24,415	25,958
Goodwill	10% to 20%	1,197,142	(211,726)	985,416	1,106,379
Total at 12/31/2023		1,847,106	(600,385)	1,246,721	-
Total at 12/31/2022		1,639,922	(372,765)	-	1,267,157

b) Changes in intangible assets by category:

Bank

	Software	Software license	Total
At December 31, 2022	60,181	44,194	104,375
Additions	80,057	86,233	166,290
Disposals	(2)	(51)	(53)
Amortization	(19,918)	(77,670)	(97,588)
Total at 12/31/2023	120,318	52,706	173,024

Consolidated

	Software	Software license	Trademarks and patents	Goodwill	Total
At December 31, 2022	90,626	44,194	25,958	1,106,379	1,267,157
Additions	121,198	86,233	-	-	207,431
Disposals	(2)	(51)	-	-	(53)
Amortization	(27,638)	(77,670)	(1,543)	(120,963)	(227,814)
Total at 12/31/2023	184,184	52,706	24,415	985,416	1,246,721

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

a) Deposits:

Bank	Current				Non-current	12/31/2023	12/31/2022
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Demand deposits	79,993	-	-	-	-	79,993	448,432
Interbank deposits	248,534	627,893	158,851	351,143	4,291,860	5,678,281	5,732,358
Time deposits (I)	2,111,244	3,017,346	2,495,740	4,112,614	10,243,468	21,980,412	19,925,732
Total at 12/31/2023	2,439,771	3,645,239	2,654,591	4,463,757	14,535,328	27,738,686	-
Total at 12/31/2022	3,031,556	2,276,623	4,746,899	3,542,117	12,509,327	-	26,106,522

Consolidated	Current				Non-current	12/31/2023	12/31/2022
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Demand deposits	76,385	-	-	-	-	76,385	448,409
Interbank deposits	248,365	627,577	3,680	347,585	4,290,208	5,517,415	5,482,464
Time deposits (1)	2,105,159	3,000,363	2,447,413	3,602,763	9,800,698	20,956,396	19,006,490
Total at 12/31/2023	2,429,909	3,627,940	2,451,093	3,950,348	14,090,906	26,550,196	-
Total at 12/31/2022	3,006,456	2,266,190	4,498,644	3,257,644	11,908,429	-	24,937,363

(1) Hedge accounting transactions.

b) Funds obtained in the open market:

Bank and Consolidated	Current				Non-current	12/31/2023	12/31/2022
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Own portfolio	4,701,027	-	-	2,726	143	4,703,896	5,884,794
Financial Treasury Bills (LFT)	-	-	-	2,726	143	2,869	3,800
National Treasury Notes (NTN)	4,701,027	-	-	-	-	4,701,027	5,880,994
Total at 12/31/2023	4,701,027	-	-	2,726	143	4,703,896	-
Total at 12/31/2022	5,880,994	202	-	76	3,522	-	5,884,794

c) Funds from acceptance and issuance of securities:

Bank and Consolidated	Current				Non-current	12/31/2023	12/31/2022
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Financial Bills (LF)	333,187	1,261,275	1,560,797	1,936,449	7,877,957	12,969,665	10,529,449
Real estate letters of credit (LCI)	3,071	59,499	4,113	-	2,657	69,340	88,769
Total at 12/31/2023	336,258	1,320,774	1,564,910	1,936,449	7,880,614	13,039,005	-
Total at 12/31/2022	14,121	291,159	401,134	1,430,766	8,481,038	-	10,618,218

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

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Time deposits	2,625,425	2,576,271	2,505,523	2,484,605
Financial bills	1,525,577	1,427,923	1,525,577	1,427,923
Interbank deposits	931,863	461,970	901,628	433,902
Purchase and sale commitments	622,828	388,068	622,828	388,068
Contributions to the deposit guarantee fund	25,029	28,817	25,029	28,817
Loans assigned with retention of risk	17,156	30,681	17,156	30,681
Real estate letters of credit	13,301	16,766	13,301	16,766
Total	5,761,179	4,930,496	5,611,042	4,810,762

16) Interbank accounts

Bank and Consolidated	12/31/2023	12/31/2022
Receipts and payments pending settlement (1)	1,576,733	2,138,323
Local correspondents (2)	115,056	132,210
Total	1,691,789	2,270,533
Current	1,691,789	2,270,533

(1) Refer mainly to amounts payable related to card transactions.

(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

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Borrowings				
Local	-	-	-	78
Foreign (1) (2)	363,541	779,785	363,541	779,785
Total	363,541	779,785	363,541	779,863
Current	339	388,458	339	388,536
Non-current	363,202	391,327	363,202	391,327

(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) Balances:

Bank and Consolidated	12/31/2023	12/31/2022
Assignment with substantial retention of risks and benefits (8.f ii)	93,408	304,943
Subordinated debts (18.b)	13,046	10,987
Total	106,454	315,930
Current	93,408	172,518
Non-current	13,046	143,412

b) Subordinated debts:

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

Bank and Consolidated	12/31/2023	12/31/2022
In Brazil:		
R\$ 8,000 (1)	13,046	10,987
Total	13,046	10,987
Non-current	13,046	10,987

(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), as a secondary obligor 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 are civil lawsuits involving claims for indemnities, revisions or related to tariffs.

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 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 the risk of affecting the image and operations of the Bank.

There are no 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 whether registered or not as obligations. All such tax matters are assisted by 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	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Civil	220,947	199,052	225,250	204,427
Labor	55,528	91,738	56,490	94,253
Tax	5,712	5,283	39,398	45,602
Total	282,187	296,073	321,138	344,282

II. Change in provisions:

Bank	Civil	Labor	Tax	Total
At December 31, 2022	199,052	91,738	5,283	296,073
Constitution, net of reversals	262,949	25,313	4	288,266
Indexation and interest accruals	-	-	472	472
Settlements	(241,054)	(61,523)	(47)	(302,624)
At December 31, 2023	220,947	55,528	5,712	282,187

Consolidated	Civil	Labor	Tax	Total
At December 31, 2022	204,427	94,253	45,602	344,282
Constitution, net of reversals	264,161	23,776	(3,274)	284,663
Indexation and interest accruals	-	-	(140)	(140)
Settlements	(243,338)	(61,539)	(2,790)	(307,667)
At December 31, 2023	225,250	56,490	39,398	321,138

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 2023, the amounts related to these lawsuits total approximately R\$ 834 (R\$ 784 at 12/31/2022);

IRPJ/CSLL – Deductibility of losses on loan operations and other operating expenses, referring to 2007 to 2017. In December 2023, the amounts related to these lawsuits total approximately R\$ 1,054,017 (R\$ 969,867 at 12/31/2022).

IRPJ/CSLL – Deductibility of PIS/COFINS referring to 2014. In December 2023, the amount related to this lawsuit totals approximately R\$ 27,005 (R\$ 24,868 at 12/31/2022);

IRPJ/CSLL – Deductibility of goodwill paid on the acquisition of equity interests amortized in 2014 to 2017. In December 2023, the amount related to this lawsuit totals approximately R\$ 27,520 (R\$ 25,095 at 12/31/2022);

PIS/COFINS – Deductibility of swap expenses from the calculation base, referring to 2010. In December 2023, the amount related to this lawsuit totals approximately R\$ 5,409 (R\$ 5,068 at 12/31/2022);

PIS/COFINS – Deductibility of commissions paid to bank correspondents and losses on sale or transfer of financial assets for calendar year 2017. In December 2023, the amount related to this lawsuit totals approximately R\$ 264,003 (R\$ 239,871 at 12/31/2022);

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 2023, the amounts related to these lawsuits total approximately R\$ 148,206 (R\$ 135,691 at 12/31/2022);

IRRF – Capital gain from the acquisition of equity interest abroad, referring to 2012. In December 2023, the amount related to this lawsuit totals approximately R\$ 92,352 (R\$ 85,746 at 12/31/2022); and

Tax offsetting disallowed - Rejection of requests for offsetting IRPJ, CSLL, PIS, COFINS, resulting from overpayments or taxes not due. In December 2023, the amounts related to these lawsuits total approximately R\$ 281,012 (R\$ 254,790 at 12/31/2022);

20) Current tax obligations

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Taxes and contributions on income	214,059	130,794	237,688	150,558
Social Contribution on Revenues (COFINS)	42,382	45,055	44,101	46,954
Taxes and contributions on salaries	24,873	25,286	28,521	28,665
Withholding tax at source on payments to third	5,061	5,733	5,180	5,871
Services Tax (PIS)	6,887	7,321	7,231	7,703
Services Tax (ISS)	8,287	3,356	9,672	5,099
Withholding tax on fixed-income securities	3,706	3,554	3,706	3,554
Tax Recovery Program (REFIS) – Law 12,996/14	-	-	666	890
Total	305,255	221,099	336,765	249,294
Current	305,255	221,099	336,765	249,294

21) Other liabilities

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Payables due	983,019	1,134,830	1,033,417	1,192,658
Operations linked to assignment	685,967	909,860	685,967	909,860
Collections	89,662	118,272	89,902	118,512
Credit card transactions	51,511	37,468	51,511	37,468
Negotiation and intermediation of securities	2,297	18,262	3,334	19,224
Amounts payable to related parties	27,631	36,443	22,490	35,408
Specific consortium amounts	-	-	958	1,017
Other	167,923	93,655	175,559	99,762
Total	2,008,010	2,348,790	2,063,138	2,413,909
Current	2,007,348	2,343,247	2,056,833	2,403,651
Non-current	662	5,543	6,305	10,258

22) Equity

a) Composition of capital - number of shares:

On 03/09/2022, BACEN 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, as per resolutions made at the Company's Extraordinary General Meeting held on 12/01/2021.

Total subscribed and fully paid-up capital at 12/31/2023 and 12/31/2022 amounted to R\$ 5,928,320.

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

	12/31/2023	12/31/2022
Common	657,561	657,561
Preferred	615,638	648,772
Subtotal	1,273,199	1,306,333
In treasury (preferred) (1)	(4,160)	(33,153)
Total	1,269,039	1,273,180

(1) Own shares acquired, based on the Share Buyback Programs approved by the Board of Directors to be held in Treasury or for subsequent cancellation (Note 22.e).

b) 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 Corporate 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.

c) Interest on capital and dividend distributions:

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:

	12/31/2023	% (1)	12/31/2022	% (1)
Net profit	694,959		706,108	
(-) Legal reserve	(34,748)		(35,305)	
Calculation base	660,211		670,803	
Interest on capital (gross) approved and provisioned/paid	273,000		320,000	
Withholding Income Tax related to interest on capital	(40,950)		(48,000)	
Interest on capital (net) approved and provisioned	232,050	35.1%	272,000	40.5%

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

d) Earnings per share:

	12/31/2023	12/31/2022
Profit attributable to the Bank's stockholders	694,959	706,108
Profit attributable to the Bank's holders of common shares (R\$)	360,050	369,506
Profit attributable to the Bank's holders of preferred shares (R\$ thousand)	334,909	336,602
Weighted average number of common shares outstanding (thousand)	657,561	657,561
Weighted average number of preferred shares outstanding (thousand)	611,645	599,005
Basic earnings per common share attributable to the Bank's stockholders	0.55	0.56
Basic earnings per preferred share attributable to the Bank's stockholders	0.55	0.56

e) Treasury shares:

On 11/29/2022, the Board of Directors approved the cancellation of preferred shares already held in the Bank's treasury, without reduction of the Bank's share capital, resulting from acquisitions made under the Buyback Program, resolution that was ratified at the Bank's Annual and Extraordinary General Meeting ("OEGM") of 04/28/2023, ratified on 06/06/2023 by BACEN. Considering such ratification, the Bank's shareholding structure is now as follows: fully subscribed and paid-up capital amounting to R\$ 5,928,320,482.90, represented by 1,273,199,269 shares, comprising 657,560,635 common shares and 615,638,634 preferred shares, all of which registered, book-entry and with no par value.

At a meeting held on 11/09/2023, the Bank's Board of Directors approved the new Share Buyback Program, authorizing the acquisition of up to 32,000,000 preferred shares of own issue, registered, book-entry and with no par value (BPAN4), to be held in treasury or for subsequent cancellation ("New Share Buyback Program"). The New Share Buyback Program will be in place up to 18 months from 11/09/2022.

At 12/31/2023, the balance of treasury shares totaled R\$ 30,849, comprising 4,160 preferred shares.

23) Income from services rendered

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Loan operations	501,831	300,783	502,091	300,783
Credit cards	243,260	316,620	243,351	316,624
Business intermediation	210,866	139,292	210,940	139,292
Revenue in products listing (1)	-	-	209,835	224,294
Advertising revenue (2)	-	-	67,696	41,227
Other	5,405	6,580	16,687	17,351
Total	961,362	763,275	1,250,600	1,039,571

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

(2) Represents online advertising revenue.

24) Personnel expenses

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Salaries	546,072	540,497	580,602	573,420
Social charges	144,356	145,635	155,595	155,922
Benefits (Note 32)	116,690	112,299	127,190	120,494
Fees (Note 30.b)	35,872	35,864	37,396	41,243
Other	11,692	9,215	13,946	11,126
Total	854,682	843,510	914,729	902,205

25) Other administrative expenses

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Commissions payable to correspondent banks	1,441,574	1,617,254	1,427,291	1,605,610
Third-party services	739,223	724,944	750,146	735,952
Data processing	646,038	510,896	672,384	534,106
Financial system services	318,105	311,677	319,438	312,661
Advertising, promotions and publicity	288,049	277,427	363,459	358,884
Communication	47,070	74,231	48,386	75,319
Rentals	31,990	28,995	36,191	31,962
Depreciation and amortization	150,413	121,620	161,359	127,851
Asset search and seizure expenses	38,746	28,017	38,746	28,018
Maintenance and conservation of property	13,335	8,531	15,085	9,499
Transportation	4,013	5,751	4,237	5,975
Travel	5,988	5,284	8,226	6,879
Fees and emoluments	5,041	3,272	5,374	3,500
Water, power and gas	1,654	1,462	1,787	1,578
Consumption materials	1,481	1,357	1,662	1,532
Other	18,192	23,792	19,891	25,908
Total	3,750,912	3,744,510	3,873,662	3,865,234

26) Tax expenses

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Social Contribution on Revenues (COFINS)	372,992	320,073	402,155	347,106
Social Integration Program (PIS)	60,611	52,085	66,591	57,656
Services Tax (ISS)	41,124	29,016	50,487	37,930
Taxes and charges	5,915	7,420	7,111	8,571
Total	480,642	408,594	526,344	451,263

27) Provision expenses

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
(Constitution)/reversal of provision for civil proceedings	(262,949)	(179,146)	(264,161)	(181,993)
(Constitution)/reversal of provision for labor proceedings	(25,313)	(42,058)	(23,776)	(40,846)
(Constitution)/reversal of provision for tax proceedings	(4)	(378)	3,274	3,334
Total	(288,266)	(221,582)	(284,663)	(219,505)

28) Other operating income and expenses

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Recovery of charges and expenses	256,305	356,433	257,507	357,380
Indexation/foreign exchange variations	42,831	75,753	47,382	79,442
Assignment of loans	(2,040,423)	(1,657,071)	(2,040,423)	(1,657,071)
Discounts granted	(484,786)	(239,985)	(484,786)	(239,985)
Losses on loan/financing operations and frauds	(140,175)	(140,665)	(140,175)	(140,665)
Liens	(46,270)	(30,160)	(46,274)	(30,165)
Amortization of goodwill (Note 14.b)	(115,802)	(100,810)	(120,963)	(105,378)
Other	(93,427)	(49,015)	(147,601)	(90,564)
Total	(2,621,747)	(1,785,520)	(2,675,333)	(1,827,006)

29) Non-operating income

	Bank		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Reversal/(impairment) of other assets	(1,603)	3,910	(2,715)	2,951
Result on the sale of other assets	(8,928)	4,817	(8,882)	5,016
Other	7,143	10,881	7,464	10,859
Total	(3,388)	19,608	(4,133)	18,826

30) Balances and transactions with related parties

Transactions with related parties (direct and indirect) are conducted 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	12/31/2023	12/31/2022	12/31/2023	12/31/2022
		Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Interbank investments (a)		56,860	275,282	93,699	25,417
Banco BTG Pactual S.A.	12/15/2025	56,860	275,282	93,699	25,417
Other receivables		60,550	39,263	-	-
Banco BTG Pactual S.A.	No term	1,014	-	-	-
Too Seguros S.A.	No term	31,910	23,121	-	-
Pan Financeira S.A. – Crédito, Financiamento e Investimentos	No term	4,416	105	-	-
Pan Corretora de Seguros Ltda.	No term	24	24	-	-
Mosaico Tecnologia ao Consumidor S.A. (b)	No term	13,907	5,107	-	-
Brazilian Securities Companhia de Securitização (b) (c)	No term	2,660	4,467	-	-
Pan Administradora de Consórcio Ltda. (b) (c)	No term	292	240	-	-
Brazilian Finance & Real Estate S.A. (b) (c)	No term	5,327	5,280	-	-
Key management personnel	No term	-	919	-	-
Demand deposits (d)		(4,046)	(422)	-	-
Too Seguros S.A.	No term	(337)	(337)	-	-
Pan Financeira S.A. – Crédito, Financiamento e Investimentos	No term	(3,594)	(3)	-	-
Pan Administradora de Consórcio Ltda.	No term	(2)	(12)	-	-
Pan Corretora de Seguros Ltda.	No term	(101)	(62)	-	-
BM sua Casa Promotora de Vendas Ltda.	No term	(2)	(2)	-	-
Brazilian Securities Companhia de Securitização	No term	(7)	(4)	-	-
Brazilian Finance & Real Estate S.A.	No term	(3)	(2)	-	-
Interbank deposits (e)		(3,521,828)	(4,685,112)	(691,262)	(375,312)
Banco BTG Pactual S.A.	12/29/2025	(3,360,962)	(4,435,218)	(661,027)	(347,244)
Pan Financeira S.A. – Crédito, Financiamento e Investimentos	12/26/2024	(160,866)	(249,894)	(30,235)	(28,068)
Time deposits (f)		(1,087,992)	(970,465)	(133,825)	(98,560)
Pan Corretora de Seguros Ltda.	03/27/2025	(61,720)	(49,559)	(13,727)	(6,760)
Pan Administradora de Consórcio Ltda.	11/29/2026	(81,718)	(75,948)	(9,819)	(8,766)
Brazilian Securities Companhia de Securitização	12/12/2026	(211,290)	(204,375)	(25,856)	(22,640)
Brazilian Finance & Real Estate S.A.	12/13/2026	(97,968)	(87,625)	(11,612)	(10,047)
BM sua Casa Promotora de Vendas Ltda.	12/13/2026	(79,279)	(60,541)	(8,692)	(6,332)
Mosaico Tecnologia ao Consumidor S.A.	11/20/2025	(539,922)	(489,714)	(63,300)	(43,841)
Mobiauto Edição de Anúncios Online Ltda	12/26/2024	(13,839)	(1,040)	(624)	(40)
Key management personnel	03/15/2027	(2,256)	(1,663)	(195)	(134)
Liabilities for purchase and sale commitments		(4,701,027)	(5,880,994)	(607,616)	(385,713)
Banco BTG Pactual S.A.	01/02/2024	(4,701,027)	(5,880,994)	(607,616)	(385,713)
Derivative financial instruments (g)		(70,327)	(88,353)	(86,433)	(139,049)
Banco BTG Pactual S.A.	12/15/2025	(70,327)	(88,353)	(86,433)	(139,049)
Other liabilities		(482,960)	(362,926)	51	(464)
Banco BTG Pactual S.A. (h)	No term	(455,442)	(326,520)	51	(464)

Too Seguros S.A.	No term	(22,269)	(35,370)	-	-
Brazilian Finance & Real Estate S.A.	No term	(303)	(241)	-	-
Brazilian Securities Companhia de Securitização	No term	(201)	(240)	-	-
Pan Financeira S.A. – Crédito, Financiamento e Investimentos	No term	(4,506)	-	-	-
Mosaico Tecnologia ao Consumidor S.A.	No term	(239)	(555)	-	-
Income from services rendered (i)		-	-	210,867	140,807
Too Seguros S.A.	-	-	-	210,866	140,460
Mosaico Tecnologia ao Consumidor S.A.	-	-	-	1	347
Personnel expenses		-	-	(256)	(302)
Too Seguros S.A.	-	-	-	(256)	(302)
Other administrative expenses		-	-	(45,626)	(90,134)
Too Seguros S.A.	-	-	-	(2,375)	(3,587)
BTG Pactual Corretora (j)	-	-	-	(97)	(124)
Mosaico Tecnologia ao Consumidor S.A.	-	-	-	(4,983)	(9,530)
Mobiauto Edição de Anúncios Online Ltda	-	-	-	(9,479)	-
Tecban S.A.	-	-	-	(4,859)	(37,312)
Interbank Payment Chamber	-	-	-	(23,833)	(39,581)
Other operating expenses		-	-	(123,965)	(3,403)
Banco BTG Pactual S.A. (k)	-	-	-	(123,965)	(3,403)
Result from loan assignment		-	-	2,421,762	389,239
Banco BTG Pactual S.A.	-	-	-	2,421,762	389,239

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

(b) Provisions for dividends to be paid until 12/31/2024, of which: R\$ 13,907 relates to Mosaico Tecnologia ao Consumidor S.A., R\$ 3,984 to Brazilian Finance & Real Estate S.A., R\$ 2,660 to Brazilian Securities Companhia de Securitização, and R\$ 292 to Pan Administradora de Consórcio Ltda.

(c) 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 09/18/2013;

(d) Refer to the outstanding balances of current accounts of affiliates held at the Bank.

(e) Refer to the funding through interbank deposits with rates equivalent to the CDI rate.

(f) Refer to the funding through time deposits made at the Bank.

(g) Refer to swaps.

(h) Refers to interest on capital in the gross amount of R\$ 202,366 (12/31/2022 - R\$ 236,649) and provision for early settlement liability on credit assignments, in the amount of R\$ 255,353 (12/31/2022 - R\$ 100,684).

(i) Refers to the commissions paid to the Bank for insurance intermediation and the commissions paid to the correspondent for business intermediation.

(j) Refers to expenses with market makers.

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

Consolidated	Maximum term	12/31/2023	12/31/2022	12/31/2023	12/31/2022
		Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Cash and cash equivalents (a)		2,382	3,450	-	-
Banco BTG Pactual S.A.	-	2,382	3,450	-	-
Interbank investments (b)		56,860	275,282	93,699	25,417
Banco BTG Pactual S.A.	12/15/2025	56,860	275,282	93,699	25,417
Other receivables		32,948	24,064	-	-
Banco BTG Pactual S.A.	No term	1,014	-	-	-
Too Seguros S.A.	No term	31,910	23,121	-	-
Pan Corretora de Seguros Ltda.	No term	24	24	-	-
Key management personnel	No term	-	919	-	-
Demand deposits (c)		(438)	(399)	-	-
Too Seguros S.A.	No term	(337)	(337)	-	-
Pan Corretora de Seguros Ltda.	No term	(101)	(62)	-	-
Interbank deposits (d)		(3,360,962)	(4,435,218)	(661,027)	(347,244)
Banco BTG Pactual S.A.	12/29/2025	(3,360,962)	(4,435,218)	(661,027)	(347,244)
Time deposits (e)		(63,976)	(51,222)	(13,922)	(6,894)
Pan Corretora de Seguros Ltda.	03/27/2025	(61,720)	(49,559)	(13,727)	(6,760)
Key management personnel	03/15/2027	(2,256)	(1,663)	(195)	(134)
Liabilities for purchase and sale commitments		(4,701,027)	(5,880,994)	(607,616)	(385,713)
Banco BTG Pactual S.A.	01/02/2024	(4,701,027)	(5,880,994)	(607,616)	(385,713)
Derivative financial instruments (f)		(70,327)	(88,353)	(86,433)	(139,049)
Banco BTG Pactual S.A.	12/15/2025	(70,327)	(88,353)	(86,433)	(139,049)
Other liabilities		(477,711)	(361,890)	51	(464)
Banco BTG Pactual S.A. (g)	No term	(455,442)	(326,520)	51	(464)
Too Seguros S.A.	No term	(22,269)	(35,370)	-	-
Income from services rendered		-	-	210,939	140,460
Too Seguros S.A. (h)	-	-	-	210,939	140,460
Personnel expenses		-	-	(256)	(302)
Too Seguros S.A.	-	-	-	(256)	(302)
Other administrative expenses		-	-	(36,147)	(90,134)
Too Seguros S.A.	-	-	-	(2,375)	(3,587)
BTG Pactual Corretora (i)	-	-	-	(97)	(124)
Mosaico Tecnologia ao Consumidor S.A.	-	-	-	(4,983)	(9,530)
Tecban S.A.	-	-	-	(4,859)	(37,312)
Interbank Payment Chamber	-	-	-	(23,833)	(39,581)
Other operating expenses		-	-	(123,965)	(3,403)
Banco BTG Pactual S.A. (j)	-	-	-	(123,965)	(3,403)
Result from loan assignment		-	-	2,421,762	389,239
Banco BTG Pactual S.A.	-	-	-	2,421,762	389,239

(a) Refer to current accounts of Mosaico Tecnologia ao Consumidor S.A. and Mobiauto Edição de Anúncios Online Ltda.

(b) Refer to the Bank's investments accruing CDI rates.

(c) Refer to the outstanding balances of current accounts of affiliates held at the Bank.

(d) Refer to the funding through interbank deposits with rates equivalent to the CDI rate.

(e) Refer to the funding through time deposits made at the Bank.

(f) Refer to swaps.

- (g) Refers to interest on capital in the gross amount of R\$ 202,366 (12/31/2022 - R\$ 236,649) and provision for early settlement liability on credit assignments, in the amount of R\$ 255,353 (12/31/2022 - R\$ 100,684).
- (h) Refer to the commission paid to the Bank for insurance intermediation.
- (i) Refers to expenses with market makers.
- (j) Refers to expenses with credit assignment related to early settlement liability.

b) Management compensation

The Board of Directors' meeting held on 03/28/2023 approved the proposal for the Total Annual Compensation of the Bank's Management for 2023, irrespective of the year in which the amounts are paid, of up to R\$ 36,605, as well as the ratification of the Total Annual Compensation of the Bank's Management for 2022, as approved by the Compensation Committee on 10/28/2022 and subject to approval of the Annual and Extraordinary General Meeting held on 04/28/2023. The compensation of the Bank's Management is presented in Note 24, under "Fees".

• Other information

As permitted by law, 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 customers with the same profile.

31) Financial Instruments

• Risk management

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

PAN, under the terms of CMN Resolution 4,557, of 2017, has governance structures, processes and procedures for managing the risks assumed by it. Furthermore, as it is part of a prudential conglomerate, its risks are managed through unified structures within the scope of the BTG Conglomerate, as also provided for in this Resolution. 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. The customer service, control and guidance executive superintendence is responsible for identifying, assessing, measuring, monitoring, reporting, mitigating and controlling risk, in addition to reporting compliance with the risk guidelines established by management. This structure acts as a second line of defense, maintaining independence in relation to the business, operations and corporate support areas (first line of defense), without jeopardizing the duties of the Board of Directors included in Resolution above. The Internal Audit also integrates, as a third line of defense, PAN's risk management structure, reporting directly to the Board of Directors, and acts under the supervision of the Audit Committee. PAN's risk management processes are monitored and coordinated by the Risk Commission, which is linked to BTG Pactual's Risk and Capital Committee.

• 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

As from June 30, 2021, 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), therefore complying with the minimum capital requirements established by CMN Resolutions 4,955/21 and 4,958/21. Capital requirements are calculated in accordance with BACEN Circular Letter 229/22 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*	12/31/2023	12/31/2022
Tier I reference equity	5,747,039	5,170,802
Core capital	5,747,039	5,170,802
Tier II reference equity	7,827	8,789
Reference equity for comparison with risk-weighted assets (RWA)	5,754,866	5,179,591
Reference equity	5,754,866	5,179,591
- Credit risk	32,840,595	28,982,927
- Market risk	333	367
- Operating risk	3,570,746	4,242,955
Risk-weighted assets (RWA)	36,411,674	33,226,249
Basel Index	15.81%	15.59%
Tier I	15.78%	15.56%
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 Management.

- 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 that adhere to the best practices and standards established by CMN and BACEN.

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	(4)	(1,223)	(2,919)
Coupon - other interest rates	Coupon rates of interest rates	(15)	(3,334)	(6,065)
Coupon - price index	Coupon rates of price index	(24)	(4,421)	(8,149)
Foreign currency	Foreign exchange rate	-	(29)	(59)
Foreign exchange coupon	Foreign exchange coupon rates	-	(611)	(1,223)
Total at 12/31/2023		(43)	(9,618)	(18,415)
Total at 12/31/2022		(127)	(46,183)	(93,228)

The sensitivity analysis was conducted based on the market data for the last day in December 2023, 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 any 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 12/31/2023 and 12/31/2022, the position of derivative financial instruments, in foreign currency, was as follows:

	Notional		Market value	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Purchased position - U.S. Dollar				
Swap	(429,008)	(858,015)	(372,395)	(803,059)
Total	(429,008)	(858,015)	(372,395)	(803,059)
Sold position - U.S. Dollar				
DOL	(2,435)	(2,662)	(2,435)	(2,662)
Total	(2,435)	(2,662)	(2,435)	(2,662)

- **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 Risk and Capital 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 of the Conglomerate (unified structures) 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 BCB Resolution 54/20, the information on the risk management process (Pillar 3 Report) 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	12/31/2023		12/31/2022	
	Net book value	Market value	Net book value	Market value
Investments in interbank deposits	67,057	64,778	277,251	275,235
Marketable securities	7,304,817	7,186,787	9,149,836	8,890,546
- Trading securities	51,342	51,342	48,384	48,384
- Available-for-sale securities	762,470	762,470	285,397	285,397
- Securities held to maturity	6,491,005	6,372,975	8,816,055	8,556,765
Loan operations	42,222,567	48,897,050	38,779,251	40,939,398
Interbank deposits	5,517,415	5,630,574	5,482,464	5,655,271
Time deposits	20,956,396	21,603,549	19,006,490	19,764,186
Funds from issuance of securities	13,039,005	13,260,300	10,618,218	10,841,545
Foreign borrowings	363,541	372,935	779,785	823,179
Subordinated debts	13,046	14,736	10,987	13,459
Other financial liabilities	93,408	88,831	304,943	216,575

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 operations are determined by discounting future flows at the rates practiced in the market for equivalent transactions at the balance sheet date; and

- 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, Banco 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 12/31/2023, the benefit expenses amounted to R\$ 116,690 and R\$ 127,190 in Banco PAN and in the Consolidated, respectively (R\$ 112,299 and R\$ 120,494 in Banco PAN and in the Consolidated, respectively, in the year ended 12/31/2022).

33) Income Tax and Social Contribution

a) Income tax and social contribution reconciliation:

	Bank		Consolidated (3)	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Profit before income tax and social contribution	808,414	827,593	851,176	868,942
Total charges at the nominal statutory combined rate (1)	(363,786)	(375,517)	(367,380)	(379,149)
Reconciliation to tax expense:				
Equity in the results of investees	54,782	47,251	1,807	77
Interest on capital	122,850	147,200	122,850	147,200
Other amounts (2) (3)	72,699	59,581	88,165	70,687
Income tax and social contribution expense	(113,455)	(121,485)	(154,558)	(161,185)

(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%; for Pan Financeira S.A. – Crédito, Financiamento e Investimentos at the rate of 15%, 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).

(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 12/31/2022	Constituted	Realized	At 12/31/2023
Provision for expected losses associated with credit risk	1,214,640	1,146,637	(998,714)	1,362,563
Provision for civil contingencies	89,574	119,810	(109,958)	99,426
Provision for labor contingencies	41,281	15,321	(31,615)	24,987
Provision for tax contingencies	2,377	996	(802)	2,571
Provision for loss on assets not for own use	18,327	1,480	(3,338)	16,469
Other provisions	766,140	550,070	(566,460)	749,750
Total deferred tax assets on temporary differences	2,132,339	1,834,314	(1,710,887)	2,255,766
Income tax and social contribution losses	1,037,044	15,096	(95,480)	956,660
Total deferred tax assets	3,169,383	1,849,410	(1,806,367)	3,212,426
Deferred tax liabilities (Note 33.e)	(69,161)	(30,918)	52,119	(47,960)
Deferred tax assets, net of deferred tax liabilities	3,100,222	1,818,492	(1,754,248)	3,164,466

Consolidated	At 12/31/2022	Constituted	Realized	At 12/31/2023
Provision for expected losses associated with credit risk	1,227,000	1,148,598	(998,854)	1,376,744
Provision for civil contingencies	91,350	121,316	(111,880)	100,786
Provision for labor contingencies	42,169	15,354	(32,205)	25,318
Provision for tax contingencies	16,787	3,553	(6,015)	14,325
Provision for loss on assets not for own use	18,531	1,558	(3,428)	16,661
Mark-to-market adjustment of derivatives	10,714	945	(1,928)	9,731
Other provisions	778,919	555,292	(575,241)	758,970
Total deferred tax assets on temporary differences	2,185,470	1,846,616	(1,729,551)	2,302,535
Income tax and social contribution losses	1,113,266	15,237	(107,649)	1,020,854
Total deferred tax assets	3,298,736	1,861,853	(1,837,200)	3,323,389
Deferred tax liabilities (Note 33.e)	(88,529)	(31,296)	65,674	(54,151)
Deferred tax assets, net of deferred tax liabilities	3,210,207	1,830,557	(1,771,526)	3,269,238

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 12/31/2023, the main assumptions used in the projections were macroeconomic indicators, production

indicators (origination of loan operations), and cost of funding. This study was approved by the Bank's Board of Directors on 01/30/2024.

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	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
2023	-	1,302,098	-	104,334	-	1,406,432
2024	1,064,307	684,349	182,780	226,543	1,247,087	910,892
2025	359,154	36,224	259,044	386,586	618,198	422,810
From 2026 to 2030	832,305	109,668	514,836	319,581	1,347,141	429,249
Total	2,255,766	2,132,339	956,660	1,037,044	3,212,426	3,169,383

Consolidated	Temporary differences		Income tax and social contribution losses		Total	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
2023	-	1,315,275	-	124,864	-	1,440,139
2024	1,078,860	694,280	199,630	250,934	1,278,490	945,214
2025	363,714	41,444	278,564	397,625	642,278	439,069
From 2026 to 2030	859,961	134,471	542,660	339,843	1,402,621	474,314
Total	2,302,535	2,185,470	1,020,854	1,113,266	3,323,389	3,298,736

At 12/31/2023, the present value of the tax credits, calculated based on Banco PAN's average funding rate, totaled R\$ 2,527,495 and R\$ 2,606,892 in the Consolidated (R\$ 2,431,984 in Banco PAN and R\$ 2,527,748 in the Consolidated at 12/31/2022).

d) Tax assets not recognized

At 12/31/2023 and 12/31/2022, tax loss carryforwards totaled 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.

e) Deferred tax liabilities:

Bank	At 12/31/2022	Constituted	Realized	At 12/31/2023
Adjustment to market value of marketable and other securities	(66,224)	(30,918)	52,119	(45,023)
Indexation accrual Invest CIP S.A.	(2,937)	-	-	(2,937)
Deferred tax assets, net of deferred tax liabilities	(69,161)	(30,918)	52,119	(47,960)

Consolidated	At 12/31/2022	Constituted	Realized	At 12/31/2023
Adjustment to market value of marketable and other securities	(85,344)	(31,296)	65,465	(51,175)
Indexation accrual Invest CIP S.A.	(2,937)	-	-	(2,937)
Excess depreciation	(248)	-	209	(39)
Deferred tax assets, net of deferred tax liabilities	(88,529)	(31,296)	65,674	(54,151)

34) Other Information

- a) At 12/31/2023 and 12/31/2022, 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; and
- c) Banco PAN S.A. is participating in the emergency debt renegotiation program for individuals in default – “Desenrola Brasil”, developed by the Federal Government, created by Provisional Measure 1,176 of 06/05/2023. The program targets 2 ranges of public. For beneficiaries in Range 2, renegotiation began in July/2023 and is intended for individuals with a monthly income equal to or less than R\$20,000.00 who have debts with banks. Only debts with Financial Institutions will be renegotiated, except for Rural Credit debts and those guaranteed by the Federal Government or any public entity, as well as those that have the risk fully assumed by the Financial Institutions. Beneficiaries in Range 1 can renegotiate their debts from October 2023, and is intended for individuals with a monthly income equal to or less than two minimum wages or who are registered in the Single Registry for Social Programs of the Federal Government (CadÚnico) who have debts with banks or service providers with debts of up to R\$5,000.00. The deadline for joining both ranges was 12/31/2023 (Note 8.a).

Declaration of the Executive Board on the Financial Statements

In compliance with the determinations of Article 27, Paragraph 1, Item VI of CVM Resolution 80/22, the Executive Board of Banco PAN declares that it has discussed, reviewed and agrees with the financial statements for the year ended 12/31/2023.

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

In compliance with the determinations of Article 27, Paragraph 1, Item V of CVM Resolution Instruction 80/22, the Executive Board of Banco PAN declares that it has discussed, reviewed and agrees with the conclusion expressed in the independent auditor's report on the financial statements for the year ended 12/31/2023.

São Paulo, January 30, 2024

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

Maíra Habimorad

EXECUTIVE BOARD

Chief Executive Officer

Carlos Eduardo Pereira Guimarães

Officers

Alex Sander Moreira Gonçalves

Caio Crepaldi Cassano

Camila Corá Reis Pinto Piccini

Diogo Ciuffo da Silva

Leandro Marçal Araujo

Leonardo Ricci Scutti

Marco Antonio Cury Chain

AUDIT COMMITTEE

Fábio de Barros Pinheiro

Pedro Paulo Longuini

Sidnei Corrêa Marques

ACCOUNTANT

Rodney Fabiano Fernandes

CRC 1SP270936/O-7

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Banco Pan S.A.
Parent company and consolidated
financial statements
at December 31, 2023
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. ("Institution"), which comprise the balance sheet as at December 31, 2023 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 the Institution and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2023 and the consolidated statements of income, comprehensive income and cash flows for the year then ended and changes in equity 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 the Institution and of the Institution and its subsidiaries as at December 31, 2023, and the Institution's 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).

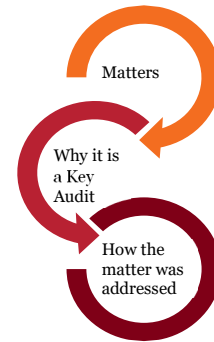
Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are 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.

Banco Pan S.A.

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 year. 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.



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) and 8)

Banco Pan S.A. and its subsidiaries operate mainly in the retail banking sector, as disclosed in explanatory note 1. Management's judgment is applied to determine assumptions and criteria when recording the provision for expected losses associated with credit risk.

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

This process is consistent with the standards and instructions issued by the National Monetary Council (CMN) and the BACEN, associated with the judgment and assumptions used by management for estimating credit risk. Given these aspects, this area continues to be a focus in our audit.

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 with 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 that 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 its operations and to ensure it continues as a going concern. This technology structure involves 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.

As part of our audit procedures, with the assistance of our systems specialists, we obtained an understanding and tested the general controls relevant to technology and information security, related to management processes and development of systemic changes, security of access to programs and databases, physical security of the data processing center, including compensatory controls, when necessary.



Banco Pan S.A.

Why it is a Key Audit Matter

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.

Considering these aspects, this continues to be an area of focus in our audit.

How the matter was addressed in the audit

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

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

Tax credits (Notes 3(j) and 33(b))

The Bank and its subsidiaries recorded deferred tax assets of R\$ 3.3 billion from income tax and social contribution tax losses and temporary differences supported by projections of taxable profit. The projections are based on a study prepared by management using current and future scenarios that require the use of judgment and subjective assumptions.

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 realization dates and tax credit amounts, as well as failing to comply with the requirements of CMN and BACEN for recording and maintaining such assets in the financial statements.

Our key audit procedures considered an understanding of the calculation and accounting processes based on tax regulations and accounting standards for recording tax credits, including the CMN and BACEN specific requirements. We also obtained an understanding of the relevant assumptions used by management to estimate future taxable profits supporting the tax credits realization.

We compared the assumptions used by the Bank and its subsidiaries for projected taxable profits with the budget approved by the Board of Directors and with market projections. We also performed back-testing to support the reasonableness of past projections.

We consider that the assumptions and criteria adopted by management are consistent in relation to the recording, maintenance and estimated realization of the tax credits booked.



Banco Pan S.A.

Other matters

Statements of Value Added

The parent company and consolidated Statements of Value Added for the year and six-month period ended December 31, 2023, prepared under the responsibility of the Institution's management and presented as supplementary information, were submitted to audit procedures performed in conjunction with the audit of the Institution's financial statements. 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.

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 ability of the Institution and its subsidiaries, as a whole, 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 and its subsidiaries, as a whole, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Institution's the financial reporting process.



Banco Pan S.A.

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 ability of the Institution and its subsidiaries, as a whole, 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 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 and its subsidiaries, as a whole, 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.



Banco Pan S.A.

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, actions taken to eliminate threats to our independence or safeguards applied.

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 [current six-month 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 1, 2024

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

Edison Arisa Pereira
Contador CRC 1SP127241/O-0

SUMMARY OF THE AUDIT COMMITTEE REPORT

The Audit Committee (“Committee” or “COAUD”) for Banco PAN S.A. (“Banco PAN” or “Company”) is established in accordance with the Regulations in force, especially Resolution of the National Monetary Council (“CMN”) 4,910 (“CMN Resolution 4,910”) and Resolution of the Brazilian Securities Commission (“CVM”) 23 (“CVM Resolution 23”), both of 2021. It is a statutory body linked to the Board of Directors, also acting in relation to companies controlled by Banco PAN (PAN Subsidiaries). It is currently composed of three members, two of whom are also part of the Audit Committee of Banco BTG Pactual S.A. (“BTG Pactual”), the Company’s controlling shareholder.

The Committee’s assessments are mainly based on information obtained from the Internal Audit, independent auditors, those responsible for risk management, the areas of Compliance, Internal Controls, Finance and others of Banco PAN, as well as on its own analysis, based on documents and information collected within the Company and from other sources.

The main activities by the Committee developed in the 2nd half of 2023 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

The Committee monitored the process of preparation of the Financial Statements (“FS”) for the second half of 2023, prepared with a base date of 12/31/2023, and explanatory notes and other Management information, 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 areas of Banco PAN involved in the preparation of the FS, including the: (i) Accounting area, responsible for organizing the accounting matters and bookkeeping and for preparing the FS; (ii) Internal Audit; and (iii) Internal Controls and Risk Management area. The Committee also interacted with the independent auditors to evaluate the procedures applied in the audit of the FS and in the assessment of the Company’s internal controls. The Committee also carried out its own analysis of the FS, explanatory notes and other documents provided for in CMN Resolution 4,818, of 2020, and other applicable standards.

The COAUD did not identify any fact or evidence that could compromise the quality and integrity of the FS, having concluded that, in their preparation, the standards issued by the CMN and the Brazilian Central Bank (BCB) were observed, in accordance with current legislation.

II - INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The Committee assessed the effectiveness of the internal controls related to the 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 auditors.

With regard to risk management, monthly meetings were held with those responsible, in order to assess the level of adherence of the processes and procedures to the applicable regulations and the risk indicators in the Company’s “RAS (Risk Appetite Statement)”.

During the period, the COAUD did not identify any fact or evidence that could compromise 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

PAN has internal procedures for investigating complaints, with or without identification of the complainant, centralized in the Whistleblower Channel of Banco PAN and PAN Subsidiaries ("Whistleblower Channel").

The Company provides channels for any employee or third party to make a complaint about non-compliance with legal provisions, regulations, and/or internal regulations or infractions of any other nature.

The members of the COAUD highlight the existence, at Banco PAN, of structured procedures for investigating and addressing the complaint or for preserving the confidentiality of the whistleblower's identification.

In the second half of 2023, the Committee did not identify, nor was it made aware of, any fact or evidence of error or fraud that required communication to the BCB, pursuant to art. 13 of CMN Resolution 4,910, or to other regulators, as provided for in the respective regulations. Nor did it identify any indication of error or fraud that could compromise the integrity and quality of the FS or put the continuity of Banco PAN at risk.

IV – INDEPENDENT AUDITORS

The Committee maintained continuous communication with the independent auditors (PricewaterhouseCoopers Auditores Independientes Ltda. – 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 FS and the effectiveness of the internal controls of Banco PAN.

In this interaction and from the information provided by the independent auditors and in the Banco PAN documents, the COAUD did not identify any fact or evidence that could impair the auditors' independence or their performance in the evaluation of the FS.

V – INTERNAL AUDIT

The Committee supervised the preparation and execution of the Internal Audit Plan for 2023, regarding: (i) the approach, scope 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 for such fiscal year.

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 Company's Board of Directors.

VI – FRAUD PREVENTION

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

With respect to means of payment, the COAUD also concluded that Banco PAN carried out the proper monitoring of fraud attempts, implementing all necessary preventive and corrective measures as provided for in BCB Resolution 142, of November 19, 2021.

After evaluating the documentation and information provided by Management, the Committee concluded that no event had occurred that could impair Banco PAN's operation and continuity.

VII - CLIENTS' REPORTS AND COMPLAINTS

The Committee has carefully monitored the occurrence of complaints and Management's efforts to improve the structures, 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 increasingly more effective prevention and resolution measures, which were complied with. In the six-month period, there was significant progress in the actions, leading to a sharp reduction in complaints considered valid by the BCB. The COAUD will continue to monitor the continuity of actions to improve processes and procedures in place, with a view to continuing to reduce client complaints.

VIII - MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION

Also according to the information provided by Management, including the Compliance Report provided for in BCB Circular Letter 3,978, of 2020, Banco PAN has a governance structure and processes 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) During the six-month period, it monitored Management processes and procedures for the proper management and control of correspondents in the country ("corbans"), hired to provide services in the origination and conducting of credit operations. In 2023, Banco PAN terminated contracts with several corbans, one of which was of significant relevance in the context of its operations, due to the results of investigations into actions incompatible with the Company's policies and Code of Conduct and Ethics. Subsequently, Banco PAN hired other service providers, so that there was no negative impact on the relationship with its client base and the origination of new credit operations. In the assessment of the COAUD, the management and control of Banco PAN's corbans are adequate and compatible with its policies and operational processes, thus fully complying with current legislation and regulations.
- b) During the six-month period, the COAUD evaluated the engagement, by Banco PAN, of PwC to review the organizational structure, strategic plan and processes and procedures designed to ensure full LGPD compliance by the Company. The assessment was carried out prior to the engagement, with the Committee concluding that there was no evidence of a breach of independence; and

- c) according to the information provided by Management and the independent auditors, there is no material divergence between Management and the independent auditors. Likewise, there is no disagreement between these and this Committee, in relation to the FS for 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 understands that the parent company and consolidated FS of Banco PAN, prepared with a base date of 12/31/2023, meet, in their relevant aspects, the quality and integrity requirements, and recommends their approval by the Board of Directors, for disclosure in accordance with current legislation and regulations.

São Paulo, February 1, 2024.

Fábio de Barros Pinheiro

CEO

Pedro Paulo Longuini

Member

Sidnei Corrêa Marques

Member