



Conference Call 1Q20

Disclaimer

- This presentation may include statements representing expectations about future events or results of Banco PAN. These statements are based upon projections and analyses which reflect present views and/or expectations of the Management of the Bank with regards to its performance and to the future of its business. ■ ■

Risks and uncertainties related to the bank's businesses, to the competitive and market environment, to the macro economical conditions and other factors described in "Risk Factors" in the Reference Form, filed with the Comissão de Valores Mobiliários, may cause effective results to differ materially from such plans, objectives, expectations, projections and intentions.



OUR PEOPLE

-  97% of our office staff in **Home Office** with a **connected** leadership
-  Salary, Vouchers and half of 13th Salary **paid in advance**
-  24h Medical Assistance (**Telehealth**)
-  Psychological, legal and financial orientation **support**



OUR CLIENTS

-  **100% digital** relationship and services
-  **Customized benefits and extended** offers
-  Overdraft **rate reduced** to 4% p.m.
-  **Extension of credit card installments** up to 24 months



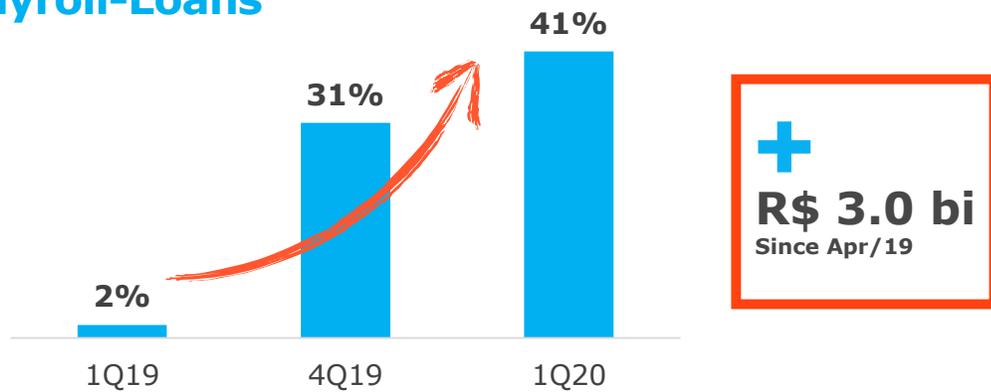
OUR BUSINESS

-  Increase in **liquidity** position
-  Conservative **credit approach**
-  Solid **Capital level**
-  Increased **cost efficiency**

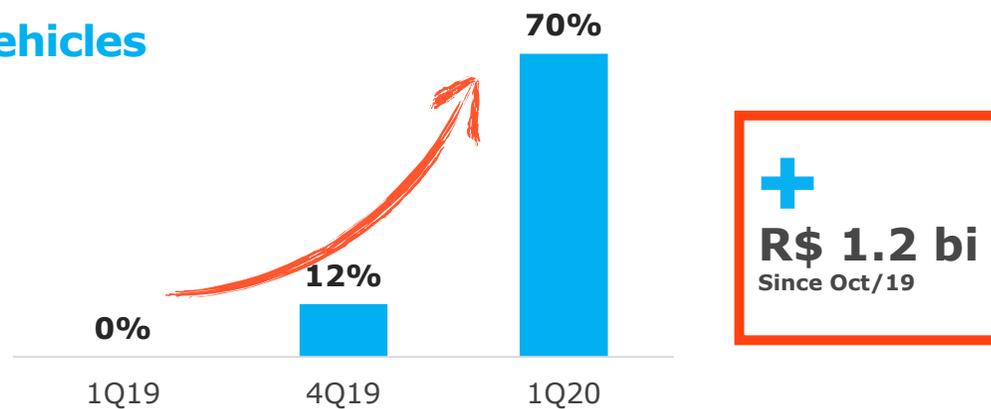
We are well positioned to face the current scenario, with competitive advantages

Digital Formalization

Payroll-Loans



Vehicles



Digital Bank

- Launch of the Digital Account App on February, 5th
- Enhancing customer service via WhatsApp
- Origination of credit cards through digital channels reached **71%**
- **New Partnerships**





HIGHLIGHTS

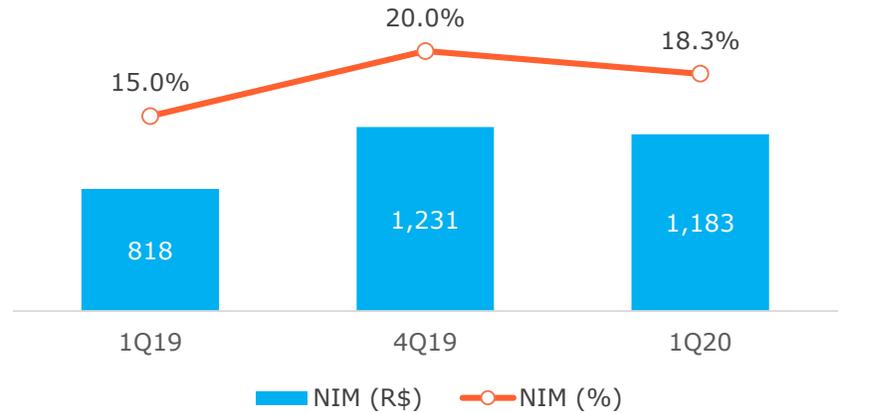
- **Credit Portfolio** of **R\$25.0 billion** in 1Q20 (+15% in 12 months, +19% on 'core' portfolio);
- **Monthly Average Retail Origination** of **R\$1.8 billion** in 1Q20 (-3% over 4Q19 | +13% in 12 months);
- **5.3 million customers** under management (4.4 million in 1Q19);
- **Managerial Net Interest Margin** of **18.3% p.y.** in 1Q20 (20.0% p.y. in 4Q19 and 15.0% p.y. in 1Q19);
- **Net income** of **R\$170.6 million** in 1Q20 (+2% over 4Q19 | +77% over 1Q19);
- **ROAE** of **13.7% p.y.** in 1Q20 (13.7% p.y. in 4Q19 and 9.3% p.y. in 1Q19);
- **Adjusted ROE** (unaudited) of **23.5% p.y.** in 1Q20 (24.6% p.y. in 4Q19 and 21.0% p.y. in 1Q19);
- **Shareholders' Equity** of **R\$5.0 billion** and **Basel Ratio** of **15.7%**.

EARNINGS



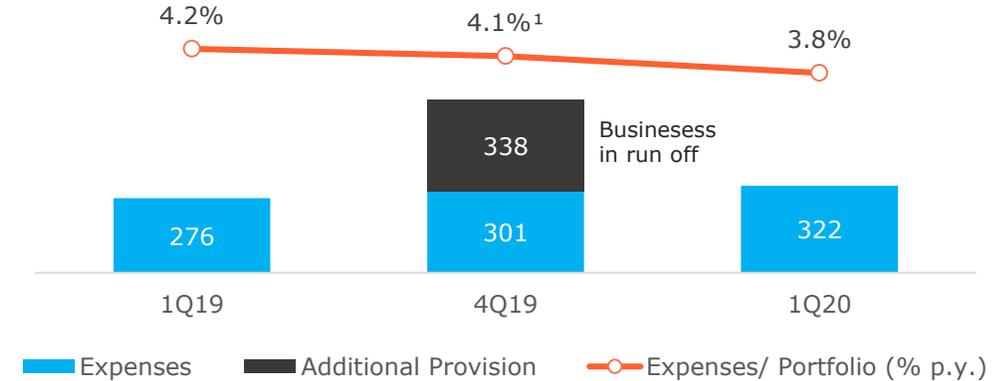
Net Interest Margin (NIM)*

R\$m and %



Allowance for Losses

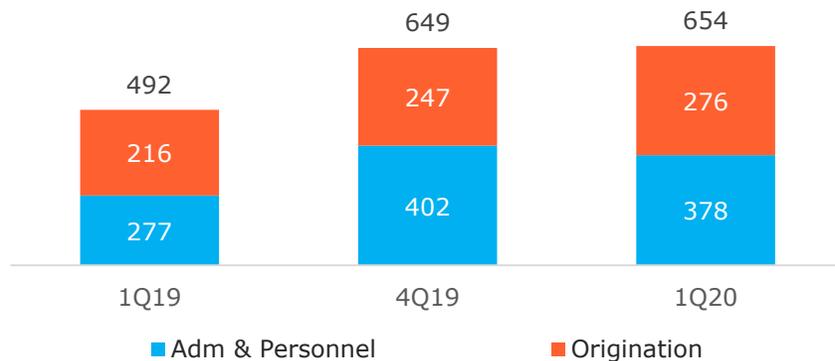
R\$m and %



*NIM: Managerial Net Interest Margin

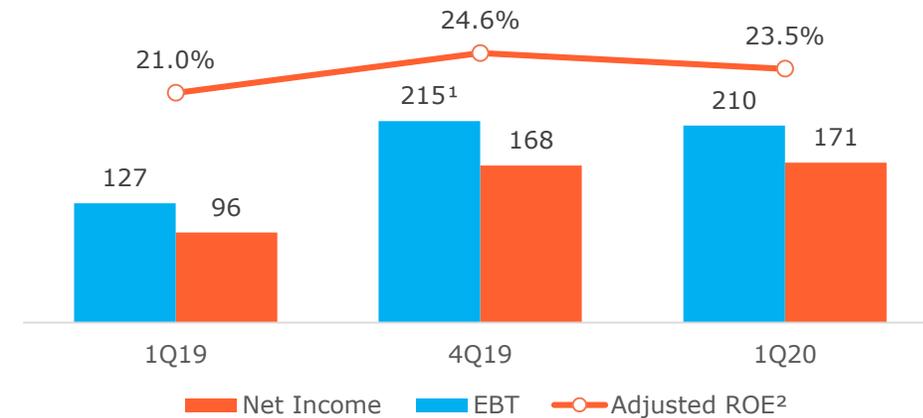
Expenses

R\$m



EBT, Net Income and ROE²

R\$m and %



Note: (1) The ALL expenses/portfolio and EBT in 4Q19 do not consider the additional provision made due to the increase on "CSLL" tax rate (Constitutional Amendment n. 103/2019)
 (2) Unaudited adjusted ROAE includes (i) excess of funding expenses (27% p.a. vs. 120% CDI), as an adjustment to the Net Income, and (ii) excess of DTA related to losses arising from the accounting inconsistencies found in 2010, as an adjustment to Shareholders' Equity as an adjustment to Shareholders' Equity

ROAE

ROAE and Adjusted ROAE
(Unaudited)



R\$ MM	1Q20	4Q19	1Q19
Net Income (A)	170.6	167.6	96.1
Excess of Financial expenses (net of taxes)	54.7	59.7	50.8
Adjusted Net Income (B)	225.3	227.2	146.9
Average Shareholder's Equity (C)	4,974	4,879	4,125
Excess of DTA related to losses	1,136	1,189	1,325
Adjusted Average Shareholder's Equity (D)	3,838	3,689	2,800
ROAE (p.y.) – A/C	13.7%	13.7%	9.3%
ROAE Adjusted (p.y.) – B/D	23.5%	24.6%	21.0%

ROAE (unaudited) adjusted by two remaining legacies:

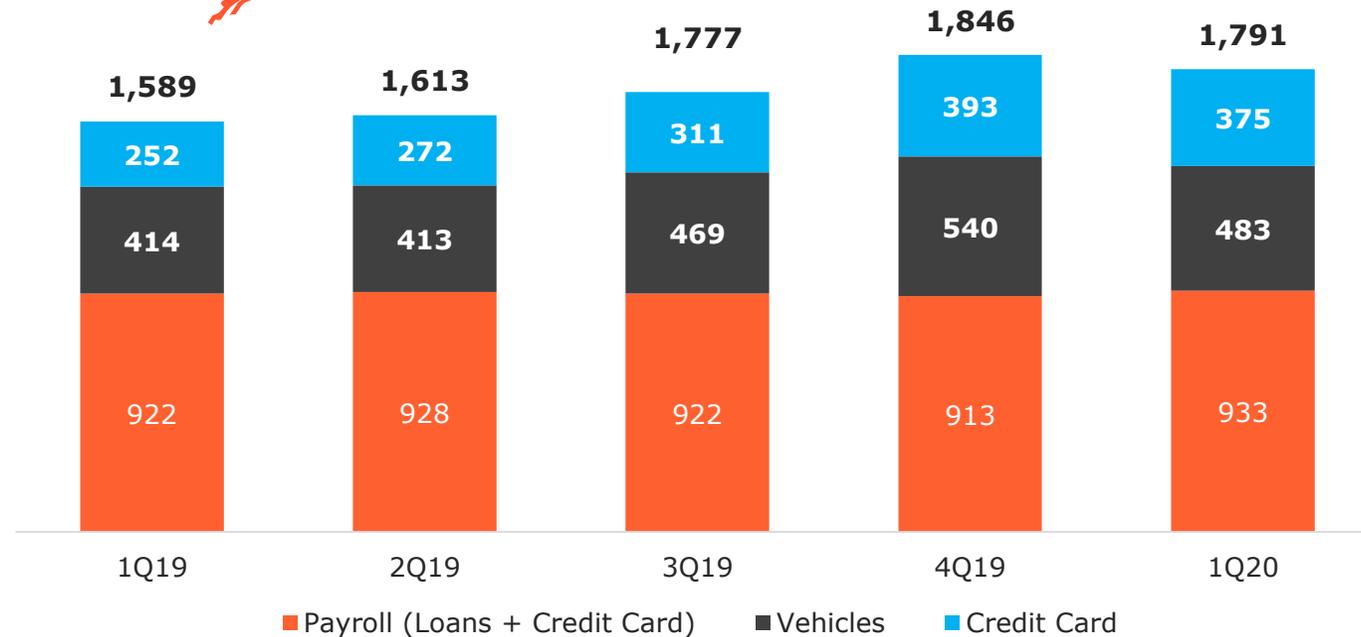
- (i) withdraw the excess of financial expenses from fixed rate time deposits issued between 2005 and 2008 (avg. maturity in 2023), compared to what PAN pays for the same term in the market; and
- (ii) exclusion of the excess of deferred tax assets related to losses arising from the accounting inconsistencies found in 2010.

RETAIL CREDIT



Monthly Average
R\$ MM

+13%



196 thousand new clients per month on 1Q20

5.3 million managed clients

Credit PORTFOLIO

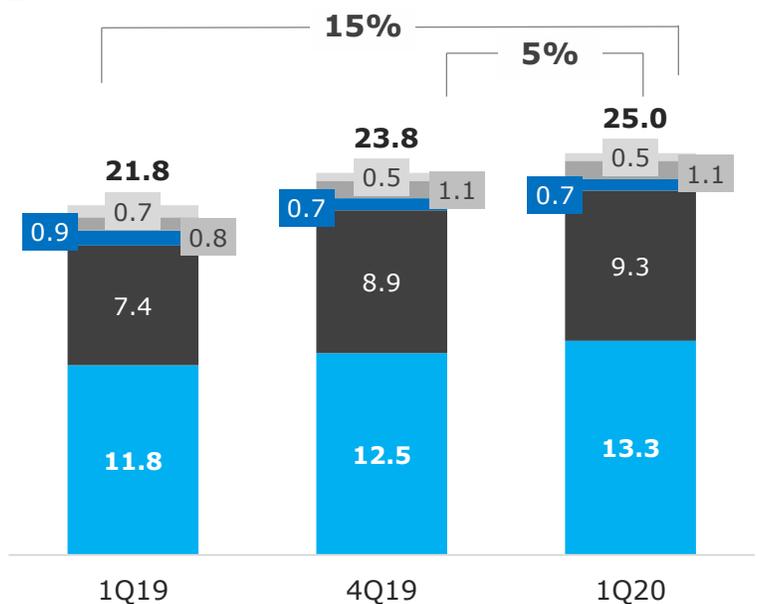


**Payroll Loans +
Collateralized
Loan Portfolio =
93%**

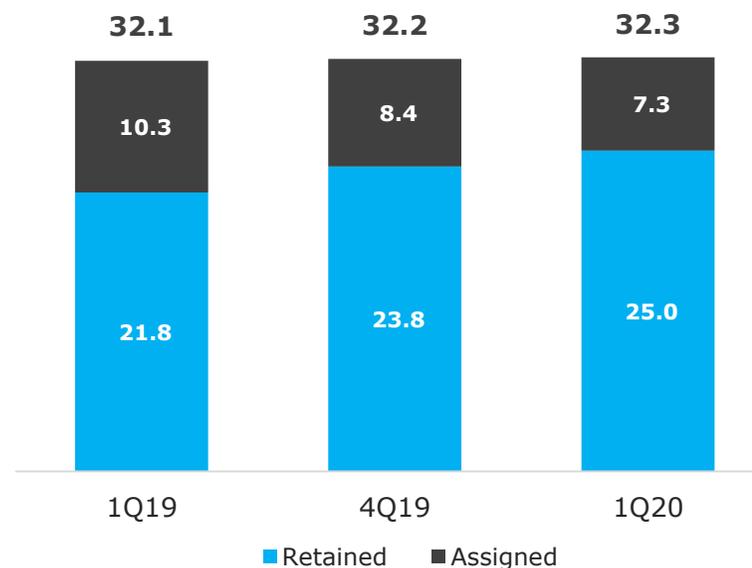
R\$ MM	1Q20	Part. %	4Q19	Part. %	1Q19	Part. %	Δ 1Q20/ 4Q19	Δ 1Q20/ 1Q19
Payroll Deductible (Loans + Credit Card)	13,275	53%	12,506	53%	11,751	54%	6%	13%
Vehicles	9,302	37%	8,854	37%	7,411	34%	5%	26%
Credit Cards	1,139	5%	1,087	5%	834	4%	5%	37%
Corporate Loans	701	3%	732	3%	930	4%	-4%	-25%
Real Estate	479	2%	496	2%	737	3%	-4%	-35%
Others	125	0%	110	0%	91	0%	14%	37%
TOTAL	25,021	100%	23,785	100%	21,754	100%	5%	15%

On Balance Portfolio
R\$ Bi

- Real Estate
- Credit Card
- Corporate
- Vehicles
- Payroll (Loans + Credit Card)



Originated Portfolio
R\$ Bi



Retail Credit Portfolio Quality

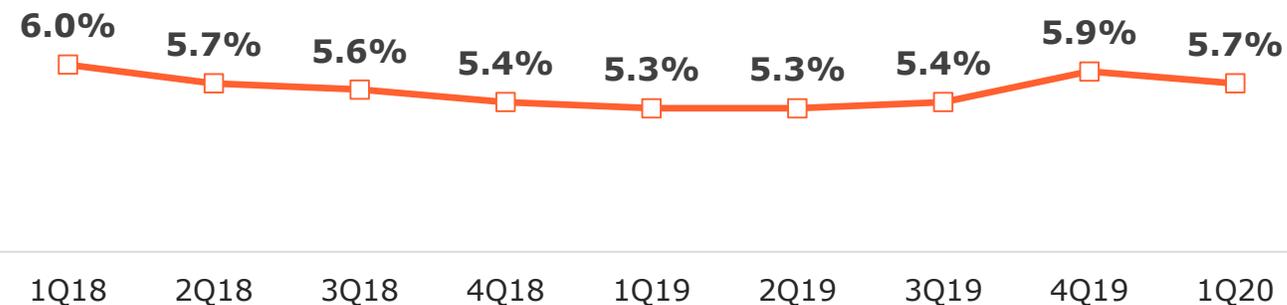
Conservative Credit Origination Approach



Payroll Loans: 88% on federal codes, 35 months duration, R\$ 2.4k average ticket

Vehicles: Vehicles - 35% downpayment, 18 months duration, R\$ 26k average ticket
Motorcycles - 21% downpayment, 16 months duration, R\$ 12k average ticket

90-day NPL Ratio (%)



PAYROLL DEDUCTIBLE

LOANS AND CREDIT CARDS



Overview

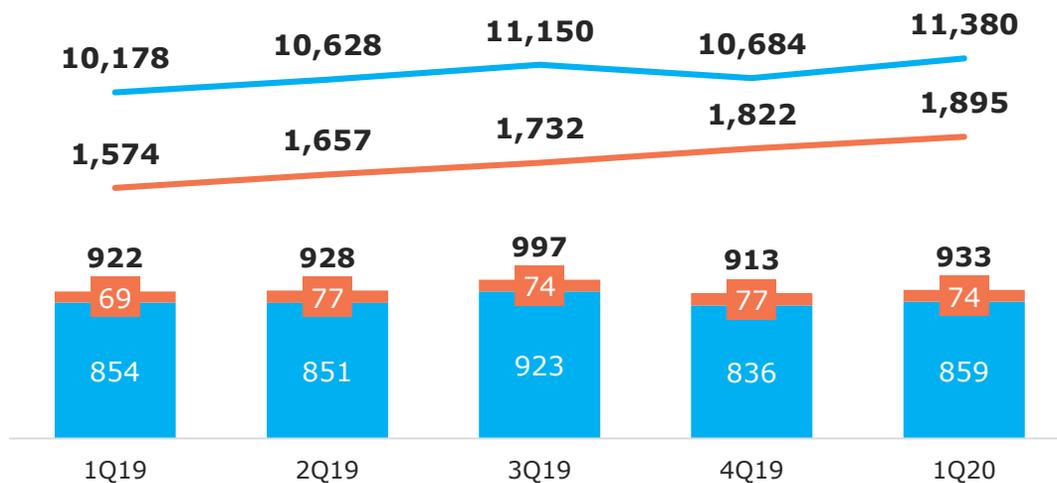
Exclusive for public sector employees, INSS (social security) retiree & pensioners

Average Ticket of **R\$ 2.4k**

Duration of **35 months**

Evolution of Portfolio & Monthly Avg. Origination

R\$ MM



Origination Breakdown

	1Q19	4Q19	1Q20
Federal	89%	88%	88%
INSS – Social Security	65%	67%	75%
SIAPE	13%	11%	9%
Armed Forces	11%	10%	4%
States	10%	11%	11%
Municipalities	1%	1%	1%
Total R\$ MM	2,767	2,740	2,799

Loans Origination

Credit Card Origination

Loans Portfolio

Credit Card Portfolio

VEHICLE

Financing

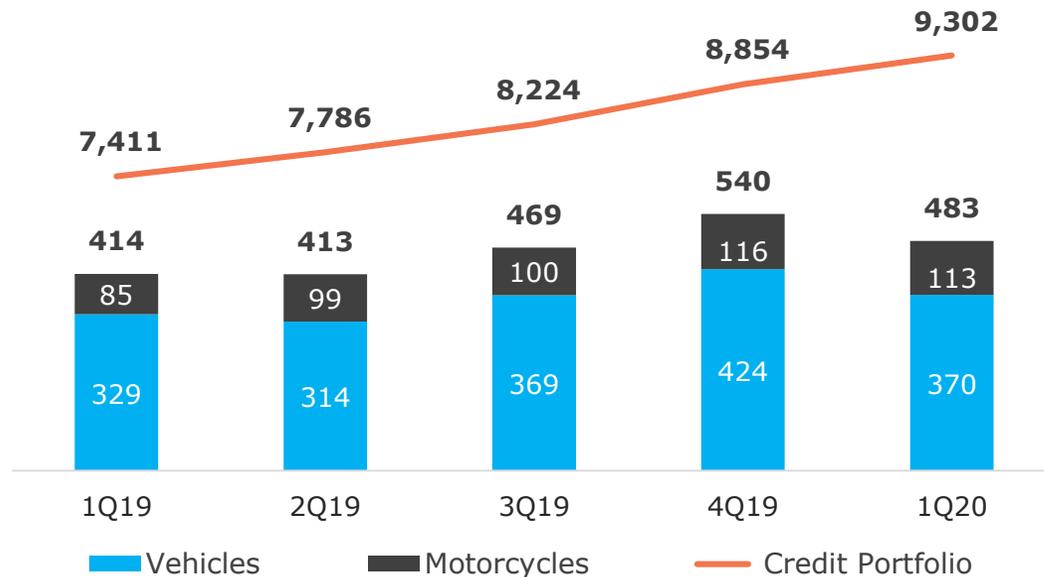


Overview

- Actively present in more than **12.2k** multi-brand & single-brand vehicle dealers
- Average Ticket: Vehicles: **R\$ 26k** / Motorcycles: **R\$ 12k**
- Duration: Vehicles: **18 months** / Motorcycles: **16 months**

Evolution of Portfolio & Monthly Avg. Origination

R\$ MM



Origination Overview

	Vehicles		Motorcycles	
	1Q19	1Q20	1Q19	1Q20
Origination (R\$ MM)	985	1,110	255	340
Avg. Tenor (months)	46	46	40	42
Downpayment (%)	33%	35%	23%	21%

PAYMENTS

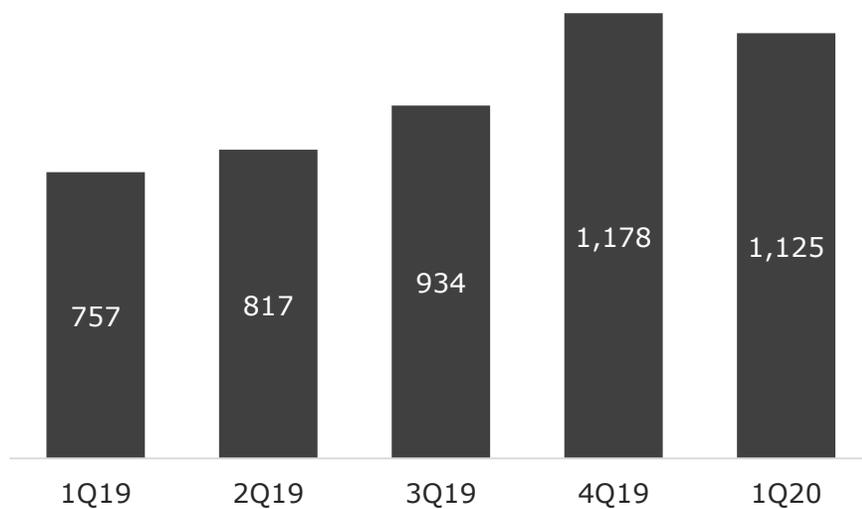
Highlights

- ✓ Significant improvements on clients' digital journey and cross selling efforts
- ✓ Enhanced relationship with digital partners (market places)
- ✓ Launch of cobranded credit cards
- ✓ The origination of credit cards through digital channels reached **71%** in 1Q20



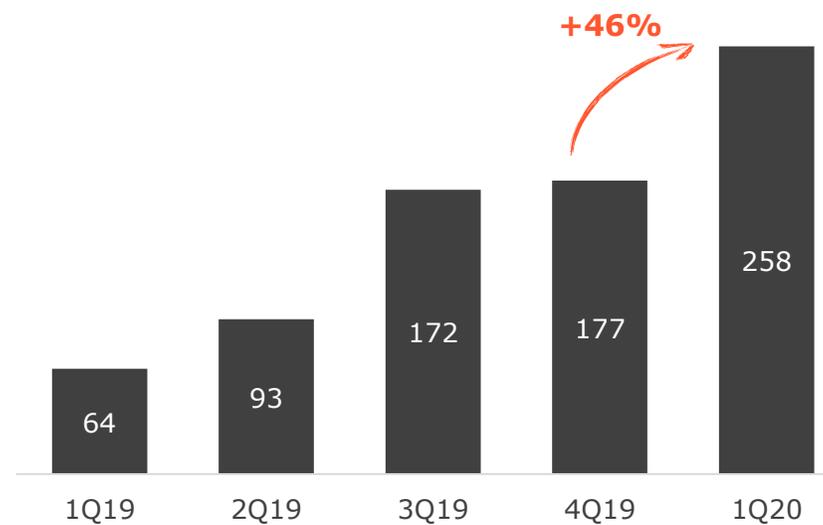
Transaction Volume

R\$ MM

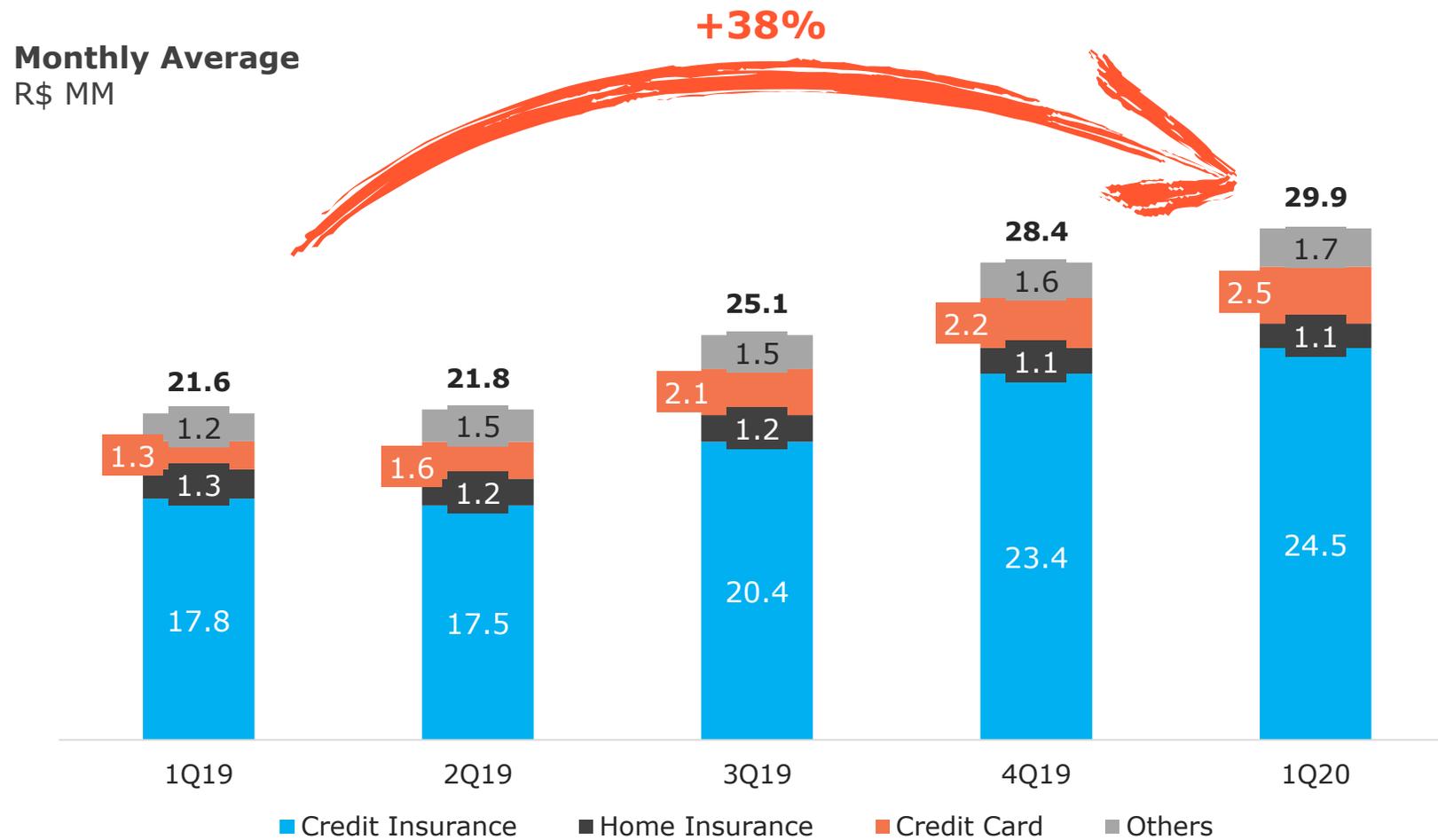


of Credit Cards Issued

Thousand

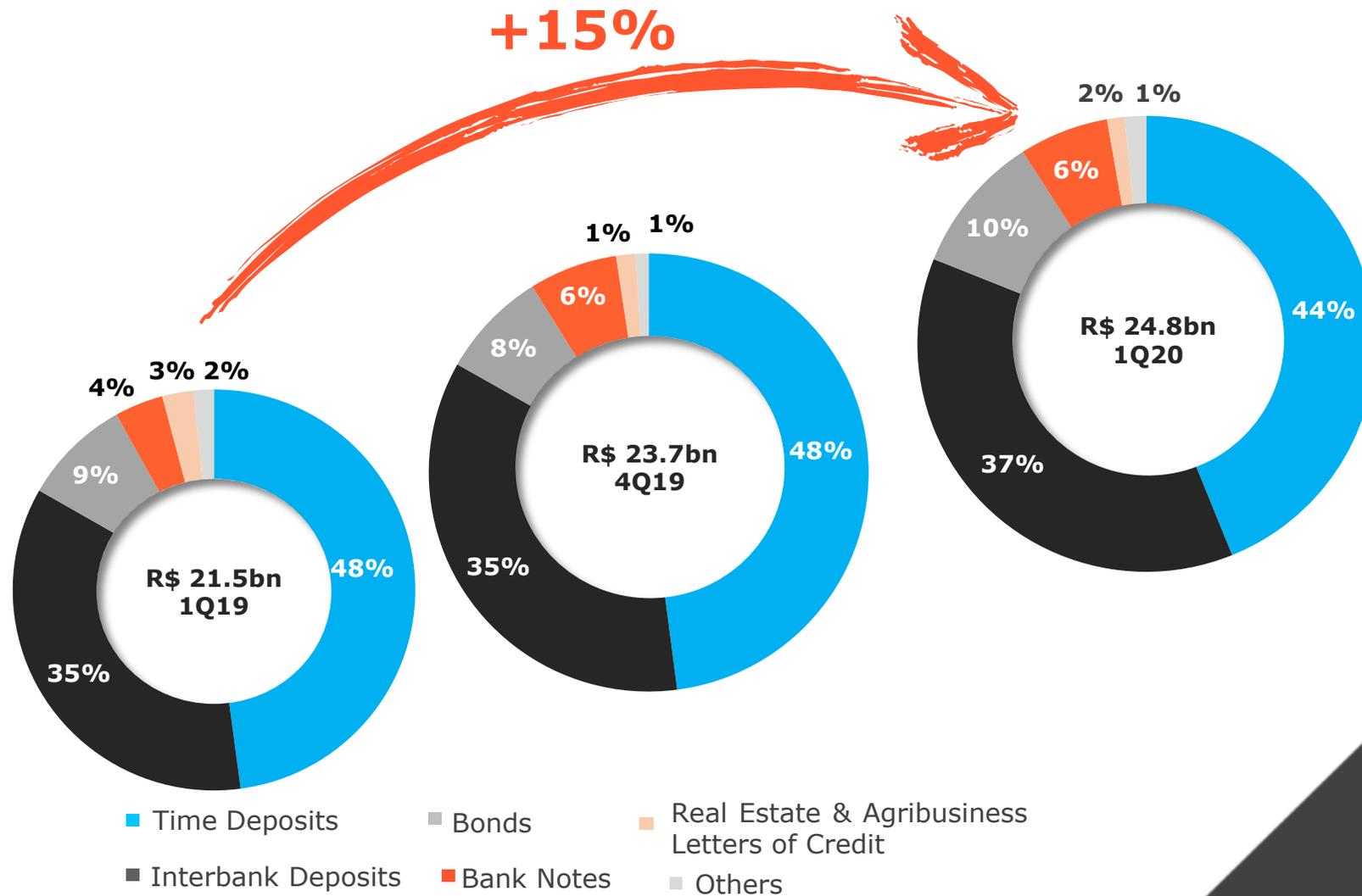


Insurance Premiums

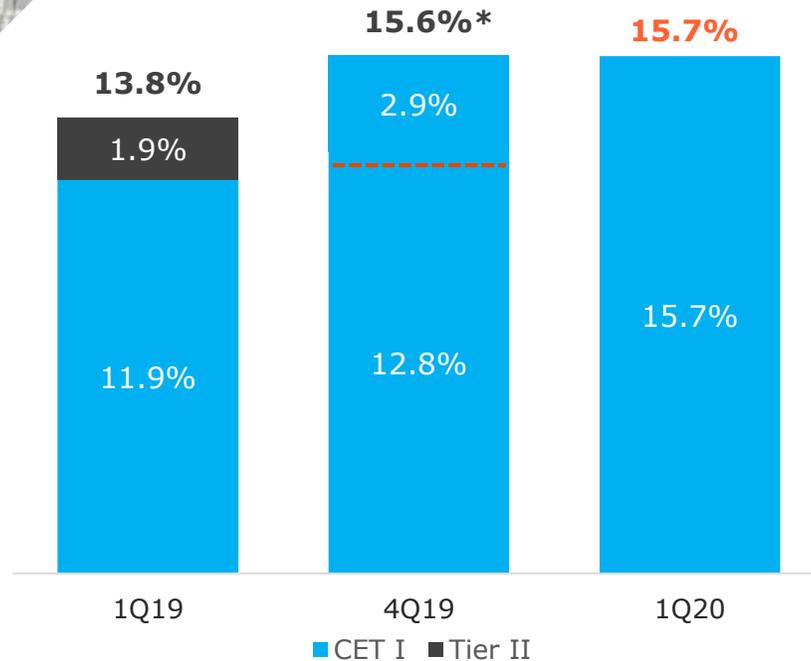


Funding

✓ Strong increase and dispersion of funding over the last years



BASEL RATIO



R\$ MM	1Q19	4Q19	1Q20
Reference Shareholder's Equity	2,546	3,081	3,212
CET I	2,033	3,073	3,204
Tier II	513	8	8
Required Reference Shareholder's Equity	1,880	2,073	2,154
RWA	17,903	19,745	20,518

* Basel Ratio considering the capital increase concluded on September, 2019, in the total amount of R\$522 mm, approved by the Central Bank of Brazil on January, 2020.



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