

FINANCIAL STATEMENTS

June 30, 2023





Management
Report

2023

São Paulo, August 1, 2023 - In accordance with its legal obligations, Banco PAN S.A. ("PAN", "Bank", "Banco PAN" or "Institution") and its subsidiaries are pleased to present the results for the quarter ended June 30, 2023, accompanied by the Independent Auditor's Review Report. The Bank's operating and financial information, unless otherwise indicated, is presented on a consolidated basis in Reais, in accordance with Brazilian Corporate Law and with accounting practices adopted in Brazil.

MESSAGE TO THE STOCKHOLDERS,

Since 2020, we have implemented a strategy focused on two main objectives: (i) build a complete credit platform, enabling our clients to purchase credit products through our APP, opening access to credit, and (ii) diversify our business, adding new products such as FGTS, Car Equity, Credit Cards, Current Account and Marketplace, while we improve our channels with Mosaico and Mobiauto.

During this period, we also changed the dynamics of our relationships with our clients. We expanded our base from 4 to **26 million clients**, with our mission to provide **smart, creative and personalized solutions**. By simplifying people's lives, we also achieve our goals by delivering profits to our shareholders.

Our efforts to become the **most complete and integrated platform for credit and services** are also linked to our recent acquisitions: **Mosaic and Mobiauto**. Through Mosaico, we offer useful tools to ensure that clients have the best experience, such as price comparison and history, alerts and cashback, positioning ourselves as the **best consumer assistant**.

Through Mobiauto, we continually invest in improving the vehicle financing experience, both for clients and retailers, with innovative tools: our **unique credit analysis template**, for example, has only three fields for completion, easier to use but equally effective. These factors contributed to achieving **record origination levels of our vehicle portfolio**, exceeding R\$ 3 billion this quarter.

Although we have had limited new credit card issuances since the end of 2021, our **engagement levels remain high**, reflecting the improvements we have made in **UX and benefits**. As the economic recovery advances we will be able to expand this product again, with an even more complete package of benefits for our clients.

At the end of 2Q23, **65% of our clients were active**, representing an annual increase of **more than 4 million clients**. Our **credit origination continues at solid levels**, reaching **R\$ 6,309 million** this quarter.

We believe that our first objectives were successfully achieved, with a complete credit platform and a diversified portfolio. We now begin a new phase in our strategy that is based on three main pillars: (i) **build an integrated ecosystem**, denominated **one bank**, where every client, including those only previously served by bank correspondents and vehicle retailers, will now have a login area on our app, where they can manage their payments and have access to benefits, such as cashback, increasing their engagement levels; (ii) **achieve excellence in UX** as we invest in improving the client experience, providing resources to meet their everyday needs

with new products and features, and (iii) become an **aspirational brand**, closely related to UX, but going further by increasing recurrence and recommendation levels.

While delivering these objectives, we will also remain focused on sustainable growth, with a conservative risk appetite, investing in diversified products and strengthening origination channels while constantly improving the client experience. We are working to increase our engagement levels, guaranteeing our clients an intelligent, personalized and superior quality service.

Our credit portfolio ended the quarter at R\$38.1 billion, up 6% year-on-year, but impacted by lower origination in the payroll-deductible loan portfolio, due to regulatory changes. Furthermore, improving our business does not come at the expense of low profitability. In this quarter, we generated **net profit of R\$ 191 million** and **ROE of 11.2%**, both adjusted to goodwill.

BUSINESS LINES

Transactional Bank

We maintain continuous investments in our transactional bank. We know how important it is to achieve excellence in UX, with a consequent increase in levels of engagement and transactionality. This strategy is directly related to the evolution of our *one bank* platform, enabling all our clients, whether they have an account or not, to have access to our application and its features.

This quarter, we launched further tools. We enabled the DDA functionality, allowing clients to see the payment slips registered to their CPFs directly in our app. Payments can now be made via credit card and a PIX transaction in just a few steps, just by copying a single text message on WhatsApp.

Our investments in UX allowed our engagement levels to remain high, despite our conservative stance on issuing new credit cards. By the end of 2Q23, our client base totaled 26.0 million, an increase of 3% quarter-on-quarter and 24% year-on-year. Our activation was 65%, with a cross sell index of 2.1 products per active client.

In 2Q23, we recorded over 7.6 million accounts with registered PIX keys and a transacted volume, reaching R\$ 21.9 billion in TPV.

Payroll-Deductible loans and FGTS

In the payroll-deductible loan line, our focus has been on loans and credit cards for government employees, retirees and pensioners of the National Institute of Social Security (INSS).

This quarter, however, the payroll-deductible loan market was momentarily affected by regulatory changes by a: (i) new ceiling on the rate of INSS payroll-deductible loans, leading to an adjustment in the commission for bank correspondents and (ii) suspension of payroll-deductible loans linked to LOAS (Organic Social Assistance Law). Despite the reduction in the origination volumes of this line, we were successful in maintaining the robust profitability of these products.

The total payroll-deductible loan portfolio closed 2Q23 with a balance of R\$ 9,653 million, compared to R\$ 10,604 million in 1Q23. The payroll-deductible credit card portfolio ended this quarter at R\$ 5,291 million, an increase of 4% over the R\$ 5,083 million in 1Q23 and of 132% compared to the R\$2,284 million in 2Q22. The FGTS loan portfolio ended the quarter with a balance of R\$0.933 million vs R\$ 1,964 million in 1Q23.

Vehicle Financing

We finance pre-owned automobiles (mostly 4 to 8 year old vehicles) and new motorcycles. Together with the acquisition of Mobiauto, we operate as one of the largest digital vehicle sales platforms in Brazil, increasing our market share in the vehicle financing credit market.

Throughout this quarter, we expanded the UX for clients, as well as improvements to the experience for retailers, increasing engagement and expanding our ecosystem through technology, contextualizing products and services.

Through our one bank strategy, we enable clients who do not have an account to finance vehicles and can now have access to our App. This allows them to view payment slips and payments, and also access to exclusive benefits, increasing engagement levels: at the vehicle fair held in May, for example, every client who chose to open a PAN account was eligible to win a cashback on their account for the first full tank of fuel in their new vehicle.

Improvements in this segment, together with a strategy with solid and assertive pricing, resulted in greater production, with better profitability. We reached the highest level for origination of vehicles and motorcycles in our history, with R\$ 3,072 million in the first quarter, 6% above the R\$ 2,974 million originated in 1Q23.

The vehicle financing portfolio ended the quarter with a balance of R\$ 18,866 million, an increase of 6% compared to R\$ 17,830 million in 1Q23 and of 23% against R\$ 15,354 million at the end of 2Q22.

Credit Cards

Due to our prudent policy on issuing new credit cards since the end of 2021, the provision for this line of business has fallen, with significant decreases expected for the second half of the year. We consider credit cards to be an important tool for our clients, which is why we maintain our investments in this segment, with new features and benefits, ensuring the best experience for the user.

We ended 2Q23 with a balance of R\$ 2,734 million in the credit card portfolio, against R\$ 3,153 million in 1Q23 and R\$ 3,940 million in 2Q22.

Personal Loans

The personal loan line aims to complement our broad product portfolio which, in our view, contributes to client retention and increased engagement. This line is fundamental for our clients' routine, as uncertainty in their cash flows may occur affecting their need for funding.

Similar to our credit cards, this quarter we also maintained a conservative approach in granting this product. Our portfolio ended 2Q23 with a balance of R\$ 334 million, compared to R\$ 342 million in 1Q23 and R\$ 510 million in 2Q22.

Marketplace

In the Marketplace segment, we continued to advance in the development of financial solutions for Mosaico's platforms through co-branded cards and progress in the implementation of the *Buy Now Pay Later*.

We closed 2Q23 with a take rate of 7.1% versus 7.7% in 2Q22. We also reached a GMV of R\$ 669 million in 2Q23, in line with R\$ 670 million in the previous year. It should be noted that the second quarter is commonly impacted by fewer retail events.

Insurance

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

We closed 2Q23 with 2.4 million clients with insurance contracted, a growth of 49% year-on-year. Still this quarter, we originated R\$ 170 million in insurance premiums, 19% higher than the R\$ 143 million originated in 2Q22.

Investments

In accordance with our strategy focused on engagement and transactionality, we will continue to invest in making new investment products available over the next year, with different CDB options, among others.

We currently offer PoupaPan, a CDB with daily liquidity and low risk. The yield from this security is better than that of a savings account, a product widely used by our clients in other financial institutions, currently concentrated in the largest banks in Brazil.

CREDIT

CREDIT ORIGINATION

We add efficiency to our credit origination through investments in innovation and process simplification. During 2Q23, we originated R\$ 6,309 million in new credits, compared to R\$ 6,697 million in 2Q22.

CREDIT PORTFOLIO

Our credit portfolio ended this quarter with a balance of R\$ 38.1 billion against R\$ 39.3 billion in 1Q23 and 6% above the R\$ 36.0 billion in 2Q22.

At the end of 2Q23, 13.3 million clients already had at least one credit product, an annual increase of 21%. We also observed a strong engagement of our clients: 65% of our total client base is active. This reflects not only our successful 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 financial margins and potential for engagement. At the same time, we managed to maintain a high level of collateralized portfolio, representing 92% of the total in 2Q23.

In 2Q23, the indicator of loans past due over 90 days was 8.0%, compared to 7.2% in the previous quarter. Whereas, 9.3% of loans were past due between 15 and 90 days versus 8.9% in 1Q23. These increases were expected given the mix change in our portfolio, with the vehicle financing portfolio now totaling almost 50% of the total. This change in risk has been priced in and profitability will be seen more clearly throughout the portfolio rollover.

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 of liquidity management. In 2Q23, we performed assignment of R\$ 3,611 million, compared with R\$ 3,636 million in 1Q23 and R\$ 3,475 million in 2Q22.

FUNDING

The balance of funds raised totaled R\$ 39.6 billion at the end of 2Q23, comprised as follows: (i) R\$ 19.5 billion in time deposits, equivalent to 49% of the total; (ii) R\$ 10.8 billion related to issuance of financial bills, or 27% of the total; (iii) R\$ 7.8 billion in interbank deposits, or 20% of the total; and (iv) other sources of financing, corresponding to R\$ 1.4 billion, equivalent to 4% of total funding.

INCOME

Management Net Financial Margin - NIM

In 2Q23, we maintained a consistent level of delivery, with a financial margin of R\$ 1,767 million, a 7% decrease compared to R\$ 1,903 million in 2Q22. For average asset yields NIM was 16.7% in 2Q23 versus 18.0% in 1Q23, while NIM without assignment was 13.8% in 2Q23 and 13.7% in 1Q23.

The NIM net of assignment and credit cost rose from 8.7% in 1Q23 to 9.0% in 2Q23, as a result of successful pricing, with a more prudent credit card approach and higher returns from vehicle loans.

Allowances for Losses and Recovery of Credits

The net allowance for losses charge totaled R\$ 431 million, against R\$ 482 million in 1Q23 and R\$ 466 million in 2Q22.

Costs and Expenses

Administrative and personnel expenses totaled R\$ 595 million in 2Q23, compared to R\$ 597 million in 1Q23 and R\$ 607 million in 2Q22.

Origination expenses totaled R\$ 400 million at the end of the quarter, compared to R\$ 553 million in 1Q23 and R\$ 505 million in 2Q22, accompanying the strong credit origination volumes and clients acquisition.

Statement of Income

In 2Q23, adjusted EBIT was R\$ 237 million, compared to R\$ 233 million in 1Q23 and R\$ 245 million in 2Q22.

Adjusted net profit for the quarter was R\$ 191 million, in line with the R\$ 193 million in 1Q23 and R\$ 194 million in 2Q22.

CAPITAL, RATINGS & MARKET

EQUITY

PAN's Consolidated Equity totaled R\$ 7,897 million in 2Q23 compared to R\$ 7,812 million in 1Q23 and R\$ 7,719 million in 2Q22.

BASEL INDEX - MANAGERIAL

Following the consolidation of Banco PAN in the prudential conglomerate of BTG Pactual, the individual Basel Index 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 2Q23 was 15.0%, in comparison with 15.8% at the end of 1Q23 and 17.0% in 2Q22, 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\$ 3,511 thousand, which are reportable as they were over 5% of the total fees for the independent 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, August 1, 2023

BANCO PAN S.A. AND SUBSIDIARIES
BALANCE SHEET
AS AT JUNE 30, 2023 AND DECEMBER 31, 2022

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

Assets	Note	Bank		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and cash equivalents	5	555	677	14.271	6.943
Financial instruments		50.048.035	49.339.823	50.274.289	49.558.485
Interbank investments	6.a	3.993.298	277.251	3.995.366	279.448
Investments in the open market		140.600	-	142.003	1.508
Investments in interbank deposits		3.852.698	277.251	3.852.698	277.251
Investments in savings deposits		-	-	665	689
Marketable securities	7.a	6.435.795	8.934.671	6.658.478	9.149.836
Own portfolio		1.954.145	2.885.495	2.166.340	3.098.576
Subject to guarantees		2.029	100.865	12.517	102.949
Subject to repurchase agreements		4.479.621	5.948.311	4.479.621	5.948.311
Interbank accounts		2.923.702	3.027.522	2.923.702	3.027.522
Payments and receipts pending settlement		34.604	-	34.604	-
Credits - Deposits at the BACEN		2.884.176	3.022.679	2.884.176	3.022.679
Local correspondents		4.922	4.843	4.922	4.843
Loan operations	8	36.079.747	36.475.491	36.079.747	36.475.491
Loan operations		36.696.258	36.528.886	36.696.258	36.528.886
Securities and credits receivable		1.814.958	2.250.263	1.815.060	2.250.365
(Provision for expected losses associated with credit risk)	8.c	(2.431.469)	(2.303.658)	(2.431.571)	(2.303.760)
Other financial assets	9	615.493	624.888	616.996	626.188
Tax assets		3.674.753	3.800.451	3.829.885	3.981.720
Current		391.698	631.068	429.274	682.984
Deferred	33.b	3.283.055	3.169.383	3.400.611	3.298.736
Other receivables	10	732.549	656.529	791.778	769.536
Other assets		443.410	373.658	451.491	380.502
Other assets	11.a	237.033	237.755	243.170	243.918
(Provision for losses)	11.a	(34.558)	(40.725)	(35.076)	(41.259)
Prepaid expenses	11.b	240.935	176.628	243.397	177.843
Investments		2.737.399	2.724.732	39.038	33.118
Investments in subsidiaries	12.a	2.718.521	2.707.779	20.160	16.165
Other investments	12.b	18.878	16.953	18.878	16.953
Property and equipment	13.a	112.072	130.245	118.244	136.728
Other property and equipment in use		211.527	204.121	222.733	215.188
(Accumulated depreciation)		(99.455)	(73.876)	(104.489)	(78.460)
Intangible assets	14.a	149.531	104.375	1.266.685	1.267.157
Intangible assets		458.619	369.016	1.747.353	1.639.922
(Accumulated amortization)		(309.088)	(264.641)	(480.668)	(372.765)
Total Assets		57.898.304	57.130.490	56.785.681	56.134.189

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

BANCO PAN S.A. AND SUBSIDIARIES
BALANCE SHEET
AS AT JUNE 30, 2023 AND DECEMBER 31, 2022
(All amounts in thousands of reais - R\$)

(continued)

Liabilities	Note	Bank		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Financial instruments		47.099.842	46.064.135	45.861.727	44.895.054
Deposits	15.a	28.994.524	26.106.522	27.756.409	24.937.363
Demand deposits		389.414	448.432	389.308	448.409
Interbank deposits		8.080.191	5.732.358	7.822.521	5.482.464
Time deposits		20.524.919	19.925.732	19.544.580	19.006.490
Funds obtained in the open market	15.b	4.303.078	5.884.794	4.303.078	5.884.794
Own portfolio		4.303.078	5.884.794	4.303.078	5.884.794
Funds from acceptance and issuance of securities	15.c	10.938.569	10.618.218	10.938.569	10.618.218
Funds from financial and real estate bills		10.938.569	10.618.218	10.938.569	10.618.218
Interbank accounts	16	1.825.016	2.270.533	1.825.016	2.270.533
Receipts from payments pending settlement		1.718.524	2.138.323	1.718.524	2.138.323
Local correspondents		106.492	132.210	106.492	132.210
Borrowings	17.a	716.494	779.785	716.494	779.863
Derivative financial instruments	7.c	152.326	88.353	152.326	88.353
Derivative financial instruments		152.326	88.353	152.326	88.353
Other financial liabilities	18.a	169.835	315.930	169.835	315.930
Provisions	19	283.594	296.073	321.163	344.282
Tax obligations		338.134	290.260	369.393	337.823
Current	20	279.481	221.099	300.404	249.294
Deferred	33.e	58.653	69.161	68.989	88.529
Other liabilities		2.280.179	2.773.976	2.334.158	2.849.116
Social and statutory		174.988	425.186	181.589	435.207
Sundry	21	2.105.191	2.348.790	2.152.569	2.413.909
Equity attributable to controlling stockholders	22	7.896.555	7.706.046	7.896.555	7.706.046
Share capital:		5.928.320	5.928.320	5.928.320	5.928.320
Domiciled in Brazil		5.482.219	5.495.435	5.482.219	5.495.435
Domiciled abroad		446.101	432.885	446.101	432.885
Capital reserve		207.322	207.322	207.322	207.322
Revenue reserves		1.594.776	1.822.631	1.594.776	1.822.631
Other comprehensive income		(15.495)	(17.372)	(15.495)	(17.372)
(Treasury shares)		(26.773)	(234.855)	(26.773)	(234.855)
Retained earnings		208.405	-	208.405	-
Non-controlling interests		-	-	2.685	1.868
Total equity		7.896.555	7.706.046	7.899.240	7.707.914
Total Liabilities and Equity		57.898.304	57.130.490	56.785.681	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 PERIODS ENDED JUNE 30, 2023 AND 2022**

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

	Note	Bank		Consolidated	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022
Income from financial intermediation		7.679.348	6.860.801	7.680.666	6.865.983
Income from loan operations	8.g	7.534.648	5.866.622	7.536.443	5.868.573
Result from operations with marketable securities	7.e	552.809	584.411	552.332	587.642
Result from derivative financial instruments	7.d	(575.371)	240.058	(575.371)	240.058
Result from foreign exchange operations		660	703	660	703
Result from compulsory investments		166.602	169.007	166.602	169.007
Expenses on financial intermediation		(4.073.528)	(3.533.305)	(4.001.191)	(3.484.748)
Result from market funding operations	15.d	(3.073.848)	(2.411.525)	(2.998.493)	(2.362.963)
Borrowing and onlending operations		35.714	38.096	35.714	38.096
Provision for expected losses associated with credit risk	8.c	(1.035.394)	(1.159.876)	(1.038.412)	(1.159.881)
Gross result from financial intermediation		3.605.820	3.327.496	3.679.475	3.381.235
Other operating income (expenses)		(3.216.804)	(2.899.183)	(3.270.405)	(2.935.071)
Income from services rendered	23	436.304	344.783	578.383	436.715
Equity in the results of subsidiaries and associates	12.a	67.059	30.079	3.995	239
Personnel expenses	24	(382.927)	(410.834)	(414.881)	(442.052)
Other administrative expenses	25	(1.828.566)	(1.751.502)	(1.884.770)	(1.803.077)
Tax expenses	26	(225.037)	(179.750)	(247.318)	(194.995)
Expenses with provisions	27	(126.116)	(114.782)	(121.400)	(113.367)
Other operating income (expenses)	28	(1.157.521)	(817.177)	(1.184.414)	(818.534)
Operating result		389.016	428.313	409.070	446.164
Non-operating results	29	1.434	12.148	879	11.507
Profit before taxation		390.450	440.461	409.949	457.671
Taxes on income	33.a	(48.146)	(75.948)	(66.828)	(93.195)
Income tax		(88.728)	17.576	(100.805)	11.952
Social contribution		(73.089)	14.061	(77.818)	11.511
Deferred tax asset		113.671	(107.585)	111.795	(116.658)
Non-controlling interests		-	-	(817)	37
Net profit		342.304	364.513	342.304	364.513
Attributable to:					
Controlling stockholders		342.304	364.513	342.304	364.513
Non-controlling stockholders		-	-	817	(37)
Basic and diluted earnings per share - weighted average number of outstanding shares attributable to stockholders - R\$					
Earnings per common share		0,27	0,30		
Earnings per preferred share		0,27	0,30		

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

BANCO PAN S.A. AND SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED JUNE 30, 2023 AND 2022
 (All amounts in thousands of reais - R\$)

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Net profit	342.304	364.513	342.304	364.513
Items that will be reclassified to profit or loss				
Other comprehensive income	1.877	1.882	1.877	1.882
Unrealized gains/(losses) on available-for-sale financial assets	532	41	532	41
Unrealized gains/(losses) on other comprehensive income	2.400	2.817	2.400	2.817
Tax effect	(1.055)	(976)	(1.055)	(976)
Comprehensive income for the period	344.181	366.395	344.181	366.395
Attributable to:				
Controlling stockholders	344.181	366.395	344.181	366.395
Non-controlling stockholders	-	-	817	(37)

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

BANCO PAN S.A.
STATEMENT OF CHANGES IN PARENT COMPANY EQUITY
FOR THE PERIODS ENDED JUNE 30, 2023 AND 2022
 (All amounts in thousands of reais - R\$)

	Share capital	Capital reserve	Revenue reserves		Other comprehensive income	Treasury shares	Retained earnings	Controlling interest	Non-controlling interests	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 (Note 22.a)	1.753.098	-	-	-	-	-	-	1.753.098	-	1.753.098
Acquisition of treasury shares (Note 22.e)	-	-	-	-	-	(56.725)	-	(56.725)	-	(56.725)
Other comprehensive income	-	-	-	-	1.882	-	-	1.882	-	1.882
Net profit	-	-	-	-	-	-	364.513	364.513	-	364.513
Appropriations:										
Interest on capital deliberated and proposed (Note 22.c)	-	-	-	-	-	-	(142.589)	(142.589)	-	(142.589)
Non-controlling interests	-	-	-	-	-	-	-	-	(37)	(37)
At June 30, 2022	5.928.320	207.322	117.295	1.319.228	(18.552)	(56.725)	221.924	7.718.812	182	7.718.994
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)	-	-	-	-	-	(19.773)	-	(19.773)	-	(19.773)
Cancellation of treasury shares (note 22.e)	-	-	-	(227.855)	-	227.855	-	-	-	-
Other comprehensive income	-	-	-	-	1.877	-	-	1.877	-	1.877
Net profit	-	-	-	-	-	-	342.304	342.304	-	342.304
Appropriations:										
Interest on capital deliberated and proposed (Note 22.c)	-	-	-	-	-	-	(133.899)	(133.899)	-	(133.899)
Non-controlling interests	-	-	-	-	-	-	-	-	817	817
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

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

BANCO PAN S.A. AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDED JUNE 30, 2023 AND 2022
(All amounts in thousands of reais - R\$)

	Note	Bank		Consolidated	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022
Cash flows from operating activities:					
Net profit		342.304	364.513	342.304	364.513
Adjustments for non-cash items:					
Effect of foreign exchange rate changes on cash and cash equivalents		(671)	(712)	(671)	(712)
Depreciation and amortization	25	70.318	59.200	73.817	61.720
Amortization of goodwill	28	57.901	40.915	60.793	43.433
Constitution of provision for civil, labor, and tax contingencies	19	126.116	114.782	121.400	113.367
Reversal/(impairment) of other assets	29	(2.083)	(5.040)	(1.386)	(4.179)
Result on the sale of other assets	29	1.016	(7.108)	1.052	(7.260)
Foreign exchange gains (losses) on borrowings		(59.775)	(51.375)	(59.775)	(51.375)
Equity in the results of subsidiaries and associates	12.a	(67.059)	(30.079)	(3.995)	(239)
Impairment loss		97	-	163	84
Provision for expected losses associated with credit risk	8.c	1.035.394	1.159.876	1.038.412	1.159.881
Deferred income tax and social contribution		(113.671)	107.585	(111.795)	116.658
Adjusted profit		1.389.887	1.752.557	1.460.319	1.795.891
Changes in assets and liabilities:					
(Increase) in interbank investments		(79.000)	(82.916)	(78.895)	(79.745)
Decrease/(Increase) in marketable securities		(409.838)	(573.755)	(414.956)	(639.831)
(Increase) in interbank accounts		(341.697)	(513.422)	(341.697)	(513.422)
(Increase) in loan operations		(640.085)	(2.145.112)	(640.085)	(2.145.112)
Decrease in other financial assets		10.090	608.091	9.887	608.275
Decrease in tax assets		239.129	328.766	262.575	244.731
(Increase) decrease in other receivables		(76.279)	(9.728)	(25.519)	478.021
(Increase) in other assets		(207.790)	(184.856)	(209.760)	(186.074)
Increase in deposits		2.888.002	1.351.500	2.819.046	949.869
(Decrease) increase in funds obtained in the open market		(1.581.716)	1.867.107	(1.581.716)	1.867.107
Increase in funds from acceptance and issuance of securities		748.078	633.442	748.078	633.442
(Decrease) increase in borrowings		(3.516)	3.509	(3.594)	3.451
Increase in derivatives		63.973	53.837	63.973	53.837
(Decrease) in other financial liabilities		(146.095)	(90.185)	(146.095)	(90.185)
(Decrease) in provisions		(138.595)	(139.081)	(144.519)	(138.453)
Increase (decrease) in tax obligations		101.701	(403.503)	98.059	(385.830)
Increase (decrease) in other liabilities		(307.696)	12.933	(328.857)	24.181
Income tax and social contribution paid		(53.827)	-	(66.489)	(5.300)
Net cash provided by operating activities		1.454.726	2.469.184	1.479.754	2.474.853
Cash flows from investing activities:					
(Increase) in available-for-sale marketable securities		(299.887)	-	(299.887)	-
Decrease in available-for-sale marketable securities		47.983	159.605	47.983	159.605
(Increase) in marketable securities held to maturity		(1.240.237)	(3.813.883)	(1.240.237)	(3.813.883)
Decrease in marketable securities held to maturity		4.401.387	210.950	4.401.387	210.950
Proceeds on disposal of assets not for own use		139.105	97.598	139.105	97.598
Increase in investments		(1.925)	-	(1.925)	-
(Purchase) of property and equipment	13.b	(7.796)	(74.412)	(8.369)	(75.694)
(Increase) in intangible assets	14.b	(89.602)	(47.550)	(107.448)	(47.552)
Net cash provided by (used in) investing activities		2.949.028	(3.467.692)	2.930.609	(3.468.976)
Cash flows from financing activities:					
Funds from acceptance and issuance of securities		736.973	1.943.211	736.973	1.943.211
Redemption of funds from acceptance and issuance of securities		(1,164.700)	(582.294)	(1,164.700)	(582.294)
Interest on capital paid		(320.000)	(296.708)	(320.000)	(296.708)
Non-controlling interests		-	-	817	(37)
Acquisition of treasury shares		(19.773)	(56.725)	(19.773)	(56.725)
Net cash (used in) provided by financing activities		(767.500)	1.007.484	(766.683)	1.007.447
Net increase in cash and cash equivalents		3.636.254	8.976	3.643.680	13.324
Cash and cash equivalents at the beginning of the period	5	2.646	3.474	9.601	5.196
Effect of foreign exchange rate changes on cash and cash equivalents		671	712	671	712
Cash and cash equivalents at the end of the period	5	3.639.571	13.162	3.653.952	19.232
Supplemental cash flow information					
Interest paid		(2.686.975)	(1.527.196)	(2.647.097)	(1.696.228)
Interest received		7.395.680	5.719.198	7.395.680	5.726.952
Transfer of assets not for own use		2.084	4.466	2.084	4.466
Unrealized gains (losses) on financial assets		2.932	2.858	2.932	2.858

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

BANCO PAN S.A. AND SUBSIDIARIES

**STATEMENT OF VALUE ADDED
FOR THE PERIODS ENDED JUNE 30, 2023 AND 2022**

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

	Note	Bank		Consolidated	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022
Revenue		5.855.956	5.166.812	5.976.495	5.265.856
Financial intermediation		7.679.348	6.860.801	7.680.666	6.865.983
Services rendered	23	436.304	344.783	578.383	436.715
Provision for expected losses associated with credit risk	8.c	(1.035.394)	(1.159.876)	(1.038.412)	(1.159.881)
Other income (expenses)		(1.224.302)	(878.896)	(1.244.142)	(876.961)
Expenses on financial intermediation		(3.038.134)	(2.373.429)	(2.962.779)	(2.324.867)
Inputs acquired from third parties		(1.742.191)	(1.678.609)	(1.785.992)	(1.721.005)
Materials, energy, and other	25	(1.664)	(1.429)	(1.825)	(1.553)
Third-party services	25	(375.962)	(365.969)	(380.267)	(372.424)
Commissions payable to correspondent banks	25	(711.432)	(700.517)	(704.862)	(696.099)
Other		(653.133)	(610.694)	(699.038)	(650.929)
Data processing	25	(313.995)	(245.409)	(319.454)	(250.044)
Financial system services	25	(148.101)	(157.659)	(148.611)	(158.159)
Advertising, promotions, and publicity	25	(123.215)	(129.099)	(159.541)	(161.121)
Communication	25	(27.530)	(39.301)	(28.199)	(39.820)
Asset search and seizure expenses	25	(17.985)	(12.979)	(17.985)	(12.980)
Maintenance and conservation of property	25	(6.485)	(4.292)	(7.128)	(4.876)
Transportation	25	(2.490)	(3.139)	(2.597)	(3.249)
Fees and emoluments	25	(1.799)	(1.580)	(1.932)	(1.693)
Travel	25	(2.764)	(2.252)	(3.906)	(2.983)
Other	25	(8.769)	(14.984)	(9.685)	(16.004)
Gross value added		1.075.631	1.114.774	1.227.724	1.219.984
Depreciation and amortization		(128.219)	(100.115)	(134.610)	(105.153)
Net value added generated		947.412	1.014.659	1.093.114	1.114.831
Value added received in transfer	12.a	67.059	30.079	3.995	239
Equity in the results of subsidiaries and associates		67.059	30.079	3.995	239
Total value added to be distributed		1.014.471	1.044.738	1.097.109	1.115.070
Distribution of value added		1.014.471	1.044.738	1.097.109	1.115.070
Personnel		335.674	352.129	361.708	379.305
Direct remuneration	24	255.413	273.528	274.460	294.559
Benefits	24	54.473	54.305	59.507	58.416
FGTS		21.752	20.287	22.663	21.504
Other	24	4.036	4.009	5.078	4.826
Taxes, fees, and contributions		320.436	314.403	367.319	350.937
Federal		302.173	301.238	344.122	334.225
State		169	143	176	273
Municipal		18.094	13.022	23.021	16.439
Remuneration of third-party capital	25	16.057	13.693	24.961	20.352
Rentals		16.057	13.693	24.961	20.352
Remuneration of own capital		342.304	364.513	343.121	364.476
Interest on capital	22.d	133.899	142.589	133.899	142.589
Profits reinvested attributable to controlling stockholders		208.405	221.924	208.405	221.924
Net profit (loss) attributable to non-controlling interests		-	-	817	(37)

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

1) Operations

Banco PAN S.A. ("Bank", "PAN", "Parent company" or "Institution") is a publicly traded corporation authorized to operate as a multiple bank. The Bank operates mostly with retail products through a comprehensive credit platform and through financial services. It operates, directly or indirectly, through its subsidiaries in the markets for payroll-deductible credit (loan and credit card), vehicle financing (pre-owned cars and new motorcycles), credit card, personal credit, personal loans guaranteed by amounts due from the Government Severance Indemnity Fund for Employees (FGTS), emergency advances (overdraft facility), as well as insurance, marketplace and acquisitions. Among its services, complementing its current account, the Bank offers simultaneously salary transfers to other accounts and prepaid cell phones top-ups. The Bank has a portfolio of "run-off" financing that includes corporate credit, construction financing for developers and construction firms; real estate financing 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 73.96% of its capital.

At 06/30/2023, 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	284,053	46.14	941,614	73.96
Market (free float)	-	-	327,969	53.27	327,969	25.76
Subtotal	657,561	100.00	612,022	99.41	1,269,583	99.72
Treasury shares (2)	-	-	3,616	0.59	3,616	0.28
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 largest platform of content and sales origination for e-commerce in Brazil ("Mosaico Operation").

On 3/11/2022, the Board of Directors of Banco PAN confirmed that the suspensive conditions precedent 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 Financeira S.A. - Crédito, Financiamento e Investimentos (current name of PAN Arrendamento Mercantil S.A.) from a leasing company to a credit, financing and investment company, as approved by the Brazilian Central Bank on 01/24/2023.

2) Presentation of the financial statements

The 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 BACEN Resolution 2, both of 2020, the pronouncements of the Accounting Pronouncements Committee (CPC) included in CMN or BACEN rules, and Brazilian corporate law.

The condensed consolidated interim financial statements for the period ended 06/30/2023, 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 8/01/2023.

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

Stockholders	Total equity interest %	
	06/30/2023	12/31/2022
Direct subsidiaries:		
PAN Financeira S.A. - Crédito, Financiamento e Investimentos (1)	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 (2)	80.00	80.00
G.W.H.C. Serviços Online Ltda. (3)	100.00	100.00

(1) Current name of "PAN Arrendamento Mercantil S.A." (Note 1.a - Corporate events).

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

(3) 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 on 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 receipt, 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:

Operations 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 conducted 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 amounts paid on the acquisition of investments, corresponding to the amount exceeding the investee's book equity value, accounted for in the investor or parent company, which are based on the forecast of future results of the associate or subsidiary and amortized over the projection periods that justified them.

The estimate of the period for generation of future results of the investments in an associate, subsidiary or joint venture for which goodwill has been recognized involves significant judgment by Management, obtained through a Purchase Price Allocation Report. In addition, goodwill is periodically assessed 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:

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

l) Specific accounting policies for the consortium segment:

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

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

Provisions and contingent assets and contingent liabilities and legal obligations (tax and social security) are measured and disclosed in conformity with the criteria established by 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 BACEN Resolution 2, of 8/12/2020, Banco PAN classifies recurring and non-recurring results in the notes to financial statements, according to the accounting policy approved by its Board, which is based on the segregation of the non-recurring events that occurred and contributed to the results, which are not directly or indirectly levied 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	560	13,802	(91)	14,271
Interbank investments	3,993,297	2,069	-	3,995,366
Marketable securities	6,435,795	1,203,023	(980,340)	6,658,478
Interbank accounts	2,923,702	-	-	2,923,702
Loan operations (4)	36,079,747	-	-	36,079,747
Other financial assets	615,493	1,503	-	616,996
Tax assets	3,695,286	134,599	-	3,829,885
Other receivables	739,762	67,833	(15,817)	791,778
Other assets	443,825	7,666	-	451,491
Investments	1,468,011	10,743	(1,439,716)	39,038
Property and equipment	112,072	6,172	-	118,244
Intangible assets	1,169,260	97,425	-	1,266,685
Total at 06/30/2023	57,676,810	1,544,835	(2,435,964)	56,785,681
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	28,736,840	-	(980,431)	27,756,409
Funds obtained in the open market	4,303,078	-	-	4,303,078
Funds from acceptance and issuance of securities	10,938,569	-	-	10,938,569
Interbank accounts	1,825,016	-	-	1,825,016
Borrowings	716,494	-	-	716,494
Derivatives	152,326	-	-	152,326
Other financial liabilities	169,835	-	-	169,835
Provisions	315,556	5,607	-	321,163
Tax obligations	341,454	27,939	-	369,393
Other liabilities	2,281,087	69,516	(16,445)	2,334,158
Equity attributable to controlling stockholders	7,896,555	1,441,773	(1,441,773)	7,896,555
Equity attributable to non-controlling stockholders	-	-	2,685	2,685
Total at 06/30/2023	57,676,810	1,544,835	(2,435,964)	56,785,681
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	7,679,348	60,833	(59,515)	7,680,666
Expenses on financial intermediation	(4,057,688)	(3,018)	59,515	(4,001,191)
Gross result	3,621,660	57,815	-	3,679,475
Other operating income (expenses)	(3,224,352)	7,501	(53,554)	(3,270,405)
Non-operating results	1,437	(558)	-	879
Taxes on income	(56,441)	(10,387)	-	(66,828)
Non-controlling interests	-	-	(817)	(817)
Total at 06/30/2023	342,304	54,371	(54,371)	342,304
Total at 06/30/2022	364,513	23,361	(23,361)	364,513

(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:

There were no non-recurring events for the periods presented.

5) Cash and Cash Equivalents

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Funds in local currency	73	155	13,789	6,421
Funds in foreign currency	482	522	482	522
Subtotal (cash)	555	677	14,271	6,943
Interbank investments (1)	3,639,016	1,969	3,639,681	2,658
Total	3,639,571	2,646	3,653,952	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	06/30/2023	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:	140,600	-	-	-	-	140,600	-
Own portfolio position	140,600	-	-	-	-	140,600	-
National Treasury Notes (NTN)	140,600	-	-	-	-	140,600	-
Investments in interbank deposits	10,184	3,490,265	-	-	352,249	3,852,698	277,251
Total at 06/30/2023	150,784	3,490,265	-	-	352,249	3,993,298	-
Total at 12/31/2022	1,969	-	-	-	275,282	-	277,251

Consolidated	Current				Non-current	06/30/2023	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:	140,600	-	-	-	1,403	142,003	1,508
Own portfolio position	140,600	-	-	-	1,403	142,003	1,508
Financial Treasury Bills (LFT)	-	-	-	-	1,403	1,403	1,508
National Treasury Notes (NTN)	140,600	-	-	-	-	140,600	-
Investments in interbank deposits	10,184	3,490,265	-	-	352,249	3,852,698	277,251
Investments in savings deposits	665	-	-	-	-	665	689
Total at 06/30/2023	151,449	3,490,265	-	-	353,652	3,995,366	-
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	06/30/2023	06/30/2022
Income from investments in purchase and sale transactions:	4,813	4,001
Own portfolio position	4,813	4,001
Income from interbank deposits	33,947	6,644
Total (Note 7.e)	38,760	10,645

7) Marketable Securities

a) Composition of portfolio:

The portfolio of marketable securities at 06/30/2023 and 12/31/2022, by type of security, is as follows:

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Own portfolio:	1,954,145	2,885,495	2,166,340	3,098,576
National Treasury Notes (NTN)	1,579,256	2,843,822	1,579,256	2,843,822
Financial Treasury Bills (LFT)	374,889	41,673	374,889	41,673
Mortgage-backed securities (CRI)	-	-	207,785	210,029
Bank Deposit Certificates (CDB)	-	-	2,126	1,039
Funds	-	-	2,284	2,013
Subject to guarantees:	2,029	100,865	12,517	102,949
Financial Treasury Bills (LFT)	2,029	73,194	2,029	73,194
National Treasury Notes (NTN)	-	27,671	-	27,671
Bank Deposit Certificates (CDB)	-	-	10,438	2,034
Other	-	-	50	50
Subject to repurchase agreements:	4,479,621	5,948,311	4,479,621	5,948,311
National Treasury Notes (NTN)	4,476,543	5,944,512	4,476,543	5,944,512
Financial Treasury Bills (LFT)	3,078	3,799	3,078	3,799
Total	6,435,795	8,934,671	6,658,478	9,149,836

b) Composition by category and term:

Bank	06/30/2023								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:	-	229	48,367	-	-	48,596	48,596	-	46,371	(13)
Financial Treasury Bills (LFT)	-	229	48,367	-	-	48,596	48,596	-	46,371	(13)
Available-for-sale securities:	-	10,727	5,255	315,418	-	331,400	330,923	477	72,295	(54)
Financial Treasury Bills (LFT)	-	10,727	5,255	315,418	-	331,400	330,923	477	72,295	(54)
Securities held to maturity	-	-	3,710,464	1,442,315	903,020	6,055,799	6,055,799	-	8,816,005	-
National Treasury Notes (NTN)	-	-	3,710,464	1,442,315	903,020	6,055,799	6,055,799	-	8,816,005	-
Total	-	10,956	3,764,086	1,757,733	903,020	6,435,795	6,435,318	477	8,934,671	(67)

Consolidated	06/30/2023								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:	-	2,513	48,367	-	-	50,880	50,880	-	48,384	(13)
Financial Treasury Bills (LFT)	-	229	48,367	-	-	48,596	48,596	-	46,371	(13)
Funds	-	2,284	-	-	-	2,284	2,284	-	2,013	-
Available-for-sale securities:	-	36,568	17,492	315,418	182,271	551,749	574,889	(23,140)	285,397	(26,331)
Financial Treasury Bills (LFT)	-	10,727	5,255	315,418	-	331,400	330,923	477	72,295	(54)
Mortgage-backed securities (CRI)	-	25,514	-	-	182,271	207,785	231,402	(23,617)	210,029	(26,277)
Bank Deposit Certificates (CDB)	-	327	12,237	-	-	12,564	12,564	-	3,073	-
Securities held to maturity	-	50	3,710,464	1,442,315	903,020	6,055,849	6,055,849	-	8,816,055	-
National Treasury Notes (NTN)	-	-	3,710,464	1,442,315	903,020	6,055,799	6,055,799	-	8,816,005	-
Other	-	50	-	-	-	50	50	-	50	-
Total	-	39,131	3,776,323	1,757,733	1,085,291	6,658,478	6,681,618	(23,140)	9,149,836	(26,344)

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

(2) Includes mark-to-market adjustment, according to item (2), except for securities classified as held to maturity, whose market value is lower than the cost by R\$ 183,631 (12/31/2022 - lower by R\$ 259,290). 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 bank portfolio includes derivatives used to hedge instruments classified in the banking portfolio, including those used as hedge accounting. Risks within these portfolios are managed according to perspectives that are consolidated based on risk factors.

Derivative financial instrument transactions, as well as transactions with marketable securities classified as "held for trading" or "available for sale", are valued at market value, and the related appreciation or depreciation are recorded in the results. The market value of instruments traded in stock exchanges corresponds to the instrument market quotations or the quotation of similar products. If there is no market quotation for any 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). 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 Up to 30	Non-current Over 360 days	Total - 06/30/2023	Total - 12/31/2022
Asset position	731,174	731,257	362,325	368,932	731,257	803,059
Swap	731,174	731,257	362,325	368,932	731,257	803,059
Liability position	(863,590)	(883,584)	(435,737)	(447,847)	(883,584)	(891,412)
Swap	(863,590)	(883,584)	(435,737)	(447,847)	(883,584)	(891,412)
Futures contracts (1)	(29,221)	(29,221)	(29,221)	-	(29,221)	(9,146)
Asset position (Note 9)	4,169	4,169	4,169	-	4,169	697
Liability position	(33,390)	(33,390)	(33,390)	-	(33,390)	(9,843)
Total	(161,637)	(181,548)	(102,633)	(78,915)	(181,548)	(97,499)

(1) Recorded as negotiation and intermediation of securities.

ii) Derivative financial instruments by index:

Bank and Consolidated	06/30/2023				12/31/2022
	Notional value	Adjusted cost	Mark-to-market	Carrying amount	Notional value
Swap contracts					
Asset position:	858,015	731,174	83	731,257	858,015
Foreign currency	858,015	731,174	83	731,257	858,015
Liability position	858,015	(863,589)	(19,994)	(883,583)	858,015
Interbank market	858,015	(863,589)	(19,994)	(883,583)	858,015
Futures	17,319,406	-	-	-	27,141,979
Purchase Commitments:	4,460,475	-	-	-	552,600
Interbank market	4,460,475	-	-	-	552,600
Sale Commitments:	12,858,931	-	-	-	26,589,379
Interbank market	12,856,523	-	-	-	26,586,717
Foreign currency	2,408	-	-	-	2,662
Total	18,177,421	(132,415)	(19,911)	(152,326)	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	06/30/2023	12/31/2022
Swap contracts	-	-	429,007	-	429,008	858,015	858,015
Libor x DI	-	-	429,007	-	429,008	858,015	858,015
Futures	3,584,580	2,408	5,906	392,632	13,333,880	17,319,406	27,141,979
DI	3,584,580	-	5,906	392,632	13,333,880	17,316,998	27,139,317
U.S. dollar	-	2,408	-	-	-	2,408	2,662
Total	3,584,580	2,408	5,906	392,632	13,762,888	18,177,421	27,999,994

iv) Place of negotiation and counterparties:

Bank and Consolidated	06/30/2023	12/31/2022
Over-the-counter	858,015	858,015
B3 (exchange)	17,319,406	27,141,979
Total	18,177,421	27,999,994

v) Margins provided as guarantee for derivative financial instruments:

Public securities	Bank and Consolidated	
	06/30/2023	12/31/2022
Financial Treasury Bills (LFT)	-	71,291
National Treasury Notes (NTN)	-	27,671
Total (1)	-	98,962

(1) B3 securities offered as guarantee.

vi) Hedge accounting - market value

Bank and Consolidated	06/30/2023	12/31/2022
Financial instruments		
Asset position	2,341,894	2,255,148
Swap - U.S. Dollar (1)	731,257	803,059
Futures DII B3 - Fixed interest rate - Real (2)	1,610,637	1,452,089
Liability position	(27,454,152)	(24,817,697)
Swap - CDI	(883,583)	(891,412)
Futures DII B3 - Fixed interest rate - Real (3)	(26,570,569)	(23,926,285)
Hedged item		
Asset position	23,672,924	21,500,881
Loan operations (3)	23,672,924	21,500,881
Liability position	(2,370,918)	(2,276,720)
Funds raised abroad (1)	(716,494)	(779,785)
Time deposit certificates (2)	(1,654,424)	(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	06/30/2023			06/30/2022		
	Revenue	Expense	Net	Revenue	Expense	Net
Swap	78,506	(180,402)	(101,896)	-	(97,588)	(97,588)
Futures	1,264,023	(1,737,498)	(473,475)	1,775,310	(1,437,664)	337,646
Total	1,342,529	(1,917,900)	(575,371)	1,775,310	(1,535,252)	240,058

e) Result from operations with marketable securities

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Fixed-income securities	514,049	573,766	513,572	576,997
Interbank investments (Note 6.b)	38,760	10,645	38,760	10,645
Total	552,809	584,411	552,332	587,642

8) Loan operations

a) Composition of the portfolio by type of operation:

	Bank				Consolidated			
	06/30/2023		12/31/2022		06/30/2023		12/31/2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Vehicles (1)	17,953,618	47.08	15,928,307	40.80	17,953,618	47.08	15,928,307	40.80
Payroll-deductible loans (1)	8,264,381	21.67	9,025,613	23.12	8,264,381	21.67	9,025,613	23.12
Financing - credit cards (1)(2)	6,292,806	16.50	5,910,178	15.14	6,292,806	16.50	5,910,178	15.14
FGTS loan (1)	933,062	2.45	2,943,690	7.54	933,062	2.45	2,943,690	7.54
Bank overdrafts	1,581,745	4.15	1,637,417	4.19	1,581,745	4.15	1,637,417	4.19
Renegotiated loans	589,715	1.55	455,159	1.17	589,715	1.55	455,159	1.17
Personal credit	324,127	0.85	414,407	1.06	324,127	0.85	414,407	1.06
Housing financing	209,448	0.55	223,596	0.57	209,448	0.55	223,596	0.57
Credits linked to the assignment of loans (3)	130,059	0.34	198,221	0.51	130,059	0.34	198,221	0.51
Working capital	28,412	0.07	34,223	0.09	28,412	0.07	34,223	0.09
Emergency credit limit	9,534	0.03	14,373	0.04	9,534	0.03	14,373	0.04
Total loan operations	36,316,907	95.24	36,785,184	94.24	36,316,907	95.24	36,785,184	94.24
Other credits (4)	1,814,958	4.76	2,250,263	5.76	1,815,060	4.76	2,250,365	5.76
Subtotal	38,131,865	100.00	39,035,447	100.00	38,131,967	100.00	39,035,549	100.00
(+/-) Adjustment to market value (1)	379,351	-	(256,298)	-	379,351	-	(256,298)	-
Total	38,511,216	-	38,779,149	-	38,511,318	-	38,779,251	-
Current	19,722,195		21,263,349		19,722,297		21,263,451	
Non-current	18,739,021		17,515,800		18,739,021		17,515,800	

(1) Contracts including hedge accounting transactions.

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

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

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

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

Bank	Risk levels								Total - 06/30/2023	Total - 12/31/2022
	Operations in course - Abnormal									
	A	B	C	D	E	F	G	H		
Falling due	1,901,959	1,064,079	1,087,693	680,844	419,070	304,118	204,891	458,479	6,121,133	5,251,726
01 to 30	90,712	53,715	56,046	34,527	20,591	15,225	10,253	25,861	306,930	258,123
31 to 60	87,627	51,356	51,784	31,989	19,032	14,101	9,440	23,735	289,064	257,632
61 to 90	79,413	49,220	49,364	30,525	18,161	13,382	8,963	22,168	271,196	232,976
91 to 180	231,343	137,543	140,125	86,194	51,372	37,575	24,998	60,476	769,626	650,368
181 to 365	388,174	229,760	233,399	144,029	86,011	62,304	41,196	94,797	1,279,670	1,087,966
Over 365	1,024,690	542,485	556,975	353,580	223,903	161,531	110,041	231,442	3,204,647	2,764,661
Past due in days	148,346	113,251	218,341	271,091	247,226	217,331	227,807	819,248	2,262,641	2,754,212
01 to 14	128,934	16,821	46,790	57,447	29,891	22,617	16,534	24,704	343,738	384,376
15 to 30	19,412	78,981	31,161	25,145	14,689	11,813	8,563	17,294	207,058	418,000
31 to 60	-	17,449	114,206	52,239	29,345	23,074	16,256	34,822	287,391	316,256
61 to 90	-	-	18,544	107,871	27,435	19,848	13,698	31,213	218,609	287,037
91 to 180	-	-	7,640	28,389	136,289	123,380	155,920	124,763	576,381	663,971
181 to 365	-	-	-	-	9,577	16,599	16,836	537,052	580,064	641,935
Over 365	-	-	-	-	-	-	-	49,400	49,400	42,637
Subtotal	2,050,305	1,177,330	1,306,034	951,935	666,296	521,449	432,698	1,277,727	8,383,774	8,005,938
Provision required	10,252	11,773	39,181	95,194	199,889	260,725	302,889	1,277,727	2,197,630	2,079,449

Bank	Risk levels										Total - 06/30/2023	Total - 12/31/2022
	Operations in course - Normal											
	AA	A	B	C	D	E	F	G	H			
Falling due	932,186	28,275,835	215,364	123,705	60,950	51,722	33,018	22,782	32,529		29,748,091	31,029,509
01 to 30	85,007	4,337,203	21,866	11,423	4,338	2,802	1,913	1,323	6,452		4,472,327	5,780,546
31 to 60	71,796	1,175,257	10,825	7,071	4,340	2,955	1,970	1,356	1,992		1,277,562	1,613,846
61 to 90	64,344	1,052,289	9,968	6,219	3,707	2,580	1,743	1,152	1,441		1,143,443	1,067,420
91 to 180	141,145	2,738,929	24,785	14,478	8,196	6,103	3,912	2,303	2,557		2,942,408	3,119,294
181 to 365	138,613	4,147,046	37,908	19,875	10,662	8,839	5,470	5,972	3,592		4,377,977	4,697,264
Over 365	431,281	14,825,111	110,012	64,639	29,707	28,443	18,010	10,676	16,495		15,534,374	14,751,139
Subtotal	932,186	28,275,835	215,364	123,705	60,950	51,722	33,018	22,782	32,529		29,748,091	31,029,509
Provision required	-	141,379	2,154	3,711	6,094	15,516	16,509	15,947	32,529		233,839	224,209
Total (1)	932,186	30,326,140	1,392,694	1,429,739	1,012,885	718,018	554,467	455,480	1,310,256		38,131,865	39,035,447
Total provision	-	151,631	13,927	42,892	101,288	215,405	277,234	318,836	1,310,256		2,431,469	2,303,658

Consolidated	Risk levels										Total - 06/30/2023	Total - 12/31/2022
	Operations in course - Abnormal											
	A	B	C	D	E	F	G	H				
Falling due	1,901,959	1,064,079	1,087,693	680,844	419,070	304,118	204,891	458,479			6,121,133	5,251,726
01 to 30	90,712	53,715	56,046	34,527	20,591	15,225	10,253	25,861			306,930	258,123
31 to 60	87,627	51,356	51,784	31,989	19,032	14,101	9,440	23,735			289,064	257,632
61 to 90	79,413	49,220	49,364	30,525	18,161	13,382	8,963	22,168			271,196	232,976
91 to 180	231,343	137,543	140,125	86,194	51,372	37,575	24,998	60,476			769,626	650,368
181 to 365	388,174	229,760	233,399	144,029	86,011	62,304	41,196	94,797			1,279,670	1,087,966
Over 365	1,024,690	542,485	556,975	353,580	223,903	161,531	110,041	231,442			3,204,647	2,764,661
Past due in days	148,346	113,251	218,341	271,091	247,226	217,331	227,807	819,248			2,262,641	2,754,212
01 to 14	128,934	16,821	46,790	57,447	29,891	22,617	16,534	24,704			343,738	384,376
15 to 30	19,412	78,981	31,161	25,145	14,689	11,813	8,563	17,294			207,058	418,000
31 to 60	-	17,449	114,206	52,239	29,345	23,074	16,256	34,822			287,391	316,256
61 to 90	-	-	18,544	107,871	27,435	19,848	13,698	31,213			218,609	287,037
91 to 180	-	-	7,640	28,389	136,289	123,380	155,920	124,763			576,381	663,971
181 to 365	-	-	-	-	9,577	16,599	16,836	537,052			580,064	641,935
Over 365	-	-	-	-	-	-	-	49,400			49,400	42,637
Subtotal	2,050,305	1,177,330	1,306,034	951,935	666,296	521,449	432,698	1,277,727			8,383,774	8,005,938
Provision required	10,252	11,773	39,181	95,194	199,889	260,725	302,889	1,277,727			2,197,630	2,079,449

Consolidated	Risk levels										Total - 06/30/2023	Total - 12/31/2022
	Operations in course - Normal											
	AA	A	B	C	D	E	F	G	H			
Falling due	932,186	28,275,835	215,364	123,705	60,950	51,722	33,018	22,782	32,631		29,748,193	31,029,611
01 to 30	85,007	4,337,203	21,866	11,423	4,338	2,802	1,913	1,323	6,554		4,472,429	5,780,648
31 to 60	71,796	1,175,257	10,825	7,071	4,340	2,955	1,970	1,356	1,992		1,277,562	1,613,846
61 to 90	64,344	1,052,289	9,968	6,219	3,707	2,580	1,743	1,152	1,441		1,143,443	1,067,420
91 to 180	141,145	2,738,929	24,785	14,478	8,196	6,103	3,912	2,303	2,557		2,942,408	3,119,294
181 to 365	138,613	4,147,046	37,908	19,875	10,662	8,839	5,470	5,972	3,592		4,377,977	4,697,264
Over 365	431,281	14,825,111	110,012	64,639	29,707	28,443	18,010	10,676	16,495		15,534,374	14,751,139
Subtotal	932,186	28,275,835	215,364	123,705	60,950	51,722	33,018	22,782	32,631		29,748,193	31,029,611
Provision required	-	141,379	2,154	3,711	6,094	15,516	16,509	15,947	32,631		233,941	224,311
Total (1)	932,186	30,326,140	1,392,694	1,429,739	1,012,885	718,018	554,467	455,480	1,310,358		38,131,967	39,035,549
Total provision	-	151,631	13,927	42,892	101,288	215,405	277,234	318,836	1,310,358		2,431,571	2,303,760

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

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

Bank	06/30/2023			06/30/2022		
	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	1,035,829	(435)	1,035,394	1,163,131	(3,255)	1,159,876
Written off against provision	(908,018)	-	(908,018)	(1,057,704)	-	(1,057,704)
At the end of the period	2,431,469	19,816	2,451,285	2,100,071	23,744	2,123,815
Current	1,790,806	19,816	1,810,622	1,538,793	23,744	1,562,537
Non-current	640,663	-	640,663	561,278	-	561,278
Credit recoveries (2)	123,419	-	123,419	185,349	-	185,349
Effect on results (3)	(912,410)	435	(911,975)	(977,782)	3,255	(974,527)

Consolidated	06/30/2023			06/30/2022		
	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	1,035,829	2,583	1,038,412	1,163,131	(3,250)	1,159,881
Written off against provision	(908,018)	-	(908,018)	(1,057,704)	-	(1,057,704)
At the end of the period	2,431,571	25,911	2,457,482	2,100,173	26,826	2,126,999
Current	1,790,908	25,911	1,816,819	1,538,895	26,826	1,565,721
Non-current	640,663	-	640,663	561,278	-	561,278
Credit recoveries (2)	125,214	-	125,214	187,300	-	187,300
Effect on results (3)	(910,615)	(2,583)	(913,198)	(975,831)	3,250	(972,581)

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

(2) In the period ended 06/30/2023, credits previously written off against the provision, totaling R\$ 125,214, were recovered (recovered credits of R\$ 123,419 in Banco PAN and recovered credits of R\$ 1,795 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			
	06/30/2023		12/31/2022		06/30/2023		12/31/2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Individuals	36,388,378	95.43	37,241,394	95.40	36,388,378	95.43	37,241,394	95.40
Services	1,377,259	3.61	1,419,262	3.64	1,377,361	3.61	1,419,364	3.64
Financial	656,907	1.72	676,170	1.73	657,009	1.72	676,272	1.73
Utilities	171,101	0.45	164,701	0.42	171,101	0.45	164,701	0.42
Construction and real-estate	58,284	0.15	63,986	0.16	58,284	0.15	63,986	0.16
Media, IT and Telecom	17,919	0.05	16,495	0.04	17,919	0.05	16,495	0.04
Transportation and logistics	5,070	0.01	5,338	0.01	5,070	0.01	5,338	0.01
Vehicle rental	2,211	0.01	2,593	0.01	2,211	0.01	2,593	0.01
Health, security and education	1,507	-	1,112	-	1,507	-	1,112	-
Other services	464,260	1.22	488,867	1.25	464,260	1.22	488,867	1.25
Commercial	366,187	0.96	374,737	0.96	366,187	0.96	374,737	0.96
Wholesale and retail	366,187	0.96	374,737	0.96	366,187	0.96	374,737	0.96
Basic industries	41	-	54	-	41	-	54	-
Other industries	41	-	54	-	41	-	54	-
Total (1)	38,131,865	100.00	39,035,447	100.00	38,131,967	100.00	39,035,549	100.00

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

e) Concentration of loan operations:

	Bank				Consolidated			
	06/30/2023		12/31/2022		06/30/2023		12/31/2022	
	Amount	%	Amount	%	Amount	%	Amount	%
10 largest borrowers	667,494	1.75	698,207	1.79	667,494	1.75	698,207	1.79
50 next largest borrowers	558,624	1.46	581,780	1.49	558,624	1.46	581,780	1.49
100 next largest borrowers	218,945	0.57	234,184	0.60	218,945	0.57	234,184	0.60
Other borrowers	36,686,802	96.21	37,521,276	96.12	36,686,904	96.21	37,521,378	96.12
Total	38,131,865	100.00	39,035,447	100.00	38,131,967	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 periods ended 06/30/2023 and 06/30/2022, loans were assigned to financial institutions as below:

Bank and Consolidated	06/30/2023			06/30/2022		
	Assignment amount	Present value	Result	Assignment amount	Present value	Result
Payroll-deductible/FGTS	8,993,652	7,250,276	1,743,376	6,636,789	5,248,898	1,387,891
Total (Note 8.g)	8,993,652	7,250,276	1,743,376	6,636,789	5,248,898	1,387,891

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\$ 130,059, in Banco PAN and Consolidated (R\$ 198,221 at 12/31/2022), calculated at present value using the agreed contract rates. Obligations of R\$ 157,839 (R\$ 304,943 at 12/31/2022) were assumed for these loans (Note 18.a).

g) Income from loan operations:

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Vehicles	2,284,703	1,743,481	2,284,703	1,743,481
Profit on loan assignments (Note 8.f)	1,743,376	1,387,891	1,743,376	1,387,891
Payroll-deductible loans	1,093,857	892,606	1,093,857	892,606
Credit cards	1,088,015	836,630	1,088,015	836,630
FGTS loan	299,619	518,236	299,619	518,236
Recovery of loans written off as losses	123,419	185,349	125,214	187,300
Personal credit	91,250	150,942	91,250	150,942
Performance bonus on assignments	45,028	97,999	45,028	97,999
Working capital/overdraft accounts	83,456	70,103	83,456	70,103
Renegotiated loans	32,471	12,719	32,471	12,719
Housing loans	11,316	23,891	11,316	23,891
Emergency credit limit	2,472	3,434	2,472	3,434
Other	17	36	17	36
Adjustment to market value - Retail Portfolio (1)	635,649	(56,695)	635,649	(56,695)
Total	7,534,648	5,866,622	7,536,443	5,868,573

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

9) Other financial assets

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Amounts receivable from loan assignments	608,049	619,005	608,049	619,005
Negotiation and intermediation of	4,180	795	4,180	795
Acknowledgment of debt (1)	3,264	5,088	3,264	5,088
Real estate receivables (2)	-	-	1,503	1,300
Total	615,493	624,888	616,996	626,188
Current	296,717	299,096	296,192	298,640
Non-current	318,776	325,792	320,804	327,548

(1) Includes provision for debt acknowledgment of R\$ 1,003 at 06/30/2023 (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	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Judicial and tax deposits	277,693	226,025	299,655	249,834
Sundry debtors	232,608	223,869	242,027	236,821
Amounts receivable from related parties	43,562	38,343	22,098	23,145
Amounts receivable from payroll-deductible loans	3,684	3,390	3,684	3,390
Products listing (2)	-	-	31,428	73,521
Residual benefit in securitized transactions	-	-	4,496	4,561
Other (3)	175,002	164,902	188,390	178,264
Total	732,549	656,529	791,778	769,536
Current	604,615	519,172	626,525	606,293
Non-current	127,934	137,357	165,253	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 06/30/2023 amounted to R\$ 9,650 (R\$ 9,731 at 12/31/2022) (Note 8.c).

(2) Includes allowance for amounts receivable, related to services rendered, of R\$ 6,095 at 06/30/2023 (R\$ 3,077 at 12/31/2022).

(3) Includes allowance for other credits without credit characteristics of R\$ 9,163 at 06/30/2023 (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	06/30/2023	12/31/2022	Cost	Allowance for losses	06/30/2023	12/31/2022
Assets not for own use	236,697	(34,558)	202,139	195,534	242,834	(35,076)	207,758	201,163
Properties	129,071	(28,102)	100,969	108,884	134,974	(28,386)	106,588	114,512
Vehicles	107,626	(6,456)	101,170	86,650	107,860	(6,690)	101,170	86,651
Other	336	-	336	1,496	336	-	336	1,496
Total	237,033	(34,558)	202,475	197,030	243,170	(35,076)	208,094	202,659
Current			202,475	197,030			208,094	202,659

b) Prepaid expenses

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Financial system services	119,320	107,072	119,380	107,150
Data processing	1,637	2,122	1,637	2,122
Software maintenance	6,899	3,168	6,899	3,168
Other	113,079	64,266	115,481	65,403
Total	240,935	176,628	243,397	177,843
Current	106,018	53,288	108,024	53,943
Non-current	134,917	123,340	135,373	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 06/30/2023	Balance of investments		Equity accounting adjustment (1)	
			Common shares	Preferred shares	Quotas			06/30/2023	12/31/2022	Period ended	
										06/30/2023	06/30/2022
PAN's direct subsidiaries and associates											
Pan Financeira S.A. - Crédito, Financiamento e Investimentos (2)	356,735	256,123	11	-	-	100.00	12,779	256,123	243,344	12,779	6,479
Pan Administradora de Consórcio Ltda. (2)	42,388	85,195	-	-	48,168	100.00	2,896	85,195	82,299	2,896	1,891
Brazilian Securities Companhia de Securitização (2)	174,201	238,746	77,865	-	-	100.00	7,818	238,746	230,982	7,817	6,087
Brazilian Finance & Real Estate S.A. (3)	107,662	209,872	0.2	0.5	-	100.00	7,776	209,872	201,933	7,776	2,721
BM Sua Casa Promotora de Vendas Ltda. (2)	179,864	228,257	-	-	179,864	100.00	1,838	228,257	224,945	1,838	1,045
Bw Properties S.A.	400,442	521,843	23	-	-	3.86	3,995	20,160	16,165	3,995	239
Mosaico Tecnologia ao Consumidor S.A. (4)	642,033	666,903	126,596	-	-	100.00	29,958	1,680,168	1,708,111	29,958	11,617
Total								2,718,521	2,707,779	67,059	30,079

(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 period ended 06/30/2023 were audited by the same independent auditor as that of Banco PAN.

(3) Company's financial statements for the period ended 06/30/2023 were reviewed by another independent auditor.

(4) At 06/30/2023, goodwill was recorded on the acquisition of investment in Mosaico, net of amortization, of R\$ 1,013,265 (Note 1.a (Corporate Events)).

b) Other investments:

Bank and Consolidated	06/30/2023	12/31/2022
CIP S.A.	11,260	11,260
CERTA - Central de Registros de Títulos e Ativos S.A.	7,618	5,693
Total	18,878	16,953

13) Property and equipment

a) Property and equipment comprise the following:

Bank	Annual depreciation rate	Cost	Depreciation	Residual value	
				06/30/2023	12/31/2022
Facilities, furniture and equipment in use	10%	37,241	(8,849)	28,392	31,384
Security and communications systems	10%	7,609	(4,413)	3,196	3,628
Data processing systems	20%	60,094	(33,774)	26,320	23,308
Card reading machines	33%	106,583	(52,419)	54,164	71,925
Total at 06/30/2023		211,527	(99,455)	112,072	-
Total at 12/31/2022		204,121	(73,876)	-	130,245

Consolidated	Annual depreciation rate	Cost	Depreciation	Residual value	
				06/30/2023	12/31/2022
Facilities, furniture and equipment in use	10%	41,532	(10,874)	30,658	33,838
Security and communications systems	10%	7,839	(4,501)	3,338	3,780
Data processing systems	20%	66,779	(36,695)	30,084	27,185
Card reading machines	33%	106,583	(52,419)	54,164	71,925
Total at 06/30/2023		222,733	(104,489)	118,244	-
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 12/31/2022	31,384	3,628	23,308	71,925	130,245
Purchases	77	271	7,448	-	7,796
Disposals	-	(4)	(93)	-	(97)
Depreciation	(3,069)	(699)	(4,343)	(17,761)	(25,872)
At 06/30/2023	28,392	3,196	26,320	54,164	112,072

Consolidated	Facilities, furniture and equipment in use	Security and communications systems	Data processing systems	Card reading machines	Total
At 12/31/2022	33,838	3,780	27,185	71,925	136,728
Purchases	144	272	7,953	-	8,369
Disposals	(14)	(4)	(145)	-	(163)
Depreciation	(3,310)	(710)	(4,909)	(17,761)	(26,690)
At 06/30/2023	30,658	3,338	30,084	54,164	118,244

14) Intangible assets

a) Intangible assets comprise the following:

Bank	Amortization rate	Cost	Amortization	Residual value	
				06/30/2023	12/31/2022
Software	20% to 60%	235,937	(138,747)	97,190	60,181
Software license	20% to 60%	222,682	(170,341)	52,341	44,194
Total at 06/30/2023		458,619	(309,088)	149,531	-
Total at 12/31/2022		369,016	(264,641)	-	104,375

Consolidated	Amortization rate	Cost	Amortization	Residual value	
				06/30/2023	12/31/2022
Software	20% to 60%	296,582	(153,010)	143,572	90,626
Software license	20% to 60%	222,762	(170,421)	52,341	44,194
Trademarks and patents	5% to 50%	30,867	(5,681)	25,186	25,958
Goodwill	-	1,197,142	(151,556)	1,045,586	1,106,379
Total at 06/30/2023		1,747,353	(480,668)	1,266,685	-
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 12/31/2022	60,181	44,194	104,375
Additions	44,635	44,967	89,602
Amortization	(7,626)	(36,820)	(44,446)
Total at 06/30/2023	97,190	52,341	149,531

Consolidated

	Software	Software license	Trademarks and patents	Goodwill	Total
At 12/31/2022	90,626	44,194	25,958	1,106,379	1,267,157
Additions	62,481	44,967	-	-	107,448
Amortization	(9,535)	(36,820)	(772)	(60,793)	(107,920)
Total at 06/30/2023	143,572	52,341	25,186	1,045,586	1,266,685

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

a) Deposits:

Bank	Current				Non-current	06/30/2023	12/31/2022
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days		
Demand deposits	389,414	-	-	-	-	389,414	448,432
Interbank deposits	557,381	171,042	4,778	913,418	6,433,572	8,080,191	5,732,358
Time deposits (I)	1,387,303	2,664,598	1,890,304	4,158,016	10,424,698	20,524,919	19,925,732
Total at 06/30/2023	2,334,098	2,835,640	1,895,082	5,071,434	16,858,270	28,994,524	-
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		06/30/2023	12/31/2022
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days			
Demand deposits	389,308	-	-	-	-	389,308	448,409	
Interbank deposits	557,283	170,025	4,233	657,409	6,433,571	7,822,521	5,482,464	
Time deposits (1)	1,374,957	2,655,826	1,624,019	4,081,897	9,807,881	19,544,580	19,006,490	
Total at 06/30/2023	2,321,548	2,825,851	1,628,252	4,739,306	16,241,552	27,756,409	-	
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		06/30/2023	12/31/2022
	Up to 30 days	31 to 90 days	91 to 180 days	181 to 360 days	Over 360 days			
Own portfolio	4,300,000	27	-	81	2,970	4,303,078	5,884,794	
Financial Treasury Bills (LFT)	-	27	-	81	2,970	3,078	3,800	
National Treasury Notes (NTN)	4,300,000	-	-	-	-	4,300,000	5,880,994	
Total at 06/30/2023	4,300,000	27	-	81	2,970	4,303,078	-	
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		06/30/2023	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)	688,011	129,328	629,183	3,015,704	6,336,404	10,798,630	10,529,449	
Real estate letters of credit (LCI)	21,780	20,984	31,483	63,198	2,494	139,939	88,769	
Total at 06/30/2023	709,791	150,312	660,666	3,078,902	6,338,898	10,938,569	-	
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	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Time deposits	1,355,980	1,406,579	1,296,465	1,370,404
Financial bills	741,604	625,337	741,604	625,337
Interbank deposits	586,164	206,122	570,324	193,735
Purchase and sale commitments	359,581	132,221	359,581	132,221
Loans assigned with retention of risk	11,079	17,645	11,079	17,645
Contributions to the deposit guarantee fund	11,826	14,946	11,826	14,946
Real estate letters of credit	7,614	8,675	7,614	8,675
Total	3,073,848	2,411,525	2,998,493	2,362,963

16) Interbank accounts

Bank and Consolidated	06/30/2023	12/31/2022
Receipts and payments pending settlement (1)	1,718,524	2,138,323
Local correspondents (2)	106,492	132,210
Total	1,825,016	2,270,533
Current	1,825,016	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	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Borrowings				
Local	-	-	-	78
Foreign (1)(2)	716,494	779,785	716,494	779,785
Total	716,494	779,785	716,494	779,863
Current	355,054	388,458	355,054	388,536
Non-current	361,440	391,327	361,440	391,327

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

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

18) Other financial liabilities

a) Balances:

Bank and Consolidated	06/30/2023	12/31/2022
Assignment with substantial retention of risks and benefits (8.f ii)	157,839	304,943
Subordinated debts (18.b)	11,996	10,987
Total	169,835	315,930
Current	106,172	172,518
Non-current	63,663	143,412

b) Subordinated debts:

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

Bank and Consolidated	06/30/2023	12/31/2022
In Brazil:		
R\$ 8,000 (1)	11,996	10,987
Total	11,996	10,987
Non-current	11,996	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 lawsuits are claims for payment, indemnities, tariff revisions and tariff claims.

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

1) lawsuits with similar characteristics

A statistical model is applied to estimate the provision for civil lawsuits with similar characteristics, which is calculated based on the average loss for all lawsuits over the last 12 months, updated 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 outsourced law firms, timing of the proceeding, judicial precedents, as well as the risk of affecting the image and operations of the Bank.

There are no 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	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Civil	195,186	199,052	199,735	204,427
Labor	82,910	91,738	84,745	94,253
Tax	5,498	5,283	36,683	45,602
Total	283,594	296,073	321,163	344,282

II. Change in provisions:

Bank	Civil	Labor	Tax	Total
At 12/31/2022	199,052	91,738	5,283	296,073
Constitution, net of reversals	108,327	17,783	6	126,116
Indexation and interest accruals	-	-	246	246
Settlements	(112,193)	(26,611)	(37)	(138,841)
At 06/30/2023	195,186	82,910	5,498	283,594

Consolidated	Civil	Labor	Tax	Total
At 12/31/2022	204,427	94,253	45,602	344,282
Constitution, net of reversals	109,280	17,102	(4,982)	121,400
Indexation and interest accruals	-	-	(1,158)	(1,158)
Settlements	(113,972)	(26,610)	(2,779)	(143,361)
At 06/30/2023	199,735	84,745	36,683	321,163

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 June 2023, the amounts related to these lawsuits total approximately R\$ 809 (R\$ 784 at 12/31/2022);

IRPJ/CSLL - Deductibility of losses on loan operations and other operating expenses, referring to 2007 to 2017. In June 2023, the amounts related to these lawsuits total approximately R\$ 1,012,374 (R\$ 969,867 at 12/31/2022);

IRPJ/CSLL - Deductibility of PIS/COFINS referring to 2014. In June 2023, the amount related to this lawsuit totals approximately R\$ 25,954 (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 June 2023, the amounts related to these lawsuits total approximately R\$ 26,562 (R\$ 25,095 at 12/31/2022);

PIS/COFINS - Deductibility of swap expenses from the calculation base, referring to 2010. In June 2023, the amount related to this lawsuit totals approximately R\$ 5,241 (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 June 2023, the amount related to this lawsuit totals approximately R\$ 252,130 (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 June 2023, the amounts related to these lawsuits total approximately R\$ 142,049 (R\$ 135,691 at 12/31/2022);

IRRF - Capital gain from the acquisition of equity interest abroad, referring to 2012. In June 2023, the amount related to this lawsuit totals approximately R\$ 89,102 (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 June 2023, the amounts related to these lawsuits total approximately R\$ 268,096 (R\$ 254,790 at 12/31/2022).

20) Current tax obligations

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Taxes and contributions on income	192,469	130,794	206,441	150,558
Social Contribution on Revenues (COFINS)	48,776	45,055	50,517	46,954
Taxes and contributions on salaries	19,728	25,286	22,609	28,665
Withholding tax at source on payments to third	5,286	5,733	5,413	5,871
Social Integration Program (PIS)	7,926	7,321	8,275	7,703
Services Tax (ISS)	3,633	3,356	4,706	5,099
Withholding tax on fixed-income securities	1,663	3,554	1,663	3,554
Tax Recovery Program (REFIS) - Law 12,996/14	-	-	780	890
Total	279,481	221,099	300,404	249,294
Current	279,481	221,099	300,404	249,294

21) Other liabilities

	Bank		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Payables due	1,080,674	1,134,830	1,120,030	1,192,658
Operations linked to assignment	710,435	909,860	710,435	909,860
Collections	79,002	118,272	79,242	118,512
Credit card transactions	65,507	37,468	65,507	37,468
Negotiation and intermediation of securities	39,703	18,262	40,738	19,224
Amounts payable to related parties	30,015	36,443	29,188	35,408
Specific consortium amounts	-	-	945	1,017
Other	99,855	93,655	106,484	99,762
Total	2,105,191	2,348,790	2,152,569	2,413,909
Current	2,104,364	2,343,247	2,146,313	2,403,651
Non-current	827	5,543	6,256	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 06/30/2023 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).

	06/30/2023	12/31/2022
Common	657,561	657,561
Preferred	615,638	648,772
Subtotal	1,273,199	1,306,333
In treasury (preferred) (1)	(3,616)	(33,153)
Total	1,269,583	1,273,180

(1) Own shares acquired, based on the approval of 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:

	06/30/2023	% (1)	06/30/2022	% (1)
Net profit	342,304		364,513	
(-) Legal reserve	(17,115)		(18,226)	
Calculation base	325,189		346,287	
Interest on capital (gross) approved and provisioned/paid	133,899		142,589	
Withholding Income Tax related to interest on capital	(20,085)		(21,388)	
Interest on capital (net) approved and provisioned	113,814	35.0%	121,201	35.0%

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

d) Earnings per share:

	06/30/2023	06/30/2022
Profit attributable to the Bank's stockholders	342,304	364,513
Profit attributable to the Bank's holders of common shares	177,184	194,860
Profit attributable to the Bank's holders of preferred shares (R\$ thousand)	165,120	169,653
Weighted average number of common shares outstanding (thousand)	657,561	657,561
Weighted average number of preferred shares outstanding (thousand)	612,786	572,499
Basic earnings per common share attributable to the Bank's stockholders	0.27	0.30
Basic earnings per preferred share attributable to the Bank's stockholders	0.27	0.30

e) Treasury shares:

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

On 11/29/2022, the Board of Directors approved the cancellation of preferred shares already held in the Company's treasury, without reduction of the Company's share capital, resulting from acquisitions made under the Buyback Program, resolution that was ratified at the Company's Annual and Extraordinary General Meeting ("OEGM") of 04/28/2023, ratified on 06/06/2023 by BACEN. The shareholding structure is now as follows: total subscribed and fully 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 are registered, book-entry and with no par value.

At 06/30/2023, the balance of treasury shares totaled R\$ 26,773, comprising 3,616 preferred shares.

23) Income from services rendered

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Loan operations	208,806	139,242	208,806	139,242
Credit cards	130,772	150,529	130,863	150,515
Business intermediation	94,878	50,831	94,878	50,831
Revenue in products listing (1)	-	-	106,827	69,489
Advertising revenue (2)	-	-	30,086	18,793
Other	1,848	4,181	6,923	7,845
Total	436,304	344,783	578,383	436,715

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

(2) Amounts related to online advertising revenue.

24) Personnel expenses

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Salaries	237,753	256,701	256,090	276,799
Social charges	69,005	78,992	75,836	84,251
Benefits (Note 32)	54,473	54,305	59,507	58,416
Fees (Note 30.b)	17,660	16,827	18,370	17,760
Other	4,036	4,009	5,078	4,826
Total	382,927	410,834	414,881	442,052

25) Other administrative expenses

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Commissions payable to correspondent banks	711,432	700,517	704,862	696,099
Third-party services	375,962	365,969	380,267	372,424
Data processing	313,995	245,409	319,454	250,044
Financial system services	148,101	157,659	148,611	158,159
Advertising, promotions and publicity	123,215	129,099	159,541	161,121
Communication	27,530	39,301	28,199	39,820
Rentals	16,057	13,693	24,961	20,352
Depreciation and amortization	70,318	59,200	73,817	61,720
Asset search and seizure expenses	17,985	12,979	17,985	12,980
Maintenance and conservation of property	6,485	4,292	7,128	4,876
Transportation	2,490	3,139	2,597	3,249
Travel	2,764	2,252	3,906	2,983
Fees and emoluments	1,799	1,580	1,932	1,693
Water, power and gas	824	692	891	753
Consumption materials	840	737	934	800
Other	8,769	14,984	9,685	16,004
Total	1,828,566	1,751,502	1,884,770	1,803,077

26) Tax expenses

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Social Contribution on Revenues (COFINS)	174,597	140,067	188,870	149,678
Social Integration Program (PIS)	28,372	22,834	31,298	24,796
Services Tax (ISS)	18,057	12,874	22,633	15,843
Taxes and charges	4,011	3,975	4,517	4,678
Total	225,037	179,750	247,318	194,995

27) Provision expenses

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Constitution (reversal) of provision for civil	(108,327)	(90,232)	(109,280)	(91,575)
Constitution (reversal) of provision for labor	(17,783)	(24,641)	(17,102)	(23,975)
Constitution (reversal) of provision for tax	(6)	91	4,982	2,183
Total	(126,116)	(114,782)	(121,400)	(113,367)

28) Other operating income and expenses

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Recovery of charges and expenses	106,931	78,371	107,185	79,014
Indexation/foreign exchange variations	24,202	21,470	27,193	21,768
Assignment of loans	(896,977)	(678,145)	(896,977)	(678,145)
Discounts granted	(198,554)	(98,785)	(198,554)	(98,785)
Losses on loan/financing operations and frauds	(63,586)	(72,026)	(63,586)	(72,026)
Liens	(20,389)	(13,554)	(20,391)	(13,556)
Amortization of goodwill (Note 14.b)	(57,901)	(40,915)	(60,793)	(43,433)
Other	(51,247)	(13,593)	(78,491)	(13,371)
Total	(1,157,521)	(817,177)	(1,184,414)	(818,534)

29) Non-operating income

	Bank		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Reversal/(impairment) of other assets	2,083	5,040	1,386	4,179
Result on the sale of other assets	(1,016)	7,108	(1,052)	7,260
Other	367	-	545	68
Total	1,434	12,148	879	11,507

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	06/30/2023	12/31/2022	06/30/2023	06/30/2022
		Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Interbank investments (a)					
Banco BTG Pactual S.A.	09/23/2027	3,983,113	275,282	36,924	8,019
		3,983,113	275,282	36,924	8,019
Loan assignments					
Banco BTG Pactual S.A. (b)	No term	2,339	2,225	114	(326)
		2,339	2,225	114	(326)
Other receivables					
,Too Seguros S.A.	No term	43,562	39,263	-	-
Pan Financeira S.A. - Crédito, Financiamento e Investimentos	No term	22,067	23,121	-	-
Pan Corretora de Seguros Ltda.	No term	6,464	105	-	-
Mosaico Tecnologia ao Consumidor S.A. (c)	No term	25	24	-	-
Brazilian Securities Companhia de Securitização (c) (d)	No term	5,107	5,107	-	-
Pan Administradora de Consórcio Ltda.(c) (d)	No term	4,392	4,467	-	-
Brazilian Finance & Real Estate S.A. (c) (d)	No term	227	240	-	-
Key management personnel	No term	5,280	5,280	-	-
		-	919	-	-
Demand deposits (e)					
,Too Seguros S.A.	No term	(512)	(422)	-	-
Pan Financeira S.A. - Crédito, Financiamento e Investimentos	No term	(337)	(337)	-	-
Pan Administradora de Consórcio Ltda.	No term	(15)	(3)	-	-
Pan Corretora de Seguros Ltda.	No term	(85)	(12)	-	-
BM sua Casa Promotora de Vendas Ltda.	No term	(68)	(62)	-	-
Brazilian Securities Companhia de Securitização	No term	(1)	(2)	-	-
Brazilian Finance & Real Estate S.A.	No term	(5)	(4)	-	-
		(1)	(2)	-	-
Interbank deposits (f)					
Banco BTG Pactual S.A.	05/26/2026	(5,959,097)	(4,685,112)	(457,134)	(160,208)
Pan Financeira S.A. - Crédito, Financiamento e Investimentos	06/24/2024	(5,701,428)	(4,435,218)	(441,294)	(147,822)
		(257,669)	(249,894)	(15,840)	(12,386)
Time deposits (g)					
Pan Corretora de Seguros Ltda.	03/27/2025	(1,036,565)	(970,465)	(63,332)	(38,868)
Pan Administradora de Consórcio Ltda.	06/08/2026	(54,334)	(49,559)	(3,736)	(2,625)
Brazilian Securities Companhia de Securitização	06/15/2026	(78,900)	(75,948)	(4,927)	(3,885)
Brazilian Finance & Real Estate S.A.	06/10/2026	(211,137)	(204,375)	(13,049)	(9,828)
BM sua Casa Promotora de Vendas Ltda.	06/10/2026	(95,533)	(87,625)	(5,732)	(4,412)
Mosaico Tecnologia ao Consumidor S.A.	06/10/2026	(72,823)	(60,541)	(4,141)	(2,652)
Mobiauto Edição de Anúncios Online Ltda	12/20/2024	(516,277)	(489,714)	(31,537)	(15,398)
Key management personnel	06/24/2024	(5,669)	(1,040)	(129)	-
	03/15/2027	(1,892)	(1,663)	(81)	(68)
Liabilities for purchase and sale commitments					
Banco BTG Pactual S.A.	07/03/2023	(4,300,000)	(5,880,994)	(358,653)	(131,096)
		(4,300,000)	(5,880,994)	(358,653)	(131,096)
Derivative financial instruments (h)					
Banco BTG Pactual S.A.	12/15/2025	(152,326)	(88,353)	(101,896)	(97,588)
		(152,326)	(88,353)	(101,896)	(97,588)

Other liabilities		(319,134)	(373,757)	-	-
Banco BTG Pactual S.A. (i)	No term	(289,234)	(337,351)	-	-
,Too Seguros S.A.	No term	(29,073)	(35,370)	-	-
Brazilian Finance & Real Estate S.A.	No term	(277)	(241)	-	-
Brazilian Securities Companhia de Securitização	No term	(201)	(240)	-	-
Pan Financeira S.A. - Crédito, Financiamento e Investimentos	No term	(15)	-	-	-
Pan Administradora de Consórcio Ltda.	No term	(1)	-	-	-
Mosaico Tecnologia ao Consumidor S.A.	No term	(333)	(555)	-	-
Income from services rendered		-	-	94,878	50,998
,Too Seguros S.A. (j)	-	-	-	94,878	50,831
Mosaico Tecnologia ao Consumidor S.A. (j)	-	-	-	-	167
Personnel expenses		-	-	(143)	(156)
,Too Seguros S.A.	-	-	-	(143)	(156)
Other administrative expenses		-	-	(20,729)	(35,523)
,Too Seguros S.A.	-	-	-	(1,833)	(1,957)
BTG Pactual Corretora (l)	-	-	-	(53)	(62)
Mosaico Tecnologia ao Consumidor S.A.	-	-	-	(2,976)	(4,457)
Mobiauto Edição de Anúncios Online Ltda	-	-	-	(3,655)	(894)
Tecban S.A.	-	-	-	(3,565)	(16,669)
Interbank Payment Chamber	-	-	-	(8,647)	(11,484)
Other operating expenses		-	-	(34,800)	(485)
Banco BTG Pactual S.A. (m)	-	-	-	(34,800)	(485)
Result from loan assignment		-	-	1,392,053	-
Banco BTG Pactual S.A.	-	-	-	1,392,053	-

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

(b) Refer to the performance bonus on the assignment of loans without recourse.

(c) Provisions for dividends to be paid until 12/31/2023, of which: R\$ 5,107 relates to Mosaico Tecnologia ao Consumidor S.A., R\$ 3,937 to Brazilian Finance & Real Estate S.A., R\$ 4,392 to Brazilian Securities Companhia de Securitização, and R\$ 225 to Pan Administradora de Consórcio Ltda.

(d) 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; provisioned balance of R\$ 2, substantially related to amounts received from different borrowers referring to loan operations acquired from the company Brazilian Securities Companhia de Securitização; provisioned balance of R\$ 2, related to amounts receivable from the company Pan Administradora de Consórcio Ltda.

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

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

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

(h) Refer to swaps.

(i) Refers to interest on capital in the gross amount of R\$ 99,309 (12/31/2022 - R\$ 236,649) and provision for early settlement liability on credit assignments, in the amount of R\$ 189,925 (12/31/2022 - R\$ 100,684).

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

(k) Refers to expenses with market makers.

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

Consolidated	Maximum term	06/30/2023	12/31/2022	06/30/2023	06/30/2022
		Assets (liabilities)	Assets (liabilities)	Income (expenses)	Income (expenses)
Cash and cash equivalents (a)		1,011	3,450	-	-
Banco BTG Pactual S.A.	-	1,011	3,450	-	-
Interbank investments (b)		3,983,113	275,282	36,924	8,019
Banco BTG Pactual S.A.	09/23/2027	3,983,113	275,282	36,924	8,019
Loan assignments (c)		2,339	2,225	114	(326)
Banco BTG Pactual S.A.	No term	2,339	2,225	114	(326)
Other receivables		22,092	24,064	-	-

,Too Seguros S.A.	No term	22,067	23,121	-	-
Pan Corretora de Seguros Ltda.	No term	25	24	-	-
Key management personnel	No term	-	919	-	-
Demand deposits (d)		(405)	(399)	-	-
,Too Seguros S.A.	No term	(337)	(337)	-	-
Pan Corretora de Seguros Ltda.	No term	(68)	(62)	-	-
Interbank deposits (e)		(5,701,428)	(4,435,218)	(441,294)	(147,822)
Banco BTG Pactual S.A.	05/26/2026	(5,701,428)	(4,435,218)	(441,294)	(147,822)
Time deposits (f)		(56,226)	(51,222)	(3,817)	(2,693)
Pan Corretora de Seguros Ltda.	03/27/2025	(54,334)	(49,559)	(3,736)	(2,625)
Key management personnel	03/15/2027	(1,892)	(1,663)	(81)	(68)
Liabilities for purchase and sale commitments		(4,300,000)	(5,880,994)	(358,653)	(131,096)
Banco BTG Pactual S.A.	07/03/2023	(4,300,000)	(5,880,994)	(358,653)	(131,096)
Derivative financial instruments (g)		(152,326)	(88,353)	(101,896)	(97,588)
Banco BTG Pactual S.A.	12/15/2025	(152,326)	(88,353)	(101,896)	(97,588)
Other liabilities		(318,307)	(372,721)	-	-
Banco BTG Pactual S.A. (h)	No term	(289,234)	(337,351)	-	-
,Too Seguros S.A.	No term	(29,073)	(35,370)	-	-
Income from services rendered		-	-	94,878	50,831
,Too Seguros S.A. (i)	-	-	-	94,878	50,831
Personnel expenses		-	-	(143)	(156)
,Too Seguros S.A.	-	-	-	(143)	(156)
Other administrative expenses		-	-	(17,074)	(34,629)
,Too Seguros S.A.	-	-	-	(1,833)	(1,957)
BTG Pactual Corretora (j)	-	-	-	(53)	(62)
Mosaico Tecnologia ao Consumidor S.A.	-	-	-	(2,976)	(4,457)
Tecban S.A.	-	-	-	(3,565)	(16,669)
Interbank Payment Chamber	-	-	-	(8,647)	(11,484)
Other operating expenses		-	-	(34,800)	(485)
Banco BTG Pactual S.A. (k)	-	-	-	(34,800)	(485)
Result from loan assignment		-	-	1,392,053	-
Banco BTG Pactual S.A.	-	-	-	1,392,053	-

(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 performance bonus on the assignment of loans without recourse.

(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\$ 99,309 (12/31/2022 - R\$ 236,649) and provision for early settlement liability on credit assignments, in the amount of R\$ 189,925 (12/31/2022 - R\$ 100,684);

(i) Refer to the commission paid to the Bank for insurance intermediation.

(j) Refers to expenses with market makers.

(k) 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 Company'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 Company'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 Company'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 wholly-owned subsidiary of the BTG Group and its assets and liabilities are subject to derivative financial instruments, which are recorded in the balance sheet, income and expenses and memorandum accounts.

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 control and guidance management area is responsible for identifying, assessing, measuring, monitoring, reporting, mitigating and controlling risk, in addition to reporting compliance with the risk guidelines established by management. The control and guidance management 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 Capital 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 3,644/13 for credit risk, BACEN Circular Letters 3,634/13 to 3,639/13, 3,641/13 and 3,645/13 for market risk, and BACEN Circular Letter 3,640/13 for operating risk.

The calculation of the Indicators of Capital is presented below:

Calculation base - Basel index*	06/30/2023	12/31/2022
Tier I reference equity	5,455,856	5,170,802
Core capital	5,455,856	5,170,802
Tier II reference equity	7,198	8,789
Reference equity for comparison with risk-weighted assets (RWA)	5,463,054	5,179,591
Reference equity	5,463,054	5,179,591
- Credit risk	30,159,645	28,982,927
- Market risk	2,198,679	367
- Operating risk	4,088,480	4,242,955
Risk-weighted assets (RWA)	36,446,804	33,226,249
Basel Index	14.99%	15.59%
Tier I	14.97%	15.56%
Tier II	0.02%	0.03%

*Proforma

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	(1,187)	(367,928)	(727,102)
Coupon - other interest rates	Coupon rates of interest rates	(16)	(3,558)	(6,464)
Coupon - price index	Coupon rates of price index	(19)	245	1,545
Foreign currency	Foreign exchange rate	-	(21)	(43)
Foreign exchange coupon	Foreign exchange coupon rates	-	(606)	(1,213)
Total at 06/30/2023		(1,222)	(371,868)	(733,277)
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 June 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 06/30/2023 and 12/31/2022, the position of derivative financial instruments, in foreign currency, was as follows:

	Notional		Market value	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Purchased position - U.S. Dollar				
Swap	(858,015)	(858,015)	(731,257)	(803,059)
Total	(858,015)	(858,015)	(731,257)	(803,059)
Sold position - U.S. Dollar				
DOL	(2,408)	(2,662)	(2,408)	(2,662)
Total	(2,408)	(2,662)	(2,408)	(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 Liquidity Risk Management Policy established and the regulatory requirements of the National Monetary Council (CMN Resolution 4,557/17). The results of the analyses of liquidity gaps are reported every two weeks to the Treasury Committee or whenever necessary.

- **Operating risk**

This risk refers to the possibility of losses occurring as a result of the failure, deficiency or inadequacy of internal processes, people and systems, or external events. This definition includes legal risk which is the risk related to the inadequacy or deficiencies in contracts entered into by the Bank, as well as any sanctions imposed as a result of non-compliance with the legal provisions and indemnities for damages to third parties arising from the activities conducted 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 BACEN 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	06/30/2023		12/31/2022	
	Net book value	Market value	Net book value	Market value
Investments in interbank deposits	3,852,698	3,850,437	277,251	275,235
Marketable securities	6,658,478	6,474,847	9,149,836	8,892,559
- Trading securities	50,880	50,880	48,384	48,384
- Available-for-sale securities	551,749	551,749	285,397	285,397
- Securities held to maturity	6,055,849	5,872,218	8,816,055	8,558,778
Loan operations	38,511,318	41,852,210	38,779,251	40,939,398
Interbank deposits	7,822,521	8,036,271	5,482,464	5,655,271
Time deposits	19,544,580	20,590,338	19,006,490	19,764,186
Funds from issuance of securities	10,938,569	11,122,185	10,618,218	10,841,545
Foreign borrowings	716,494	721,136	779,785	823,179
Subordinated debts	11,996	13,897	10,987	13,459
Other financial liabilities	157,839	149,732	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 period ended 06/30/2023, the benefit expenses amounted to R\$ 54,473 and R\$ 59,507 in Banco PAN and in the Consolidated, respectively (R\$ 54,305 and R\$ 58,416 in Banco PAN and in the Consolidated, respectively, in the period ended 06/30/2022).

33) Income Tax and Social Contribution

a) Income tax and social contribution reconciliation:

	Bank		Consolidated (3)	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Profit before income tax and social contribution	390,450	440,461	409,949	457,671
Total charges at the nominal statutory combined rate (1)	(175,703)	(198,207)	(176,681)	(201,408)
Reconciliation to tax expense:				
Equity in the results of investees	30,176	13,535	1,798	108
Interest on capital	60,255	64,165	60,255	64,165
Other amounts (2) (3)	37,126	44,559	47,800	43,940
Income tax and social contribution expense	(48,146)	(75,948)	(66,828)	(93,195)

(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 (current name of Pan Arrendamento Mercantil) 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 December 31, 2022	Constituted	Realized	At 06/30/2023
Provision for expected losses associated with credit risk	1,214,640	556,669	(377,092)	1,394,217
Provision for civil contingencies	89,574	49,319	(51,059)	87,834
Provision for labor contingencies	41,281	8,014	(11,985)	37,310
Provision for tax contingencies	2,377	133	(36)	2,474
Provision for loss on assets not for own use	18,327	136	(2,912)	15,551
Other provisions	766,140	329,061	(311,163)	784,038
Total deferred tax assets on temporary differences	2,132,339	943,332	(754,247)	2,321,424
Income tax and social contribution losses	1,037,044	8,498	(83,911)	961,631
Total deferred tax assets	3,169,383	951,830	(838,158)	3,283,055
Deferred tax liabilities (Note 33.e)	(69,161)	(304,565)	315,073	(58,653)
Deferred tax assets, net of deferred tax liabilities	3,100,222	647,265	(523,085)	3,224,402

Consolidated	At December 31, 2022	Constituted	Realized	At 06/30/2023
Provision for expected losses associated with credit risk	1,227,000	557,869	(377,182)	1,407,687
Provision for civil contingencies	91,350	50,062	(52,110)	89,302
Provision for labor contingencies	42,169	8,040	(12,270)	37,939
Provision for tax contingencies	16,787	1,461	(5,021)	13,227
Provision for loss on assets not for own use	18,531	199	(2,980)	15,750
Mark-to-market adjustment of derivatives	10,714	277	(1,064)	9,927
Other provisions	778,919	332,332	(317,226)	794,025
Total deferred tax assets on temporary differences	2,185,470	950,240	(767,853)	2,367,857
Income tax and social contribution losses	1,113,266	8,515	(89,027)	1,032,754
Total deferred tax assets	3,298,736	958,755	(856,880)	3,400,611
Deferred tax liabilities (Note 33.e)	(88,529)	(304,756)	324,296	(68,989)
Deferred tax assets, net of deferred tax liabilities	3,210,207	653,999	(532,584)	3,331,622

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 06/30/2023, 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 08/01/2023.

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

The estimated realization of these assets is as follows:

Bank	Temporary differences		Income tax and social contribution losses		Total	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022
2023	698,928	1,302,098	45,902	104,334	744,830	1,406,432
2024	1,389,389	684,349	122,949	226,543	1,512,338	910,892
2025	96,440	36,224	169,011	386,586	265,451	422,810
From 2026 to 2029	136,667	109,668	623,769	319,581	760,436	429,249
Total	2,321,424	2,132,339	961,631	1,037,044	3,283,055	3,169,383

Consolidated	Temporary differences		Income tax and social contribution losses		Total	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022
2023	703,463	1,315,275	55,166	124,864	758,629	1,440,139
2024	1,401,550	694,280	140,950	250,934	1,542,500	945,214
2025	100,006	41,444	185,367	397,625	285,373	439,069
From 2026 to 2029	162,838	134,471	651,271	339,843	814,109	474,314
Total	2,367,857	2,185,470	1,032,754	1,113,266	3,400,611	3,298,736

At 06/30/2023, the present value of the tax credits, calculated based on Banco PAN's average funding rate, totaled R\$ 2,615,799 and R\$ 2,699,668 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 06/30/2023 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 December 31, 2022	Constituted	Realized	At 06/30/2023
Adjustment to market value of marketable and other securities	(66,224)	(304,565)	315,073	(55,716)
Indexation accrual Invest CIP S.A.	(2,937)	-	-	(2,937)
Deferred tax assets, net of deferred tax liabilities	(69,161)	(304,565)	315,073	(58,653)

Consolidated	At December 31, 2022	Constituted	Realized	At 06/30/2023
Adjustment to market value of marketable and other securities	(85,344)	(304,756)	324,178	(65,922)
Indexation accrual Invest CIP S.A.	(2,937)	-	-	(2,937)
Excess depreciation	(248)	-	118	(130)
Deferred tax assets, net of deferred tax liabilities	(88,529)	(304,756)	324,296	(68,989)

34) Other Information

- a) At 06/30/2023 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.

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 period ended 06/30/2023.

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 80/22, the Executive Board of Banco PAN declares that it has discussed, reviewed and agrees with the opinion expressed in the independent auditor's report on the financial statements for the period ended 06/30/2023.

São Paulo, August 1, 2023.

BOARD OF DIRECTORS

Chairman

Roberto Balls Sallouti

Board Members

André Santos Esteves

André Fernandes Lopes Dias

Sérgio Cutolo dos Santos

Alexandre Camara e Silva

Fábio de Barros Pinheiro

Marcelo Adilson Tavarone Torresi

Maíra Habimorad

EXECUTIVE BOARD

Chief Executive Officer

Carlos Eduardo Pereira Guimarães

Officers

Alex Sander Moreira Gonçalves

Camila Corá Reis Pinto Piccini

Dermeval Bicalho Carvalho

Diogo Ciuffo da Silva

Leandro Marçal Araujo

Leonardo Ricci Scutti

Marco Antonio Cury Chain

AUDIT COMMITTEE

Fábio de Barros Pinheiro

Pedro Paulo Longuini

Sidnei Corrêa Marques

ACCOUNTANT

Rodney Fabiano Fernandes

CRC 1SP270936/O-7

(A free translation of the original in Portuguese)

Banco Pan S.A.
Parent company and consolidated
financial statements
at June 30, 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. ("Bank"), which comprise the balance sheet as at June 30, 2023 and the statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the accompanying consolidated financial statements of Banco Pan S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at June 30, 2023 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

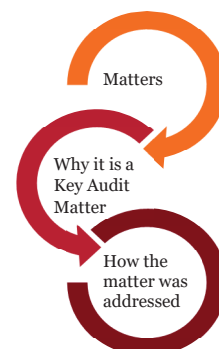
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Banco Pan S.A. and of Banco Pan S.A. and its subsidiaries as at June 30, 2023, and the Bank's financial performance and cash flows, as well as the consolidated financial performance 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 further described in the Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements section of our report. We are independent of the Bank and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

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





Banco Pan S.A.

Why it is a Key Audit Matter**How the matter was addressed in the audit**

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

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

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

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

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

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

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

Information technology environment

The Bank, and its subsidiaries, operate in a business environment in which the information technology structure is critical to 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.

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

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

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

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

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



Banco Pan S.A.

Why it is a Key Audit Matter**How the matter was addressed in the audit**

Deferred tax assets (Notes 3(j) and 33(b))

The Bank and its subsidiaries recorded deferred tax assets of R\$ 3.4 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 offset dates and tax credit amounts. The selection process of these estimates is required to comply with CMN and BACEN protocols 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 deferred tax assets, 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 budgets approved by the Board of Directors and with market projections. We also performed back-testing to support the reasonableness of past projections.

We consider the assumptions and criteria adopted by Management are consistent in relation to the tax credit assets booked, the recording thereof and estimated realization.

Other matters**Statements of Value Added**

The parent company and consolidated Statements of Value Added for the six-month period then ended June 30, 2023, prepared under the responsibility of the Bank's management and presented as supplementary information for purposes of the Brazilian Central Bank, were submitted to audit procedures performed in conjunction with the audit of the Bank's financial statements. The presentation of this statement is required by the Brazilian corporate legislation for listed companies. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these Statements of Value Added have been properly prepared in all material respects, in accordance with the criteria established in the Technical Pronouncement, and are consistent with the parent company and consolidated financial statements taken as a whole.

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

The Bank'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.



Banco Pan S.A.

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 Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institution or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Bank and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Banco Pan S.A.

- 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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, August 3, 2023

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") and its subsidiaries ("Grupo PAN"), 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, and through its leading company, is a statutory body linked to the Board of Directors. It is currently composed of three members, two of whom are also part of the Audit Committee of Banco BTG Pactual S.A. (BTG Pactual), the Company's controlling shareholder.

The Committee's assessments are mainly based on information obtained from the Independent Auditors of Grupo PAN, Internal Audit, those responsible for risk management, the areas of compliance, internal controls, finance and other areas 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 of the Committee developed in the 1st 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

In the first half of 2023, the Committee monitored the process of preparation of the Financial Statements for the 1st half of 2023, prepared with a base date of 6/30/2023, and explanatory notes ("Financial Statements or FS"), in order to ensure compliance with quality and integrity requirements. With this objective, the Committee discussed with the Internal Audit area of the Company and with the Independent Auditor, and also had frequent contacts with the areas of Banco PAN involved in the preparation of the FS, including the: (i) Accounting area, responsible for organizing the accounting matters and for preparing the Financial Statements; (ii) Internal Audit; and (iii) Independent Auditor. The Committee also conducted its own analysis of the FS, explanatory notes and other documents provided for in CMN Resolution 4,818, of 2020.

The COAUD did not identify any fact or evidence that compromised the quality and integrity of the Financial Statements, having concluded that, in their preparation, the standards issued by the CMN and the Brazilian Central Bank ("BACEN") 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 its main processes and the risks to which Banco PAN is exposed in its operations and business. It held periodic meetings with the areas responsible for these topics and with the Internal Audit and Independent Auditor.

With regard to risk management, meetings were held monthly with those responsible, in order to assess the level of adherence of the processes and procedures to current 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 compromises the effectiveness of internal controls and risk management.

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

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

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

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.

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

IV - INDEPENDENT AUDIT

The Committee maintained continuous communication with the independent auditors (PricewaterhouseCoopers Auditores Independentes 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 Financial Statements and the effectiveness of the internal controls of Banco PAN.

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

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. The most significant audit topics and action plans with the respective execution status were communicated and reported by the COAUD to the Company's Board of Directors.

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

VI - FRAUD - MEANS OF PAYMENT

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

After evaluating the documentation and information provided by Management, the Committee concluded that no event had occurred that could impair its operation and continuity. With respect to means of payment, the COAUD also concluded that PAN conducted the proper monitoring of fraud attempts, adopting all necessary preventive and corrective measures as provided for in BACEN Resolution 142, of November 19, 2021.

VII - CUSTOMERS' REPORTS AND COMPLAINTS

The Committee has carefully monitored the number 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 resolution measures, which were complied with. In the 1st half of 2023, there was significant progress in the actions, leading to a sharp reduction in complaints considered valid by the Central Bank. The COAUD will continue to monitor the implementation of actions to improve processes and procedures in place.

VIII - MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION

Based on the information provided, including the Compliance Report provided for in BACEN 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, the Committee monitored Management processes and procedures for the proper management and control of correspondents in Brazil ("Corbans"), hired to provide services in the origination and conducting of credit operations. Shortly after the end of the six-month period to which this report refers, Banco PAN proceeded to terminate the contract with a relevant Corban in the context of its operation, due to the investigation of action incompatible with the policies, Code of Conduct and Ethics and current legislation, subsequently adopting all the necessary procedures for the immediate replacement of Corban by other service providers, in order to prevent any negative impact on the relationship with its client base. 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) other service provided by the Independent Auditor was properly evaluated and, in the absence of any indication of a breach of independence, the Committee approved the review of the organizational structure, strategic plan and processes and procedures designed to ensure full compliance with GDPR (LGPD) by the Company's information security area and by the subsidiaries;
- c) according to the information provided by Management and the Independent Auditor, there are no material disagreements between Management, the Independent Auditor and this Committee in relation to the Financial Statements comprised in the period covered by this report.

X - CONCLUSION

Based on the results of its assessments, and after considering its responsibilities and attributions, considering the natural limitations arising from the scope of its activities, the Committee understands that the parent company and consolidated Financial Statements of Banco PAN, prepared with a base date of 6/30/2023, meet, in their significant 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, August 1, 2023.

Fábio de Barros Pinheiro

Chairman

Pedro Paulo Longuini

Member

Sidnei Corrêa Marques

Member