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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026 or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

COMMISSION FILE NUMBER 001-35872

EVERTEC, Inc.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Puerto Rico	**66-0783622**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. employer identification number)**
Cupey Center Building, Road 176, Kilometer 1.3, San Juan, Puerto Rico	**00926**
(Address of principal executive offices)	**(Zip Code)**

(787) 759-9999
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.01 par value per share	EVTC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

At October 28, 2026, there were 59,252,142 outstanding shares of common stock of EVERTEC, Inc.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Report") contains "forward-looking statements" within the meaning of, and subject to the protection of, the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical fact contained in this Report, including, without limitation, statements regarding our position as a leader within our industry; our future results of operations and financial position; our business strategies; objectives of management for future operations, including, among others, statements regarding our expected growth, international expansion and future capital expenditures; the impact of market conditions and other macroeconomic factors on our business, financial condition and results of operations; the timing and declaration of future dividends; the sufficiency of our cash and cash equivalents; our future capital expenditures and debt service obligations; and the expectations, anticipated benefits of and costs associated with acquisitions, are forward-looking statements.

Words such as "believes," "expects," "anticipates," "intends," "projects," "estimates," and "plans" and similar expressions of future or conditional verbs such as "will," "should," "would," "may," and "could" or the negatives of these terms or variations of them or similar terminology are generally forward-looking in nature and not historical facts. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and may involve significant risks and uncertainties, and that actual results may vary materially from those in the forward-looking statements as a result of various factors. Among the factors that significantly impact our business and could impact our business in the future are:

- our reliance on our relationship with Popular, Inc. ("Popular") for a significant portion of our revenues pursuant to our second Amended and Restated Master Services Agreement ("A&R MSA") with them, and as it may impact our ability to grow our business;
- our ability to renew our client contracts on terms favorable to us, including but not limited to the current term and any extension of the A&R MSA with Popular and Amended and Restated Independent Sales Organization Sponsorship and Services Agreement (the "A&R ISO Agreement") with Banco Popular;
- our reliance on our information technology systems, employees and certain suppliers and counterparties, and certain failures or disruptions in those systems or chains could materially adversely affect our operations;
- the risk of security breaches or other confidential data theft from our systems;
- our ability to recruit, retain and develop qualified personnel;
- fraud by merchants or others;
- the credit risk of our merchant clients, for which we may also be liable;
- our use of artificial intelligence ("AI") and machine learning tools and the evolving regulatory framework governing such technology;
- a decreased client base due to consolidations and/or failures in the financial services industry;
- our ability to comply with existing and future rules and regulations in the jurisdictions in which we operate;
- a reduction in consumer confidence, whether as a result of a global economic downturn or otherwise, which leads to a decrease in consumer spending;
- our dependence on payment card network or other network rules, standards, mandates or fees;
- the geographical concentration of our business in Puerto Rico, including our business with the government of Puerto Rico and its instrumentalities, which are facing fiscal challenges and the effects of potential natural disasters;
- risks associated with our presence in international markets, including global political, social and economic instability;
- operating an international business in Latin America, Puerto Rico and the Caribbean, in jurisdictions with potential political and economic instability;
- the impact of exposure to foreign exchange fluctuations and capital controls on our costs, earnings and the value of some of our assets; our ability to protect our intellectual property rights against infringement and to defend ourselves against potential intellectual property infringement claims and the potential impact on our business of such claims, whether or not correct;
- the possibility that we could lose our preferential tax rate in Puerto Rico;

- the effect of purchases of our common stock pursuant to our stock repurchase plan on the value of our common stock; and
- the impact of our leverage on our ability to raise additional capital, that our leverage may limit our ability to react to changes in the economy or our industry, expose us to interest rate risk and prevent us from meeting our obligations with respect to our substantial indebtedness, and that we and our subsidiaries may be able to incur significant additional indebtedness, which could further increase such risks.

The forward-looking statements in this Report are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements are subject to a number of important factors that could cause actual results to differ materially from those in the forward-looking statements, and should, therefore, be considered in light of various factors, including those set forth under Part I, Item 1A. “Risk Factors,” in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and Exchange Commission (the “SEC”) on March 2, 2026 and in Part I, Item 2.“Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Report, as may be updated in our subsequent filings with the SEC. These forward-looking statements speak only as of the date of this Report, and, except as may be required by law, we do not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Report or to reflect the occurrence of unanticipated events. Additionally, certain information we may disclose (either herein or elsewhere) is informed by the expectations of various stakeholders or third-party frameworks and, as such, may not necessarily be material for purposes of our filings under U.S. federal securities laws, even if we use “material” or similar language in discussing such matters.

WHERE YOU CAN FIND MORE INFORMATION

All reports we file with the SEC are available free of charge via the Electronic Data Gathering Analysis and Retrieval (EDGAR) System on the SEC’s website at www.sec.gov. We also provide copies of our SEC filings at no charge upon request and make electronic copies of our reports available for download through our website at www.evertecinc.com as soon as reasonably practicable after filing such material with the SEC. Our website is not incorporated by reference into this Report, and you should not consider the information on our website to be part of this Report.

EVERTEC, Inc. Unaudited Condensed Consolidated Balance Sheets
(In thousands, except share information)

	September 30, 2026	December 31, 2025
Assets		
Current Assets:		
Cash and cash equivalents	$ 284,104	$ 305,993
Restricted cash	30,434	25,838
Accounts receivable, net	187,221	164,381
Settlement assets	30,004	26,098
Prepaid expenses and other assets	92,870	68,462
Total current assets	624,633	590,772
Debt securities available-for-sale, at fair value	3,974	3,202
Equity securities, at fair value	6,058	5,849
Investments in equity investees	19,463	30,120
Property and equipment, net	66,602	64,354
Operating lease right-of-use asset	35,680	38,218
Goodwill	1,065,803	891,992
Other intangible assets, net	603,538	553,082
Deferred tax asset	48,511	45,386
Derivative asset	4,128	—
Other long-term assets	32,757	20,321
Total assets	$ 2,511,147	$ 2,243,296
Liabilities and stockholders' equity		
Current Liabilities:		
Accrued liabilities	$ 169,612	$ 125,575
Accounts payable	68,710	63,726
Contract liability	31,060	26,573
Income tax payable	7,559	3,218
Current portion of long-term debt	32,817	23,867
Short-term borrowings	30,000	10,000
Current portion of operating lease liability	5,835	5,878
Settlement liabilities	30,062	26,202
Total current liabilities	375,655	285,039
Long-term debt	1,214,053	1,053,030
Deferred tax liability	80,381	71,356
Contract liability - long term	30,592	47,032
Operating lease liability - long-term	30,906	33,305
Derivative liability	—	5,225
Other long-term liabilities	45,861	34,317
Total liabilities	1,777,448	1,529,304
Commitments and contingencies (Note 15)		
Redeemable non-controlling interests	81,857	89,155
Stockholders' equity		
Preferred stock, par value $0.01; 2,000,000 shares authorized; none issued	—	—
Common stock, par value $0.01; 206,000,000 shares authorized; 59,252,142 shares issued and outstanding as of September 30, 2026 (December 31, 2025 - 61,756,639)	593	618
Additional paid-in capital	—	—
Accumulated earnings	657,019	687,696
Accumulated other comprehensive loss, net of tax	(9,385)	(66,708)
Total stockholders' equity	648,227	621,606
Non-redeemable non-controlling interest	3,615	3,231
Total equity	651,842	624,837
Total liabilities and equity	$ 2,511,147	$ 2,243,296

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

EVERTEC, Inc. Unaudited Condensed Consolidated Statements of Income and Comprehensive Income
(In thousands, except per share information)

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Revenues	$ 282,994	$ 228,587	$ 805,737	$ 686,986
Operating costs and expenses				
Cost of revenues, exclusive of depreciation and amortization	131,018	124,742	373,504	349,411
Selling, general and administrative expenses	57,714	37,678	162,870	108,992
Depreciation and amortization	43,627	28,435	120,881	85,217
Total operating costs and expenses	232,359	190,855	657,255	543,620
Income from operations	50,635	37,732	148,482	143,366
Non-operating income (expenses)				
Interest income	4,164	4,016	11,751	10,346
Interest expense	(21,511)	(16,534)	(59,132)	(50,241)
(Loss) gain on foreign currency remeasurement	(222)	(60)	(4,646)	455
Earnings (losses) from equity investees	1,263	1,346	(5,059)	4,290
Other income (expenses), net	734	6,929	(203)	7,483
Total non-operating expenses	(15,572)	(4,303)	(57,289)	(27,667)
Income before income taxes	35,063	33,429	91,193	115,699
Income tax expense (benefit)	3,550	(31)	28,056	8,175
Net income	31,513	33,460	63,137	107,524
Less: Net income attributable to non-controlling interest	1,641	599	4,109	1,495
Net income attributable to EVERTEC, Inc.'s common stockholders	29,872	32,861	59,028	106,029
Other comprehensive income (loss), net of tax of $712, and $20, $2,470 and $(1,735)				
Foreign currency translation adjustments	(8,512)	13,593	50,319	92,799
Gain (loss) on cash flow hedges	2,246	(313)	6,985	(6,465)
Unrealized gain on change in fair value of debt securities available-for-sale	2	5	19	15
Other comprehensive (loss) income, net of tax	$ (6,264)	$ 13,285	57,323	$ 86,349
Total comprehensive income attributable to EVERTEC, Inc.'s common stockholders	$ 23,608	$ 46,146	116,351	$ 192,378
Net income per common share - basic attributable to EVERTEC, Inc.'s common stockholders	$ 0.50	$ 0.51	$ 0.97	$ 1.66
Net income per common share - diluted attributable to EVERTEC, Inc.'s common stockholders	$ 0.49	$ 0.51	$ 0.96	$ 1.64

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

EVERTEC, Inc. Unaudited Condensed Consolidated Statements of Changes in Stockholders' Equity
(In thousands, except share information)

	Number of Shares of Common Stock	Common Stock	Additional Paid-in Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Non-Redeemable Non-Controlling Interest	Total Stockholders' Equity
Balance at December 31, 2025	61,756,639	$ 618	$ —	$ 687,696	$ (66,708)	$ 3,231	$ 624,837
Share-based compensation recognized	—	—	7,555	—	—	—	7,555
Repurchase of common stock	(683,253)	(7)	—	(20,001)	—	—	(20,008)
Restricted stock units delivered	546,958	5	(7,369)	—	—	—	(7,364)
Net income (loss)	—	—	—	23,751	—	(13)	23,738
Cash dividends declared on common stock, $0.05 per share	—	—	—	(3,088)	—	—	(3,088)
Adjustment of redeemable noncontrolling interest to redemption value	—	—	(186)	(6,284)	—	—	(6,470)
Other comprehensive income	—	—	—	—	52,319	73	52,392
Balance at March 31, 2026	61,620,344	$ 616	$ —	$ 682,074	$ (14,389)	$ 3,291	$ 671,592
Share-based compensation recognized	—	—	8,181	—	—	—	8,181
Repurchase of common stock	(1,907,437)	(19)	(6,543)	(40,479)	—	—	(47,041)
Restricted stock units delivered	39,635	—	(21)	—	—	—	(21)
Net income (loss)	—	—		5,405	—	(39)	5,366
Cash dividends on common stock, $0.05 per share	—	—	—	(3,031)	—	—	(3,031)
Adjustment of redeemable noncontrolling interest to redemption value	—	—	(1,617)	—	—	—	(1,617)
Other comprehensive income	—	—	—	—	11,268	211	11,479
Balance at June 30, 2026	59,752,542	$ 597	$ —	$ 643,969	$ (3,121)	$ 3,463	$ 644,908
Share-based compensation recognized	—	—	8,278	—	—	—	8,278
Repurchase of common stock	(500,946)	(5)	(1,591)	(13,832)	—	—	(15,428)
Restricted stock units delivered	546	1	(10)	—	—	—	(9)
Net income (loss)	—	—	—	29,872	—	32	29,904
Cash dividends declared on common stock, $0.05 per share	—	—	—	(2,988)	—	—	(2,988)
Adjustment of redeemable noncontrolling interest to redemption value	—	—	(6,677)	(2)	—	—	(6,679)
Other comprehensive (loss) income	—	—	—	—	(6,264)	120	(6,144)
Balance at September 30, 2026	59,252,142	$ 593	$ —	$ 657,019	$ (9,385)	$ 3,615	$ 651,842

	Number of Shares of Common Stock	Common Stock	Additional Paid-in Capital	Accumulated Earnings	Accumulated Other Comprehensive Income (loss)	Non-Redeemable Non-Controlling Interest	Total Stockholders' Equity
Balance at December 31, 2024	63,614,077	$ 636	$ 7,003	$ 599,608	$ (134,723)	$ 3,277	$ 475,801
Share-based compensation recognized	—	—	7,249	—	—	—	7,249
Restricted stock units delivered	414,006	4	(8,710)	—	—	—	(8,706)
Net income (loss)	—	—	—	32,703	—	(120)	32,583
Cash dividends declared on common stock, $0.05 per share	—	—	—	(3,181)	—	—	(3,181)
Adjustment of redeemable noncontrolling interest to redemption value	—	—	(1,220)	—	—	—	(1,220)
Other comprehensive income (loss)	—	—	—	—	42,727	(159)	42,568
Balance at March 31, 2025	64,028,083	$ 640	$ 4,322	$ 629,130	$ (91,996)	$ 2,998	$ 545,094
Share-based compensation recognized	—	—	7,299	—	—	—	7,299
Repurchase of common stock	(101,890)	(1)	(3,690)	—	—	—	(3,691)
Restricted stock units delivered	55,812	1	(213)	—	—	—	(212)
Net income (loss)	—	—	—	40,465	—	(61)	40,404
Cash dividends declared on common stock, $0.05 per share	—	—	—	(3,202)	—	—	(3,202)
Adjustment of redeemable noncontrolling interest to redemption value	—	—	(762)	—	—	—	(762)
Other comprehensive income	—	—	—	—	30,337	84	30,421
Balance at June 30, 2025	63,982,005	$ 640	$ 6,956	$ 666,393	$ (61,659)	$ 3,021	$ 615,351
Share-based compensation recognized	—	—	7,646	—	—	—	7,646
Restricted stock units delivered	1,836	—	(24)	—	—	—	(24)
Net income (loss)	—	—	—	32,861	—	(161)	32,700
Cash dividends declared on common stock, $0.05 per share	—	—	—	(3,199)	—	—	(3,199)
Adjustment of redeemable noncontrolling interest to redemption value	—	—	851	—	—	—	851
Other comprehensive income	—	—	—	—	13,285	125	13,410
Balance at September 30, 2025	63,983,841	$ 640	$ 15,429	$ 696,055	$ (48,374)	$ 2,985	$ 666,735

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

EVERTEC, Inc. Unaudited Condensed Consolidated Statements of Cash Flows (In thousands)

	Nine months ended September 30,	
	2026	2025
Cash flows from operating activities		
Net income	63,137	107,524
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	120,881	85,217
Amortization of debt issue costs and accretion of discount	3,923	2,770
Operating lease amortization	4,498	5,373
Provision for expected credit losses and sundry losses	4,409	9,455
Deferred tax benefit	(18,639)	(18,944)
Share-based compensation	24,014	22,194
Loss on impairment of investment in equity investee	8,885	—
Earnings of equity investees	(3,829)	(4,290)
Dividend received from equity method investment	2,595	3,861
Loss (gain) on foreign currency remeasurement	4,646	(455)
Other, net	1,360	821
(Increase) decrease in assets:		
Accounts receivable, net	(28,401)	(19,332)
Prepaid expenses and other assets	(9,172)	(10,890)
Other long-term assets	(4,734)	3,160
(Decrease) increase in liabilities:		
Accrued liabilities and accounts payable	37,639	(18,249)
Income tax payable	(18,104)	(2,366)
Contract liability	(8,298)	(9,690)
Operating lease liabilities	(6,222)	(5,626)
Other long-term liabilities	(2,299)	6,468
Total adjustments	113,152	49,477
Net cash provided by operating activities	176,289	157,001
Cash flows from investing activities		
Additions to software and other intangible assets	(57,274)	(50,905)
Property and equipment acquired	(17,629)	(17,020)
Acquisition of available-for-sale debt securities	(928)	(1,782)
Proceeds from maturities of available-for-sale debt securities	259	1,000
Acquisitions, net of cash acquired	(186,617)	—
Other investing activities, net	319	(896)
Net cash used in investing activities	(261,870)	(69,603)
Cash flows from financing activities		
Debt issuance costs	(1,277)	—
Acquisition of redeemable non-controlling interests	(23,098)	(5,167)
Withholding taxes paid on share-based compensation	(7,394)	(8,942)
Proceeds from issuance of long term debt	184,538	—
Net increase in Revolving Facility	20,000	150,000
Dividends paid	(9,107)	(9,582)
Repurchase of common stock	(82,477)	(3,691)
Repayment of long-term debt	(17,900)	(17,900)
Repayment of other financing agreements	(7,939)	(4,478)
Settlement activity, net	(2,119)	(8,167)
Other financing activities, net	(9,940)	(2,958)
Net cash provided by financing activities	43,287	89,115
Effect of foreign exchange rate on cash, cash equivalents and restricted cash	22,882	16,817
Net (decrease) increase in cash, cash equivalents, restricted cash and cash included in settlement assets	(19,412)	193,330
Cash, cash equivalents, restricted cash and cash included in settlement assets at the beginning of the period	348,129	314,649
Cash, cash equivalents, restricted cash, and cash included in settlement assets at end of the period	$ 328,717	$ 507,979

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

Notes to Unaudited Condensed Consolidated Financial Statements

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Note 1 – The Company and Basis of Presentation

The Company

EVERTEC, Inc. and its subsidiaries (collectively the "Company" or "EVERTEC") is a leading full-service transaction processing business and financial technology provider in Latin America and the Caribbean. The Company is based in Puerto Rico and provides a broad range of merchant acquiring, payment processing and business process management services across 29 countries and territories. EVERTEC owns and operates the ATH network, which we believe is one of the leading personal identification number ("PIN") debit networks in the Caribbean and Latin America. In addition, EVERTEC provides a comprehensive suite of services for core bank processing and cash processing in Puerto Rico and technology outsourcing in the regions the Company serves. EVERTEC serves a broad and diversified customer base of leading financial institutions, merchants, corporations, and government agencies with solutions that are essential to their operations, enabling them to issue, process and accept transactions securely.

Basis of Presentation

The unaudited condensed consolidated financial statements of EVERTEC have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. The preparation of the accompanying unaudited condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the unaudited condensed consolidated financial statements. Actual results could differ from these estimates.

Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted from these statements pursuant to the rules and regulations of the Securities and Exchange Commission and, accordingly, these unaudited condensed consolidated financial statements should be read in conjunction with the Audited Consolidated Financial Statements of the Company for the year ended December 31, 2025, included in the Company's 2025 Annual Report on Form 10-K. In the opinion of management, the accompanying unaudited condensed consolidated financial statements, prepared in accordance with GAAP, contain all adjustments necessary for a fair presentation. Intercompany accounts and transactions are eliminated in consolidation. Certain amounts from prior periods have been reclassified to conform to the current period presentation.

Note 2 – Business Acquisitions

Tecnobank Tecnologia Bancária S.A. ("Tecnobank")

On October 1, 2025, Evertec Brasil Informática S.A. ("Evertec BR"), a wholly-owned subsidiary of EVERTEC, Inc., completed the purchase of 75% of the share capital of Tecnobank Tecnologia Bancária S.A. ("Tecnobank"). Tecnobank is a fintech vendor in Brazil's digital vehicle financing contract registration sector. The aggregate purchase price for the shares was approximately $150 million. This transaction enhances the Company's existing product offerings in the region.

The Company accounted for this transaction as a business combination, which generally requires that we recognize the assets acquired and liabilities assumed at fair value as of the acquisition date. The acquisition-date fair values of major classes of assets acquired and liabilities assumed, including a reconciliation to the total purchase consideration, were as follows:

	Assets/Liabilities (at fair value)
(In thousands)	
Cash and cash equivalents	$ 4,784
Accounts receivable, net	7,636
Prepaid expenses and other assets	7,604
Property and equipment, net	298
Long-term deferred tax asset	5,510
Other intangible assets, net	126,875
Other long-term assets	118
Accounts payable	(469)
Accrued liabilities	(3,829)
Income tax payable	(8,617)
Contract liability	(64)
Deferred tax liability	(44,860)
Other long-term liabilities	(14,730)
Total identifiable net assets	80,256
Redeemable noncontrolling interests	(53,569)
Goodwill	122,135
Total purchase consideration	$ 148,822

The following table details the major groups of intangible assets acquired and the weighted average amortization period for these assets:

	Amount	Weighted-average life
(Dollar amounts in thousands)		
Customer relationships	$ 26,315	15
Trademark	6,579	10
Software packages	93,981	10
Total	$ 126,875	11

Goodwill in connection with the Tecnobank acquisition is attributable to the Latin America Payments and Solutions segment, refer to Note 5- *Goodwill and Other Intangible Assets* for further details. None of the goodwill is deductible for income tax purposes.

Dimensa S.A. (“Dimensa”)

On April 30, 2026, Evertec Brasil Informática S.A. (“Evertec BR”), a wholly-owned subsidiary of EVERTEC, Inc., completed the purchase of 100% of the outstanding common shares of Dimensa S.A. (“Dimensa”). Dimensa is a business-to-business technology provider serving financial institutions in Brazil. The aggregate purchase price for the shares was approximately $203 million. The purchase price at closing was subject to Dimensa's working capital adjustments. In August 2026, pursuant to the purchase agreement's purchase price adjustment process, the Company paid approximately $4 million as part of the working capital determination, resulting in an increase in the cash consideration paid to the seller. This transaction enhances the Company's existing product offerings in the region.

The Company accounted for this transaction as a business combination, which generally requires that we recognize the assets acquired and liabilities assumed at fair value as of the acquisition date. In accordance with ASC 805-10-25-15, the Company is allowed a period, not to exceed 12 months from the acquisition date, to adjust the provisional amounts recognized for a business combination. The preliminary estimated acquisition-date fair values of major classes of assets acquired and liabilities assumed, including a reconciliation to the total purchase consideration, were as follows:

	Assets/Liabilities (at fair value)
(In thousands)	
Cash and cash equivalents	$ 18,356
Restricted cash	1,203
Accounts receivable, net	6,589
Prepaid expenses and other assets	7,555
Property and equipment, net	1,132
Long-term deferred tax asset	4,741
Other intangible assets, net	78,288
Other long-term assets	8,457
Accounts payable, including deferred consideration	(11,240)
Accrued liabilities	(14,457)
Contract liability	(2,414)
Deferred tax liability	(23,633)
Other long-term liabilities, including deferred consideration	(20,981)
Total identifiable net assets	53,596
Goodwill	149,708
Total purchase consideration	$ 203,304

During the period ended September 30, 2026, the Company obtained additional information regarding the fair value of the acquired intangible assets based on a third-party valuation performed. Accordingly, the Company increased the provisional acquisition-date fair value of the intangible assets from $69.7 million to $78.3 million with a corresponding decrease in goodwill of $8.6 million. An additional $0.9 million of amortization expense was recorded in the periods ended September 30, 2026 as a result of this adjustment. The following table details the major groups of intangible assets acquired and the weighted average amortization period for these assets:

	Amount	Weighted-average life
(Dollar amounts in thousands)		
Customer relationships	$ 57,037	10
Trademark	7,418	3
Software packages	13,833	10
Total	$ 78,288	9

Goodwill in connection with the Dimensa acquisition is attributable to the Latin America Payments and Solutions segment, refer to Note 5- *Goodwill and Other Intangible Assets* for further details. None of the goodwill is deductible for income tax purposes.

On July 31, 2026, Sinqia S.A., a wholly-owned subsidiary of EVERTEC, Inc., completed the purchase of a 67% ownership stake in Connecting Blocks Consultoria, S.A. ("BBChain"), a startup specializing in blockchain infrastructure for financial institutions. The aggregate purchase price was approximately $5.5 million. This transaction enhances the Company's existing product offerings in the region.

The Company accounted for this transaction as a business combination. The purchase price allocation summary is preliminary and subject to change. As part of the transaction, the Company acquired new working capital accounts of approximately $3.0 million. The Company also identified intangible assets other than goodwill for which a portion of the purchase price must be allocated and preliminarily allocated the purchase price to the following identified intangible assets: $0.4 million to customer relationships, $0.6 million to software, $0.4 million to tradenames. Goodwill in connection with this transaction is currently estimated at approximately $4.0 million. Goodwill in connection with the BBChain acquisition is attributable to the Latin America Payments and Solutions segment, refer to Note 5- *Goodwill and Other Intangible Assets* for further details. None of the goodwill is deductible for income tax purposes.

Note 3 - Investment in Equity Investees

In the third quarter of 2023, the Company, through its wholly owned subsidiary EVERTEC Costa Rica, S.A. ("EVERTEC CR"), entered into an agreement with a corporate partner to jointly develop and provide payment services in the Latin America region through a newly formed joint venture. The Company accounted for its investment under the equity method of accounting.

In June 2026, management exited its investment in the joint venture as part of its ongoing evaluation of strategic priorities and recorded an impairment charge of $8.9 million which is presented within "Earnings (losses) from equity investees" in the accompanying unaudited condensed consolidated statement of income. Such impairment charge considered the investment carrying value net of cash consideration the Company received from dissolution of the investment and the extinguishment of the Company's contractual obligations to provide services to the venture.

Note 4 – Property and Equipment, net

Property and equipment, net consisted of the following:

(Dollar amounts in thousands)	Useful life in years	September 30, 2026	December 31, 2025
Buildings	30	$ 2,394	$ 2,202
Data processing equipment	3 - 5	174,847	163,160
Furniture and equipment	3 - 10	10,620	9,285
Leasehold improvements	5 -10	5,511	4,737
		193,372	179,384
Less - accumulated depreciation and amortization		(128,438)	(116,558)
Depreciable assets, net		64,934	62,826
Land		1,668	1,528
Property and equipment, net		$ 66,602	$ 64,354

Depreciation and amortization expense related to property and equipment for the three and nine months ended September 30, 2026 amounted to $6.2 million and $18.1 million, compared to $5.5 million and $16.5 million for the corresponding periods in 2025.

Note 5 – Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill, allocated by reporting unit, were as follows:

(In thousands)	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total
Balance at December 31, 2025	$ 160,972	$ 552,889	$ 138,121	$ 40,010	$ 891,992
Goodwill attributable to acquisitions	—	153,674	—	—	153,674
Measurement period adjustment for prior year acquisition	—	(1,675)	—	—	(1,675)
Foreign currency translation adjustments	—	21,812	—	—	21,812
Balance at September 30, 2026	$ 160,972	$ 726,700	$ 138,121	$ 40,010	$ 1,065,803

Goodwill is tested for impairment on an annual basis as of August 31, or more often if events or changes in circumstances indicate there may be impairment. The Company may test for goodwill impairment using a qualitative or a quantitative analysis. In a qualitative analysis, the Company assesses whether it is "more likely than not" that the fair value of a reporting unit is less than its carrying amount. In the quantitative analysis, the Company compares the estimated fair value of the reporting units to their carrying values, including goodwill. Based on the last analysis performed, the fair value of the reporting units exceeds the carrying amounts of the reporting units. No impairment was recorded for the interim periods ended September 30, 2026 or 2025. Refer to Note 2 - *Business Acquisitions* for further details of goodwill acquired in 2026 and 2025.

The carrying amount of other intangible assets at September 30, 2026 and December 31, 2025 was as follows:

		September 30, 2026		
(Dollar amounts in thousands)	Useful life in years	Gross amount	Accumulated amortization	Net carrying amount
Customer relationships	5 - 20	$ 617,569	$ (409,824)	$ 207,745
Trademarks	3 - 15	106,253	(66,880)	39,373
Software packages	3 - 10	713,092	(358,367)	354,725
Non-compete agreement	5	3,784	(2,089)	1,695
Other intangible assets, net		$ 1,440,698	$ (837,160)	$ 603,538

		December 31, 2025		
(Dollar amounts in thousands)	Useful life in years	Gross amount	Accumulated amortization	Net carrying amount
Customer relationships	5 - 20	$ 556,914	$ (385,144)	$ 171,770
Trademarks	3 - 15	95,573	(58,464)	37,109
Software packages	3 - 10	579,657	(237,571)	342,086
Non-compete agreement	5	3,573	(1,456)	2,117
Other intangible assets, net		$ 1,235,717	$ (682,635)	$ 553,082

Amortization expense related to other intangibles for the three and nine months ended September 30, 2026 amounted to $37.4 million and $102.8 million, compared to $22.9 million and $68.7 million for the corresponding periods in 2025.

The estimated amortization expense of the other intangible balances outstanding at September 30, 2026, for the remainder of 2026 and the years thereafter is as follows:

(In thousands)	
Remaining 2026	$ 34,739
2027	140,296
2028	118,900
2029	89,366
2030	66,339
Thereafter	153,898

Note 6 – Debt and Short-Term Borrowings

Debt at September 30, 2026 and December 31, 2025 was as follows:

(In thousands)	September 30, 2026	December 31, 2025
2027 Term A Loan bearing interest at a variable interest rate (SOFR plus applicable margin[1][2])	$ 386,644	$ 403,770
2030 Term B Loan bearing interest at a variable interest rate (SOFR plus applicable margin[1][3])	858,803	673,127
Revolving Facility[4]	30,000	10,000
Deferred consideration from business combinations	2,819	6,175
Note payable due on September 1, 2030[1]	5,012	5,808
Other borrowings	1,423	$ —
Total debt	$ 1,284,701	$ 1,098,880

(1) Net of unaccreted discount and unamortized debt issue costs, as applicable.
(2) Subject to a minimum rate ("SOFR floor") of 0.00% plus applicable margin of 2.25% at September 30, 2026 and 1.75% at December 31, 2025.
(3) Subject to a SOFR floor of 0.50% plus applicable margin of 2.25% at September 30, 2026 and December 31, 2025.

(4) Subject to a SOFR of 4.00% plus applicable margin of 2.25% at September 30, 2026 and to a Prime rate of 6.75% plus applicable margin of 0.75% at December 31, 2025.

Secured Credit Facilities

On December 1, 2022, EVERTEC and EVERTEC Group, entered into a credit agreement with a syndicate of lenders and Truist Bank, as administrative agent and collateral agent, providing for a $415.0 million term loan A facility (the "TLA Facility") that matures on December 1, 2027, and a $200.0 million revolving credit facility (the "Revolving Facility") that matures on December 1, 2027 (the "Credit Agreement"). Under the Revolving Facility the Company may request up to $20.0 million as part of the swingline, which consists of short-term borrowings, that allows the Company to obtain same-day, short-duration advances to address immediate liquidity needs. On October 30, 2023, EVERTEC and EVERTEC Group entered into a first amendment to the Credit Agreement with a syndicate of lenders and Truist, as administrative agent and collateral agent, providing for (i) additional term A loans in the amount of $60.0 million and a new tranche of term loan B commitments in the amount of $600.0 million maturing October 30, 2030 (the "TLB Facility"). On May 16, 2024, November 26, 2024 and August 12, 2025, EVERTEC and EVERTEC Group entered into second, third and fourth amendments to its Credit Agreement, each providing for a pricing reduction to its TLB Facility. On November 25, 2025, EVERTEC and EVERTEC Group entered into the fifth amendment to its Credit Agreement which provides for an additional $150.0 million under the TLB Facility. On May 18, 2026, EVERTEC and EVERTEC Group entered into the sixth amendment to its Credit Agreement which provides for an additional $185.0 million under the TLB Facility.

At September 30, 2026, the unpaid principal balance of the TLA Facility and TLB Facility were $387.8 million and $875.0 million, respectively. At September 30,2026, the outstanding balance of the Revolving Facility was $30.0 million and the additional borrowing capacity for the Revolving Facility was $164.4 million, considering letters of credit issued. The Company issues letters of credit against the Revolving Facility which reduce the additional borrowing capacity of the Revolving Facility.

Deferred Consideration from Business Combinations

As part of the Company's merger and acquisition activities, the Company may enter into agreements by which a portion of the purchase price is financed directly by the seller. At September 30, 2026 and December 31, 2025, the unpaid principal balance of these agreements amounted to $2.8 million and $6.2 million, respectively. Obligations bear interest at rates ranging from 8.2% to 12.9% with maturities ranging from November 2026 through July 2032. The current portion of the deferred consideration is included in accounts payable and the long-term portion is included in other-long term liabilities on the Company's unaudited condensed consolidated balance sheet.

Note Payable

In September 2023, EVERTEC Group entered into a non-interest bearing financing agreement amounting to $10.1 million to purchase software and maintenance which the Company recorded on a discounted basis using an implied interest of 6.9%. As of September 30, 2026, the outstanding principal balance of the note payable on a discounted basis was $5.0 million. The current portion of the note is included in accounts payable and the long-term portion is included in other long-term liabilities on the Company's unaudited condensed consolidated balance sheet.

Interest Rate Swaps

As of September 30, 2026, the Company has three interest rate swap agreements which convert a portion of the interest rate payments on the Company's Facilities from variable to fixed. The interest rate swaps are used to hedge the market risk from changes in interest rates corresponding with the Company's variable rate debt. The interest rate swaps are designated as cash flow hedges and are considered highly effective. Cash flows from the interest rate swaps are included in the accrued liabilities and accounts payable line item in the Company's unaudited condensed consolidated statements of cash flows. Changes in the fair value of the interest rate swaps are recognized in other comprehensive income until the gains or losses are reclassified to earnings. Gains or losses reclassified to earnings are presented within interest expense in the accompanying unaudited condensed consolidated statements of income and comprehensive income.

Swap Agreement	Effective date	Maturity Date	Notional Amount	Variable Rate	Fixed Rate
2023 Swap	November 2024	December 2027	$250 million	1-month SOFR	3.375%
2024 Swap	March 2024	October 2027	$150 million	1-month SOFR	4.182%
2024 Swap	March 2024	October 2027	$150 million	1-month SOFR	4.172%

At September 30, 2026, the carrying amount of the derivatives included on the Company's unaudited condensed consolidated balance sheet was an asset of $4.1 million. At December 31, 2025, the carrying amount of the derivatives was a liability of

$5.2 million. The fair value of these derivatives are estimated using Level 2 inputs in the fair value hierarchy on a recurring basis. Refer to Note 9 - *Equity* for disclosure of gains (losses) recorded on cash flow hedging activities.

During the three and nine months ended September 30, 2026, the Company reclassified gains of $0.2 million and $0.6 million, from accumulated other comprehensive loss into interest expense compared to gains of $0.8 million and $2.3 million for the corresponding period in 2025. Based on expected SOFR rates, the Company expects to reclassify gains of $3.5 million from accumulated other comprehensive loss into interest expense over the next 12 months.

Note 7 – Financial Instruments and Fair Value Measurements

Recurring Fair Value Measurements

The following table presents assets and liabilities measured at fair value on a recurring basis at September 30, 2026 and December 31, 2025:

(In thousands)	September 30, 2026				December 31, 2025			
	Level 2	Level 3	Measured at NAV	Total	Level 2	Level 3	Measured at NAV	Total
Financial assets:								
Debt securities AFS	$ 3,974	$ —	$ —	$ 3,974	$ 3,202	$ —	$ —	$ 3,202
Equity securities	—	—	6,058	6,058	—	—	5,849	5,849
Interest rate swaps	4,128	—	—	4,128	—	—	—	—
Financial liabilities:								
Interest rate swaps	—	—	—	—	5,225	—	—	5,225

Debt Securities Available for Sale ("AFS")

Costa Rica government obligations are held by a trust in the Costa Rica National Bank as a collateral requirement for settlement activities. The Company may substitute securities as needed but must maintain certain levels of collateral based on transaction volumes. The Company purchased debt securities amounting to $0.9 million during the nine month period ended September 30, 2026, and $1.8 million for the corresponding period in 2025. Debt securities amounting to $0.3 million matured during the nine month period ended September 30, 2026, $1.0 million matured for the corresponding period in 2025. No debt securities were sold during the nine month periods ended September 30, 2026 or 2025. A provision for credit losses was not required for either September 30, 2026 or 2025.

The fair value of debt securities is estimated based on observable inputs through corroboration with market data at the measurement date, therefore classified as a Level 2 asset within the fair value hierarchy.

Interest rate swaps

The fair value of the Company's interest rate swaps are estimated using Level 2 inputs under the fair value hierarchy. Refer to Note 6 - *Debt and Short-term Borrowings* for additional information related to the derivative instruments.

Equity Securities Measured at Net Asset Value (NAV)

At September 30, 2026 and December 31, 2025, the Company holds mutual funds classified as equity securities on the Company's unaudited condensed consolidated balance sheet that are measured at fair value using the NAV per share, or its equivalent, as a practical expedient. Mutual funds consist of investments in venture capital strategies and start-ups with a focus on privately held technology companies. The NAV is based on the fair value of the underlying net assets owned by the mutual funds and the relative interest of each participating investor in the fair value of the underlying assets.

Financial assets and liabilities not measured at fair value

The following table presents the carrying value and estimated fair value for financial instruments at September 30, 2026 and December 31, 2025:

(In thousands)	September 30, 2026 Carrying Amount	September 30, 2026 Fair Value	December 31, 2025 Carrying Amount	December 31, 2025 Fair Value
Financial liabilities:				
2027 Term A Loan Facility	$ 386,644	$ 384,928	$ 403,770	$ 405,737
2030 Term B Loan Facility	$ 858,803	$ 868,438	$ 673,127	$ 690,000
Revolving Facility	$ 30,000	$ 30,000	$ 10,000	$ 10,000

The fair value of the term loans and the revolving facility at September 30, 2026 and December 31, 2025 was obtained using prices provided by third party service providers. Their pricing is based on various inputs such as market quotes, recent trading activity in a non-active market or imputed prices. These inputs are considered Level 3 inputs under the fair value hierarchy. Also, the pricing may include the use of an algorithm that could take into account movements in the general high yield market, among other variants. The secured term loans are not accounted for at fair value in the balance sheet.

Note 8 – Redeemable Noncontrolling Interests

At September 30, 2026, redeemable noncontrolling interests ("RNCI") consist of interests in consolidated subsidiaries for which the Company has entered into separate option contracts by which the Company has the right to purchase the remaining non-controlling interests through a call option and the non-controlling interest holder has the right to sell the non-controlling interest to the Company through a put option.

The following table summarizes the terms of the issued options:

	Percentage of redeemable noncontrolling interest	Earliest exercise date	Formula of redemption value
Lote45 Participacoes S.A.	43.68%	January 1, 2027	Variable multiple of net sales dependent upon EBITDA margin attained plus net debt minus BRL$10.0 million times percentage of ownership
Tecnobank Tecnologia Bancária S.A.	25.00%	April 30, 2029	Variable multiple of EBITDA dependent upon Net Revenue and EBITDA Margin less net debt at the payment date times percentage of ownership
Connecting Blocks Consultoria S.A. (BBChain)	33.00%	January 1, 2030	Variable multiple of Adjusted EBITDA dependent upon Net Revenue and Adjusted EBITDA Margin times percentage of ownership

Given certain provisions within the option contracts, the Company has classified the RNCI as mezzanine equity on the Company's unaudited condensed consolidated balance sheets. RNCI are adjusted quarterly, if necessary, to their estimated redemption value. Adjustments to the redemption value impact stockholders' equity. The following table presents changes in RNCI for the nine months ended September 30, 2026 and the twelve months ended December 31, 2025:

(In thousands)	Redeemable noncontrolling interests	
	September 30, 2026	December 31, 2025
Beginning balance	$ 89,155	$ 43,460
Fair value of redeemable non-controlling interest at acquisition date	1,758	53,569
Net income attributable non-controlling interests	4,129	3,177
Acquisition of shares from non-controlling interest	(22,379)	(7,276)
Adjustment of redeemable non-controlling interests to redemption value	13,964	1,180
Dividends declared on redeemable non-controlling interests	(4,715)	(4,976)
Foreign currency translation adjustments	(55)	21
Ending balance	$ 81,857	$ 89,155

During the nine month period ended September 30, 2026, certain non-controlling interest holders exercised their Lote45 Participacoes S.A put options, and accordingly the Company acquired an additional 4.32% ownership interest in Lote45 Participacoes S.A. This transaction did not result in a change in control and was accounted for as an equity transaction, with a $0.7 million decrease to accumulated earnings reflected on the Company's unaudited condensed consolidated balance sheet for the difference between the carrying value of the redeemable noncontrolling interest at the date of purchase and the consideration paid. The payment of approximately $2.4 million for the acquisition of the redeemable noncontrolling interest is classified as a financing activity within the condensed consolidated statements of cash flows.

During the same period, the Company also acquired the remaining 49% ownership interest in Rosk Software S.A. and the remaining 40% ownership interest in Compliasset Software e Soluções Digitais Ltda. As none of these transactions resulted in a change of control, they were accounted for as equity transactions in accordance with ASC 810. In connection with the acquisitions of Rosk Software S.A. and Compliasset Software e Soluções Digitais Ltda, the carrying value of the redeemable noncontrolling interest at the dates of purchase approximated the consideration paid. Cash payments of approximately $17.8 million and $2.9 million, respectively, related to these acquisitions are classified as financing activities in the Company's condensed consolidated statements of cash flows.

Note 9 – Equity

Accumulated Other Comprehensive Loss

The following table provides a summary of the changes in the balances of accumulated other comprehensive loss for the nine months ended September 30, 2026:

(In thousands)	Foreign Currency Translation Adjustments	Cash Flow Hedges	Unrealized Gains on Debt Securities AFS	Total
Balance - December 31, 2025, net of tax	$ (63,416)	$ (3,331)	$ 39	$ (66,708)
Other comprehensive income before reclassifications	50,319	6,380	19	56,718
Effective portion reclassified to net income	—	605	—	605
Balance - September 30, 2026, net of tax	$ (13,097)	$ 3,654	$ 58	$ (9,385)

Note 10 – Share-based Compensation

Long-term Incentive Plan ("LTIP")

During the periods ended March 31, 2024, 2025 and 2026, the Compensation Committee (the "Compensation Committee") of the Company's Board of Directors ("Board") approved grants of restricted stock units (“RSUs”) to executives and certain employees pursuant to the 2024 LTIP, 2025 LTIP and 2026 LTIP, respectively, all under the terms of the Company's 2022 Equity Incentive Plan. Under the LTIPs, the Company granted RSUs to eligible participants as time-based awards and/or performance-based awards.

The vesting of the RSUs is dependent upon service and/or performance conditions as defined in the award agreements. Employees that received time-based awards with service conditions are entitled to receive a specific number of shares of the Company’s common stock on the vesting date if the employee provides services to the Company through the vesting date. Time-based awards generally vest over a period of three years in substantially equal installments commencing on the grant date and ending on February 28 of each year for the 2024 LTIP, February 28 of each year for the 2025 LTIP and March 5 of each year for the 2026 LTIP. In 2024, 2025 and 2026 the Company also granted time-based awards with a three year service vesting period which will vest on February 28, 2027, February 28, 2028 and March 5, 2029, respectively.

For the performance-based awards under the 2024 LTIP, the Compensation Committee established adjusted earnings before interest, income taxes, depreciation and amortization ("Adjusted EBITDA") as the primary performance measure while maintaining focus on total shareholder return through the use of a market-based total shareholder return ("TSR") performance modifier. The Adjusted EBITDA measure is based on annual Adjusted EBITDA targets and can result in a payout between 0% and 200%, depending on the performance level. The TSR modifier adjusts the shares earned based on the Adjusted EBITDA performance upwards or downwards (+/- 25%) based on the Company’s relative TSR at the end of the three-year performance period as compared to the companies in the Russell 2000 Index. The Adjusted EBITDA performance measure will be calculated for the one-year period commencing on January 1 of the year of the grant and ending on December 31 of the same year, relative to the goals set by the Compensation Committee for this same period. The shares earned will be subject to an additional two-year service vesting period and will vest on February 28, 2027 for the 2024 LTIP.

For the performance-based awards under the 2025 LTIP and 2026 LTIP, the Compensation Committee established adjusted earnings before interest, income taxes, depreciation and amortization ("Adjusted EBITDA"), measured on a constant currency basis, which means results are calculated using consistent exchange rates to facilitate period-to-period comparability, as the primary performance measure while ensuring focus on total shareholder return through the use of a market-based TSR performance modifier. For the 2025 LTIP, Adjusted EBITDA measure is based on annual Adjusted EBITDA targets and can result in a payout between 0% and 200%, depending on the performance level. The TSR modifier adjusts the shares earned based on the Adjusted EBITDA performance upwards or downwards (+/- 25%) based on the Company’s relative TSR at the end of the three-year performance period as compared to the companies in the Russell 2000 Index. For 2026 LTIP, the Compensation Committee approved a change in the Adjusted EBITDA performance modifier to be (+/-35%) based on the Company’s relative TSR performance at the end of the applicable three-year performance period. The Adjusted EBITDA performance measure will be calculated for the one-year period commencing on January 1 of the year of the grant and ending on December 31 of the same year, relative to the goals set by the Compensation Committee for this same period. For the 2025 LTIP, the shares earned will be subject to an additional two-year service vesting period and will vest on February 28, 2028. For the 2026 LTIP, the shares earned will be subject to an additional three-year service vesting period and will vest on March 5,

2029. Unless otherwise specified in the award agreement, or in an employment agreement, awards are forfeited if the employee voluntarily ceases to be employed by the Company prior to vesting.

The following table summarizes nonvested RSUs activity for the nine months ended September 30, 2026:

Nonvested RSUs	Shares	Weighted-average grant date fair value
Nonvested at December 31, 2025	2,034,626	$ 38.59
Granted	1,229,052	31.10
Vested	(847,237)	38.63
Forfeited	(72,569)	34.53
Nonvested at September 30, 2026	2,343,872	$ 34.78

For the three and nine months ended September 30, 2026, the Company recognized $8.3 million and $24.0 million of share-based compensation expense, compared with $7.7 million and $22.2 million for the corresponding period in 2025.

As of September 30, 2026, the maximum unrecognized cost for RSUs was $47.7 million. The cost is expected to be recognized over a weighted average period of 1.9 years.

Note 11 – Revenues

Disaggregation of Revenue

The Company disaggregates revenue from contracts with customers into primary geographical markets, nature of the products and services, and timing of transfer of goods and services. The Company's operating segments are determined by the nature of the products and services the Company provides and the primary geographical markets in which the Company operates. Revenue disaggregated by segment is discussed in Note 16 - *Segment Information*.

In the following tables, revenue for each segment, excluding intersegment revenues, is disaggregated by timing of revenue recognition for the periods indicated.

	Three months ended September 30, 2026				
(In thousands)	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total
Timing of revenue recognition					
Products and services transferred at a point in time	$ 80	$ 4,400	$ —	$ 730	$ 5,210
Products and services transferred over time	39,009	129,930	51,005	57,840	277,784
	$ 39,089	$ 134,330	$ 51,005	$ 58,570	$ 282,994

	Three months ended September 30, 2025				
(In thousands)	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total
Timing of revenue recognition					
Products and services transferred at a point in time	$ 53	$ 1,918	$ —	$ 2,173	$ 4,144
Products and services transferred over time	36,687	81,497	46,753	59,506	224,443
	$ 36,740	$ 83,415	$ 46,753	$ 61,679	$ 228,587

(In thousands)	Nine months ended September 30, 2026				
	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total
Timing of revenue recognition					
Products and services transferred at a point in time	$ 159	$ 10,367	$ —	$ 3,482	$ 14,008
Products and services transferred over time	117,606	348,961	151,711	173,451	791,729
	$ 117,765	$ 359,328	$ 151,711	$ 176,933	$ 805,737

(In thousands)	Nine months ended September 30, 2025				
	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total
Timing of revenue recognition					
Products and services transferred at a point in time	$ 134	$ 5,616	$ —	$ 7,766	$ 13,516
Products and services transferred over time	112,036	235,744	141,694	183,996	673,470
	$ 112,170	$ 241,360	$ 141,694	$ 191,762	$ 686,986

Revenue concentration with a single customer, Popular, as a percentage of total revenues for the quarters ended September 30, 2026 and 2025 was approximately 22% and 29%, respectively. For the nine months ended September 30, 2026 and 2025 this percentage was approximately 24% and 30%, respectively. Accounts receivable from Popular at September 30, 2026 and December 31, 2025 amounted to $38.3 million and $41.4 million, respectively.

Contract Balances

Contract assets of the Company arise when the Company has a contract with a customer for which revenue has been recognized (i.e., goods or services have been transferred), but the customer payment is subject to a future event (i.e., satisfaction of additional performance obligations). Contract assets will be considered a receivable when the rights to consideration of the Company become unconditional (i.e., the Company has a present right to payment). The current portion of contract assets is recorded as part of prepaid expenses and other assets, and the long-term portion is included in other long-term assets in the unaudited condensed consolidated balance sheets. Contract assets at September 30, 2026 and December 31, 2025 amounted to $20.2 million and $13.9 million, respectively.

Contract liability and Contract liability - long term, at September 30, 2026 amounted to $31.1 million and $30.6 million, respectively. Contract liability and Contract liability - long term, at December 31, 2025 amounted to $26.6 million and $47.0 million, respectively. Contract liability is mainly comprised of upfront fees for implementation or set up activities, including fees invoiced in pre-production periods in connection with hosting services, as well as amounts related to contracts entered into concurrently with the close of the Popular Transaction in the fiscal year 2022. Contract liability may also arise when consideration is received or due in advance from customers prior to performance. During the three and nine month period ended September 30, 2026, the Company recognized revenue of $7.6 million and $29.0 million that was included in the Contract liability at December 31, 2025. During the three and nine month period ended September 30, 2025, the Company recognized revenue of $5.4 million and $23.8 million that was included in the Contract liability at December 31, 2024.

Transaction price allocated to the remaining performance obligations

Revenues from recurring transaction-based and processing services represent the majority of the Company's total revenue. The Company recognizes revenues from recurring transaction-based and processing services over time at the amounts in which the Company has right to invoice, which corresponds directly to the value to the customer of the Company's performance completed to date.

The Company has elected to apply the practical expedient permitted under ASC 606, when applicable. Under this practical expedient, the Company is not required to disclose information about remaining performance obligations if the performance

obligation is part of a contract with an original expected duration of one year or less or if the Company recognizes revenue at the amount to which it has a right to invoice. The Company also applies the practical expedient for variable consideration when the variable consideration is allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a single performance obligation.

For contracts excluded from the application of the practical expedients noted above, the estimated aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially satisfied at September 30, 2026 was $831.9 million, which is expected to be recognized over the next 5 years. The Company expects to recognize approximately 10% of the remaining performance obligations during 2026, approximately 36% during 2027, and the balance thereafter.

Note 12 – Current Expected Credit Losses

Allowance for Current Expected Credit Losses

Trade receivables from contracts with customers are financial assets analyzed by the Company under the expected credit loss model. To measure expected credit losses, trade receivables are grouped based on shared risk characteristics (i.e., the relevant industry sector and customer's geographical location) and days past due (i.e., delinquency status), while considering the following:

- Customers in the same geographical location share similar risk characteristics associated with the macroeconomic environment of their country.
- The Company has two main industry sectors: private and governmental. The private pool is comprised mainly of leading financial institutions, merchants and corporations, while the governmental pool is comprised of government agencies. Governmental customers possess different risk characteristics than private customers because although all invoices are due 30 days after issuance, governmental customers usually pay within 60 to 90 days after issuance.
- The expected credit loss rate is likely to increase as receivables move to older aging buckets. The Company used the following aging categories to estimate the risk of delinquency status: (i) 0 days past due; (ii) 1-30 days past due; (iii) 31-60 days past due; (iv) 61-90 days past due; and (v) over 90 days past due.

The credit losses of the Company's trade receivables have been historically low and most balances are collected within one year. Therefore, the Company determined that the expected loss rates should be calculated using the historical loss rates adjusted by macroeconomic factors. The historical rates are calculated for each of the aging categories used for pooling trade receivables. To determine the collected portion of each bucket, the collection time of each trade receivable is identified, to estimate the proportion of outstanding balances per aging bucket that ultimately will not be collected. This is used to determine the expectation of losses based on the history of uncollected trade receivables once the specific past due period is surpassed. The historical rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of customers to settle the receivables by applying a country risk premium as the forward-looking macroeconomic factor. Specific reserves are established for certain customers for which collection is doubtful.

Roll-forward of the Allowance for Expected Current Credit Losses

The following table provides information about the allowance for expected current credit losses on trade receivables for the nine months ended September 30, 2026 and the year ended December 31, 2025:

(In thousands)	September 30, 2026	December 31, 2025
Balance at beginning of period	$ 3,208	$ 2,856
Current period provision for expected credit losses	3,996	727
Write-offs	(1,658)	(379)
Recoveries of amounts previously written-off	—	4
Balance at end of period	$ 5,546	$ 3,208

The Company does not have a delinquency threshold for writing-off trade receivables. The Company has a formal process for the review and approval of write-offs.

Impairment losses on trade receivables are presented as net impairment losses within cost of revenue, exclusive of depreciation and amortization in the unaudited condensed consolidated statements of income and comprehensive income. Subsequent recoveries of amounts previously written-off, when applicable, are credited against the allowance for expected current credit losses within accounts receivable, net on the unaudited condensed consolidated balance sheets.

Note 13 – Income Tax

The effective tax rate for the three and nine months ended September 30, 2026 was 10.1% and 30.8%, respectively, compared to (0.1)% and 7.1% for the corresponding periods in 2025. The effective tax rate for the three months ended September 30, 2026 was lower than the applicable statutory corporate income tax rate of 37.5%, primarily driven by the benefits of the Company's tax exemption decree in Puerto Rico and the geographic mix of taxable income. The effective tax rate for the nine months ended September 30, 2026 was also impacted by discrete tax items that occurred during the second quarter of 2026, including taxes associated with a dividend distribution from a foreign subsidiary as part of the Company's capital allocation and funding strategy used to partially fund the acquisition of Dimensa, as well as a valuation allowance recorded against capital losses generated by impairment charges related to the Company's strategic decision to exit an Investment in equity investee as described in Note 3 - Investment in Equity Investees.

The Organization for Economic Co-operation and Development Inclusive Framework on Base Erosion and Profit Shifting Pillar Two Model Rules ("Pillar Two") for a global minimum tax were effective for the Company beginning January 1, 2026. Many countries have enacted certain aspects of the Pillar Two framework. Entities operating in countries where Pillar Two has been enacted are required to estimate Pillar Two top-up tax obligations, as applicable.

For the three and nine months ended September 30, 2026, the Company did not estimate material Pillar Two top-up tax obligations impacting the Company's estimated annual effective tax rate. The Company will continue to evaluate the impact of proposed and enacted Pillar Two legislation based on its results and in particular the application of the qualified domestic minimum tax in Brazil.

Note 14 – Net Income Per Common Share

The reconciliation of the numerator and the denominator of net income per common share is as follows:

	Three months ended September 30,		Nine months ended September 30,	
(In thousands, except per share information)	**2026**	**2025**	**2026**	**2025**
Net income available to EVERTEC, Inc.'s common shareholders	$ 29,872	$ 32,861	$ 59,028	$ 106,029
Weighted average common shares outstanding	59,525,183	63,982,424	60,737,496	63,917,639
Weighted average potential dilutive common shares [1]	896,228	783,876	686,939	774,902
Weighted average common shares outstanding - assuming dilution	60,421,411	64,766,300	61,424,435	64,692,541
Net income per common share - basic	$ 0.50	$ 0.51	$ 0.97	$ 1.66
Net income per common share - diluted	$ 0.49	$ 0.51	$ 0.96	$ 1.64

(1) Potential common shares consist of common stock issuable under RSUs awards using the treasury stock method.

On February 19, 2026, the Company's Board declared quarterly cash dividends of $0.05 per share of common stock, which was paid on March 6, 2026 to stockholders of record as of March 2, 2026. On April 30, 2026, the Company's Board declared quarterly cash dividends of $0.05 per share of common stock, which was paid on June 5, 2026 to stockholders of record as of May 11, 2026. On July 23, 2026, the Company's Board declared quarterly cash dividends of $0.05 per share of common stock, which was paid on September 4, 2026 to stockholders of record as of August 3, 2026.

Note 15 – Commitments and Contingencies

EVERTEC is a defendant in a number of legal proceedings arising in the ordinary course of business. Based on the opinion of legal counsel and other factors, management believes that the final disposition of these matters will not have a material adverse effect on the business, results of operations, financial condition, or cash flows of the Company. The Company has identified certain claims in which a loss may be incurred, but in the aggregate the loss would be inconsequential. For other claims, where the proceedings are in an initial phase, the Company is unable to estimate the range of possible loss, if any, at this time, but management believes that any loss related to such claims will not be material.

Note 16 – Segment Information

The Company operates in four operating and reportable business segments: Payment Services - Puerto Rico & Caribbean, Latin America Payments and Solutions, Merchant Acquiring, and Business Solutions based upon organization of the Company by the nature of products and services provided to customers and geography.

The Payment Services - Puerto Rico & Caribbean segment revenues are comprised of revenues related to providing access to the ATH debit network and other card networks to financial institutions, including related services such as authorization, processing, management and recording of ATM and point of sales (POS) transactions, and ATM management and monitoring. The segment revenues also include revenues from card processing services (such as credit and debit card processing, authorization and settlement and fraud monitoring and control to debit or credit issuers), payment processing services (such as payment and billing products for merchants, government entities, businesses and financial institutions), ATH Movil (person-to-person) and ATH Business (person-to-merchant) digital transactions and EBT (which principally consist of services to the government of Puerto Rico for the delivery of benefits to participants). For ATH debit network and processing services, revenues are primarily driven by the number of transactions processed. Revenues are derived primarily from network fees, transaction switching and processing fees, and the leasing of POS devices. For card issuer processing, revenues are primarily dependent upon the number of cardholder accounts on file, transactions and authorizations processed, the number of cards embossed and other processing services. For EBT services, revenues are primarily derived from the number of beneficiaries on file.

The Latin America Payments and Solutions segment payment revenues consist of revenues related to providing access to the ATH network of ATMs and other card networks to financial institutions, including related services such as authorization, processing, management and recording of ATM and POS transactions, and ATM management and monitoring. The segment revenues also include revenues from card processing services (such as credit and debit card processing, authorization and settlement and fraud monitoring and control to debit or credit issuers), payment processing services (such as payment and billing products for merchants, businesses and financial institutions), as well as licensed software solutions for risk and fraud management and card payment processing. For network and processing services, revenues are primarily driven by the number of transactions processed. Revenues are derived primarily from transaction switching, processing fees, and the leasing of POS devices. For card issuer processing, revenues are primarily dependent upon the number of cardholder accounts on file, transactions and authorizations processed, the number of cards embossed, and other processing services. Solutions revenues consist of (a) licensing, support and maintenance (“subscription”), implementation and customization of software used to provide financial products in areas such as core banking, credit, investments, payments, foreign exchange, mutual funds, pension funds, consortium and insurance, in addition to software used to execute processes such as digital onboarding, digital signature, digital collection, and other digital transaction-related processes, including vehicle financing contract registration; and (b) outsourcing of mission critical IT services. Revenues are based on monthly fixed fees and, in several cases, variable fees based on usage.

The Merchant Acquiring segment consists of revenues from services that allow merchants to accept electronic methods of payment. In the Merchant Acquiring segment, revenues include a discount fee and membership fees charged to merchants, debit network fees and rental fees from POS devices and other equipment, net of credit card interchange and assessment fees charged by credit cards associations (such as VISA or MasterCard) or payment networks. The discount fee is generally a percentage of the transaction value. EVERTEC also charges merchants for other services that are unrelated to the number of transactions or the transaction value.

The Business Solutions segment consists of revenues from a full suite of business process management solutions in various product areas such as core bank processing, network hosting, managed services and managed security services, IT professional services, business process outsourcing, item processing, cash processing, and fulfillment. Core bank processing and network services revenues are derived in part from a recurrent fixed fee and from fees based on the number of accounts on file (i.e., savings or checking accounts, loans, etc.), server capacity usage or computer resources utilized. Revenues from other processing services within the Business Solutions segment are generally volume-based and depend on factors such as the number of accounts processed. In addition, EVERTEC is a reseller of hardware and software products and these resale transactions are generally non-recurring.

The Company’s Chief Operating Decision Maker ("CODM") is the President and Chief Executive Officer (“CEO”). The CODM uses revenue and Segment Adjusted EBITDA to evaluate segment performance and allocate resources, and regularly reviews performance at the segment level against budget and forecast when making decisions about the allocation of resources to each segment. Segment Adjusted EBITDA reviewed by the CODM is calculated as EBITDA further adjusted to exclude certain non-cash unrealized items and unusual expenses such as: share-based compensation, restructuring related expenses, fees and expenses from corporate transactions such as M&A activity and financing, equity investment income net of dividends

received, and the impact from non-cash unrealized gains and losses on foreign currency remeasurement for assets and liabilities in non-functional currency. Segment Adjusted EBITDA is presented in conformity with ASC Topic 280, *Segment Reporting*, given that it is used by the CODM for purposes of evaluating performance and allocating resources.

The Company does not report assets or other balance sheet information to the CODM on a segment basis as the Company's CODM does not assess performance, make strategic decisions, or allocate resources based on this information. No segment expense information is regularly provided to the CODM and therefore the Company does not report significant segment expenses.

Expense information that is regularly provided to the CODM on a consolidated financial statement basis include personnel costs, professional fees, technology expenses and cost of sales, adjusted primarily for the impact of share-based compensation, restructuring related expenses, and fees and expenses from corporate transactions such as M&A activity and financing.

The following tables set forth information about the Company's operations by its four reportable segments for the periods indicated:

	Three months ended September 30, 2026				
(In thousands)	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total Reportable Segments
Total revenues	$ 39,089	$ 134,330	$ 51,005	$ 58,570	$ 282,994
Intersegment revenues	21,055	9,292	—	—	30,347
Total segment revenues[1]	60,144	143,622	51,005	58,570	313,341
Less: Other segment items[2]	(25,956)	(100,375)	(29,564)	(37,971)	(193,866)
Segment Adjusted EBITDA	$ 34,188	$ 43,247	$ 21,441	$ 20,599	$ 119,475

(1) Total segment revenues include intersegment revenues eliminated on a consolidated basis. Intersegment revenue eliminations predominantly reflect the $16.2 million processing fee from Payments Services - Puerto Rico & Caribbean to Merchant Acquiring, intercompany software developments and transaction-processing of $9.3 million from Latin America Payments and Solutions to both Payment Services- Puerto Rico & Caribbean and Business Solutions, and transaction-processing and monitoring fees of $4.9 million from Payment Services - Puerto Rico & Caribbean to Latin America Payments and Solutions.

(2) For each reportable segment, other segment items category includes: cost of revenues and selling, general and administrative expenses, exclusive of depreciation and amortization. These amounts are adjusted to exclude certain items such as: share-based compensation costs, severance payments, equity investment income net of dividends received and nonrecurring impairment charges, foreign currency remeasurement for assets and liabilities in non-functional currency, and expenses from corporate transactions as defined in the Credit Agreement to determine Segment Adjusted EBITDA.

	Three months ended September 30, 2025				
(In thousands)	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total Reportable Segments
Total revenues	$ 36,740	$ 83,415	$ 46,753	$ 61,679	$ 228,587
Intersegment revenues	18,504	6,963	—	—	25,467
Total segment revenues[1]	55,244	90,378	46,753	61,679	254,054
Less: Other segment items[2]	(25,370)	(65,952)	(28,142)	(36,579)	(156,043)
Segment Adjusted EBITDA	$ 29,874	$ 24,426	$ 18,611	$ 25,100	$ 98,011

(1) Total segment revenues include intersegment revenues eliminated on a consolidated basis. Intersegment revenue eliminations predominantly reflect the $14.9 million processing fee from Payments Services - Puerto Rico & Caribbean to Merchant Acquiring, intercompany software developments and transaction-processing of $7.0 million from Latin America Payments and Solutions to both Payment Services - Puerto Rico & Caribbean and Business Solutions, and transaction-processing and monitoring fees of $3.6 million from Payment Services - Puerto Rico & Caribbean to Latin America Payments and Solutions.

(2) For each reportable segment, other segment items category includes: cost of revenues and selling, general and administrative expenses, exclusive of depreciation and amortization. These amounts are adjusted to exclude certain items such as: share-based compensation costs, severance payments, equity investment income net of dividends received, foreign currency remeasurement for assets and liabilities in non-functional currency, and expenses from corporate transactions as defined in the Credit Agreement to determine Segment Adjusted EBITDA.

(In thousands)	Nine months ended September 30, 2026				
	Payment Services - Puerto Rico & Caribbean	Latin America Payment and Solutions	Merchant Acquiring, net	Business Solutions	Total Reportable Segments
Total revenues	$ 117,765	$ 359,328	$ 151,711	$ 176,933	$ 805,737
Intersegment revenues	61,693	25,497	—	—	87,190
Total segment revenues[1]	179,458	384,825	151,711	176,933	892,927
Less: Other segment items[2]	(73,636)	(269,122)	(88,947)	(112,141)	(543,846)
Segment Adjusted EBITDA	$ 105,822	$ 115,703	$ 62,764	$ 64,792	$ 349,081

(1) Total segment revenues include intersegment revenues eliminated on a consolidated basis. Intersegment revenue eliminations predominantly reflect the $48.0 million processing fee from Payments Services - Puerto Rico & Caribbean to Merchant Acquiring, intercompany software developments and transaction-processing of $25.5 million from Latin America Payments and Solutions to both Payment Services - Puerto Rico & Caribbean and Business Solutions, and transaction-processing and monitoring fees of $13.8 million from Payment Services - Puerto Rico & Caribbean to Latin America Payments and Solutions.

(2) For each reportable segment, other segment items category includes: cost of revenues and selling, general and administrative expenses, exclusive of depreciation and amortization. These amounts are adjusted to exclude certain items such as: share-based compensation costs, severance payments, equity investment income net of dividends received and nonrecurring impairment charges, foreign currency remeasurement for assets and liabilities in non-functional currency, and expenses from corporate transactions as defined in the Credit Agreement to determine Segment Adjusted EBITDA.

(In thousands)	Nine months ended September 30, 2025				
	Payment Services - Puerto Rico & Caribbean	Latin America Payment and Solutions	Merchant Acquiring, net	Business Solutions	Total Reportable Segments
Total revenues	$ 112,170	$ 241,360	$ 141,694	$ 191,762	$ 686,986
Intersegment revenues	$ 54,652	$ 18,848	$ —	$ —	73,500
Total segment revenues[1]	166,822	260,208	141,694	191,762	760,486
Less: Other segment items[2]	(72,482)	(187,537)	(82,722)	(118,419)	(461,160)
Segment Adjusted EBITDA	$ 94,340	$ 72,671	$ 58,972	$ 73,343	$ 299,326

(1) Total segment revenues include intersegment revenues eliminated on a consolidated basis. Intersegment revenue eliminations predominantly reflect the $44.1 million processing fee from Payments Services - Puerto Rico & Caribbean to Merchant Acquiring, intercompany software developments and transaction-processing of $18.8 million from Latin America Payments and Solutions to both Payment Services - Puerto Rico & Caribbean and Business Solutions, and transaction-processing and monitoring fees of $10.6 million from Payment Services - Puerto Rico & Caribbean to Latin America Payments and Solutions.

(2) For each reportable segment, other segment items category includes: cost of revenues and selling, general and administrative expenses, exclusive of depreciation and amortization. These amounts are adjusted to exclude certain items such as: share-based compensation costs, severance payments, equity investment income net of dividends received, foreign currency remeasurement for assets and liabilities in non-functional currency, and expenses from corporate transactions as defined in the Credit Agreement to determine Segment Adjusted EBITDA.

The reconciliation of Segment Adjusted EBITDA to consolidated income before income taxes is as follows:

(In thousands)	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Segment Adjusted EBITDA	$ 119,475	$ 98,011	$ 349,081	$ 299,326
Elimination of intersegment revenues	(30,347)	(25,467)	(87,190)	(73,500)
Other corporate expenses[1]	21,363	20,069	54,981	48,789
Compensation and benefits[2]	(9,083)	(8,319)	(31,862)	(27,727)
Transaction, refinancing and other fees[3]	(4,076)	(7,723)	(13,514)	(7,347)
(Losses) earnings of equity method investments, net of dividends received[4]	(1,073)	(2,129)	(7,395)	815
(Loss) gain on foreign currency remeasurement[5]	(222)	(60)	(4,646)	455
Interest income	4,164	4,016	11,751	10,346
Interest expense	(21,511)	(16,534)	(59,132)	(50,241)
Depreciation and amortization	(43,627)	(28,435)	(120,881)	(85,217)
Income before income taxes	$ 35,063	$ 33,429	$ 91,193	$ 115,699

(1) The other corporate expenses category consists of corporate overhead expenses and other non-operating expenses that are not included in the reportable segment.
(2) Primarily represents share-based compensation and severance payments.
(3) Primarily represents fees and expenses associated with corporate transactions as defined in the Credit Agreement.
(4) Primarily represents the elimination of unrealized earnings from equity investments, net of dividends received and nonrecurring impairment charges.
(5) Represents non-cash unrealized gains (losses) on foreign currency remeasurement for assets and liabilities denominated in non-functional currencies.

Note 17 – Supplemental Statement of Cash Flows Information

Supplemental statement of cash flows information is as follows:

(In thousands)	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 55,388	$ 47,477
Cash paid for income taxes	44,966	27,555
Supplemental disclosure of non-cash activities:		
Payable due to vendor related to equipment and software acquired	9,498	7,387
Right-of-use assets obtained in exchange for operating lease liabilities	1,705	2,219

Reconciliation of cash, cash equivalents, restricted cash and cash included in settlement assets as presented on the cash flow statement was as follows:

(In thousands)	September 30, 2026	September 30, 2025
Cash and cash equivalents	$ 284,104	$ 474,738
Restricted cash	30,434	24,998
Cash and cash equivalents included in settlement assets	14,179	8,243
Cash, cash equivalents, restricted cash and cash included in settlement assets	$ 328,717	$ 507,979

Note 18 – Subsequent Events

On October 29, 2026, the Board declared a regular quarterly cash dividend of $0.05 per share on the Company's outstanding shares of common stock. The dividend is expected to be paid on December 4, 2026 to stockholders of record as of the close of business on November 9, 2026. The Board anticipates declaring this dividend in future quarters on a regular basis; however future declarations of dividends are subject to the Board's approval and may be adjusted as business needs or market conditions change.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") covers: (i) the results of operations for the three and nine months ended September 30, 2026 and 2025 and (ii) the financial condition as of September 30, 2026. You should read the following discussion and analysis in conjunction with the audited consolidated financial statements (the "Audited Consolidated Financial Statements") and related notes for the year ended December 31, 2025, included in the Company's Annual Report on Form 10-K as filed with the SEC on March 2, 2026 and with the unaudited condensed consolidated financial statements (the "Unaudited Condensed Consolidated Financial Statements") and related notes appearing elsewhere herein. This MD&A contains forward-looking statements that involve risks and uncertainties. Our actual results may differ from those indicated in the forward-looking statements. See "Forward-Looking Statements" for a discussion of the risks, uncertainties and assumptions associated with these statements.

Except as otherwise indicated or unless the context otherwise requires, (a) the terms "EVERTEC," "we," "us," "our," "our Company" and "the Company" refer to EVERTEC, Inc. and its subsidiaries on a consolidated basis and, (b) the term "EVERTEC Group" refers to EVERTEC Group, LLC and its predecessor entities and their subsidiaries on a consolidated basis. EVERTEC, Inc.'s subsidiaries include EVERTEC Group; EVERTEC Intermediate Holdings, LLC; EVERTEC Dominicana, SAS; Evertec Chile Holdings SpA; Evertec Chile SpA; Evertec Chile Global SpA; Evertec Chile Servicios Profesionales SpA; Paytrue S.A.; Caleidon; S.A.; Evertec Brasil Solutions Informática S.A. ("EVERTEC BR"); EVERTEC Panamá, S.A.; EVERTEC Costa Rica, S.A. ("EVERTEC CR"); Zunify Payments Ltda; EVERTEC Guatemala, S.A.; Evertec Colombia, SAS;, EVERTEC USA, LLC; OPG Technology Corp.; Evertec Placetopay, SAS ("PlacetoPay"); BBR Chile, SpA and BBR Perú, S.A.C.,(collectively "BBR"); Paysmart Pagamentos Eletronicos Ltda, Issuer Holding Ltda. and Issuer Instituição de Pagamentos Ltda (collectively "paySmart"); EVERTEC México Servicios de Procesamiento, S.A. de C.V.; Sinqia S.A.,Torq. Inovação Digital Ltda, Sinqia Tecnologia Ltda., Rosk Software S.A., Lote 45 Participações S.A., and Compliasset S.A. (collectively "Sinqia"); Grandata, LLC, Grandata Mexico, S.A. de C.V., Grandata USA, LLC and Big Data Analytics SA (collectively "Grandata"); Nubity S.R.L., Nubity LLC. and Nubity Cloud, S.A.P.I. de C.V. (collectively "Nubity"), Tecnobank Tecnologia Bancária S.A. ("Tecnobank"); Dimensa Ltda., Quiver Desenvolvimento Tecnologia Ltda., Quiver Soluções de Tecnologia Ltda.., RBM Web Sistemas Inteligentes Ltda. and Agger S.A. (collectively "Dimensa"); and Connecting Blocks Consultoria, S.A. ("BBChain"). Neither EVERTEC nor EVERTEC Intermediate Holdings, LLC conducts any operations other than with respect to its indirect or direct ownership of EVERTEC Group.

Overview

EVERTEC is a leading full-service transaction-processing business and financial technology provider in Latin America, Puerto Rico and the Caribbean, providing a broad range of merchant acquiring, payment services and business solutions. We believe we are one of the largest merchant acquirers in Latin America based on total number of transactions and we also believe we are the largest merchant acquirer in the Caribbean. We serve 29 countries and territories out of 20 offices, including our headquarters in Puerto Rico. We own and operate the ATH network, which we believe is one of the leading debit networks in Latin America. We process over ten billion transactions annually through a system of electronic payment networks in Puerto Rico and Latin America and provide a comprehensive suite of services for core banking, cash processing, fulfillment in Puerto Rico and a "one-stop shop" set of products for the financial sector in Latin America, which include solutions such as core banking, investments, asset management, pension funds, consortium and insurance. Additionally, we offer managed services, managed security services and payment transactions fraud monitoring to all the regions where we do business. We serve a diversified customer base of leading financial institutions, merchants, corporations, and government agencies with "mission-critical" technology solutions that enable them to issue, process and accept transactions securely. We believe our business is well-positioned to continue to expand across the fast-growing Latin America region.

We are differentiated, in part, by our diversified business model, which enables us to provide our varied customer base with a broad range of transaction-processing services from a single source across numerous channels and geographic markets. We believe this capability provides several competitive advantages that will enable us to continue to penetrate our existing customer base with complementary new services, gain new customers, develop new sales channels, and enter new markets. We believe these competitive advantages include:

- Our ability to provide competitive products;
- Our ability to provide in one package a range of services that traditionally had to be sourced from different vendors;
- Our ability to serve customers with disparate operations in several geographies with technology solutions that enable them to manage their business as one enterprise; and
- Our ability to capture and analyze data across the transaction-processing value chain and use that data to provide value-added services that are differentiated from those offered by pure-play vendors that serve only one portion of the transaction-processing value chain (such as only merchant acquiring or only payment services).

Our broad suite of services spans the entire payment processing value chain and includes a range of front-end customer-facing solutions such as the electronic capture and authorization of transactions at the point-of-sale for both card present transactions and card-not-present transactions, as well as back-end support services such as the clearing and settlement of transactions and account reconciliation for card issuers. These include: (i) merchant acquiring services, which enable point of sales ("POS") and e-commerce merchants to accept and process electronic methods of payment such as debit, credit, prepaid and electronic benefit transfer ("EBT") cards; (ii) payment processing services, which enable financial institutions and other issuers to manage, support and facilitate the processing for credit, debit, prepaid, automated teller machines ("ATM") and EBT card programs; and (iii) business process management solutions, which provide "mission-critical" technology solutions such as core bank processing, as well as IT outsourcing and cash management services to financial institutions, corporations and governments. We provide these services through scalable, end-to-end technology platforms that we manage and operate in-house and that generate significant operating efficiencies that enable us to maximize profitability.

We sell and distribute our services primarily through a proprietary direct sales force with established customer relationships. We continue to pursue joint ventures and merchant acquiring alliances. We benefit from an attractive business model, the hallmarks of which are recurring revenue, scalability, significant operating margins and moderate capital expenditure requirements. Our revenue is predominantly recurring in nature because of the mission-critical and embedded nature of the services we provide. In addition, we generally enter into multi-year contracts with our customers. We believe our business model should enable us to continue to grow our business organically in the primary markets we serve without significant incremental capital expenditures.

Factors and Trends Affecting the Results of Our Operations

The ongoing migration from cash and paper methods of payment to electronic payments continues to benefit the transaction- processing industry globally. We continue to believe that the penetration of electronic payments in the markets in which we operate is significantly lower relative to the U.S. market, which, together with the ongoing shift from cash and paper methods of payment to electronic payments will continue to generate growth opportunities for our business. For example, the adoption of banking products, including electronic payments, in the Latin America and Caribbean region is lower relative to the mature U.S. and European markets. We believe that the unbanked and underbanked population in our markets will continue to shrink, and therefore drive incremental penetration and growth of electronic payments in Puerto Rico and other Latin America regions. We also benefit from the outsourcing of technology systems and processes trend for financial institutions and government. Many medium- and small-size institutions in the Latin American markets in which we operate have outdated systems and updating these IT legacy systems is financially and logistically challenging, which presents a business opportunity for us.

In recent years, consumer preference has accelerated its shift away from cash and paper payment methods, noting increased demand for omni-channel payment services that facilitate cashless and contactless transactions. The ongoing migration to digital payment methods continues to benefit the transaction-processing industry globally. Technologies such as contactless payments, QR codes, tap to pay, mobile commerce, "e-wallets" and advanced and smart POS devices continue to drive the shift away from cash and other traditional payment methods. The Company has benefited from an increase in transaction volumes for these types of payment solutions. As consumers and merchants increase demand for contactless and mobility-based solutions, the Company has continued to innovate and invest, expanding the footprint and functionality of digital solutions such as Placetopay, our e-commerce gateway platform, our wallet ATH Movil and ATH Business, and Paystudio our issuing and acquiring processing platform. Additionally, aligned with this trend, the Company has also developed software to take advantage of Brazil's fastest instant money transfer system, Pix. We believe that the ongoing shift to digital payments will continue to generate substantial growth opportunities for our business.

Our payment businesses also generally experience moderate increased activity during the traditional holiday shopping periods and around other nationally recognized holidays, which follow consumer spending patterns.

Finally, our financial condition and results of operations are, in part, dependent on the economic and general conditions of the geographies in which we operate. Rising interest rates, inflationary pressures, foreign currency fluctuations, new or increased tariffs or the imposition of other trade barriers and economic uncertainty in the markets in which we operate may affect consumer confidence, which could result in a decrease in consumer spending and an impact to our financial results.

Relationship with Popular

On September 30, 2010, EVERTEC Group entered into a 15-year Master Service Agreement ("MSA"), and several related agreements with Popular. On July 1, 2022, we modified and extended the main commercial agreements with Popular, including obtaining a 10-year extension of the Merchant Acquiring Independent Sales Organization Agreement, a 5-year extension of the ATH Network Participation Agreement and a 3-year extension of the MSA (as amended, the "A&R ISO Agreement"). The

A&R ISO Agreement, which defines our merchant acquiring relationship with Popular, now includes revenue sharing provisions with Popular. The MSA modifications also include the elimination of the exclusivity requirement, the inclusion of annual MSA minimums through September 30, 2028, a 10% discount on certain MSA services which began in October of 2025 and adjustments to the CPI pricing escalator clause. On the same date, we also sold to Popular certain assets in exchange for 4.6 million shares of EVERTEC common stock owned by Popular (collectively with the contract amendments, the "Popular Transaction"). On August 15, 2022, through a secondary offering, Popular sold its remaining shares of EVERTEC common stock. EVERTEC is no longer deemed a subsidiary of Popular under the Bank Holding Company Act. Popular continues to be the Company's largest customer and for the nine months ended September 30, 2026 approximately 24% of our revenues were generated from this relationship.

Results of Operations

Comparison of the three months ended September 30, 2026 and 2025

In thousands	Three months ended September 30, 2026	2025	Variance	
Revenues	$ 282,994	$ 228,587	$ 54,407	24 %
Operating costs and expenses				
Cost of revenues, exclusive of depreciation and amortization	131,018	124,742	6,276	5 %
Selling, general and administrative expenses	57,714	37,678	20,036	53 %
Depreciation and amortization	43,627	28,435	15,192	53 %
Total operating costs and expenses	232,359	190,855	41,504	22 %
Income from operations	$ 50,635	$ 37,732	$ 12,903	34 %

Revenues

Total revenue for the three months ended September 30, 2026 was $283.0 million, an increase of 24% compared with $228.6 million in the prior year quarter driven by organic growth across most of the Company's segments, contributions from the recent acquisitions completed in the current and prior year and favorable foreign currency fluctuations. Merchant acquiring revenue benefited from higher sales volume and higher non-transactional revenues. Payments Puerto Rico revenue benefited from higher POS transactions and growth in ATH Movil, primarily in ATH Business. Latin America revenue benefited from the contributions of recent acquisitions, and continued organic growth across the region. Revenue also benefited from foreign currency exchange rate fluctuations of $6.0 million, primarily in Brazil. Business Solutions revenue contracted mainly as a result of the 10% discount to Popular that came into effect in the fourth quarter of 2025.

Cost of Revenues

Cost of revenues, exclusive of depreciation and amortization, for the three months ended September 30, 2026 amounted to $131.0 million, an increase of $6.3 million or 5% when compared to the same period in the prior year. This increase was driven by the increase in revenue, primarily driven by higher personnel costs and professional fees related to the acquisitions completed in the current and prior year, as well as higher technology expenses mainly cloud expenses. This increase was partially offset by the accrual associated with contractual claims related to client losses from the Pix incident in Brazil recognized in the prior year period.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three months ended September 30, 2026 amounted to $57.7, an increase of $20.0 million or 53% when compared to the same period in the prior year. This increase was mainly driven by higher professional fees and personnel costs related to the acquisitions completed in the current and prior year, coupled with higher technology expenses.

Depreciation and Amortization

Depreciation and amortization expense for the three months ended September 30, 2026 amounted to $43.6 million, an increase of $15.2 million or 53% when compared to the same period in the prior year. The increase was primarily driven by the amortization of intangible assets recognized in the acquisitions completed in the current and prior year.

Non-Operating Expenses

In thousands	Three months ended September 30, 2026	2025	Variance	
Interest income	$ 4,164	$ 4,016	$ 148	4 %
Interest expense	(21,511)	(16,534)	(4,977)	30 %
Loss on foreign currency remeasurement	(222)	(60)	(162)	270 %
Earnings from equity investees	1,263	1,346	(83)	(6)%
Other income, net	734	6,929	(6,195)	(89)%
Total non-operating expenses	$ (15,572)	$ (4,303)	$ (11,269)	262 %

Non-operating expenses for the three months ended September 30, 2026 increased by $11.3 million to $15.6 million when compared to the same period in the prior year. The increase was primarily attributable to an increase in interest expense of $5.0 million resulting from the increased debt raised to finance the Dimensa and Tecnobank acquisitions and a $6.2 million decrease in other income, net as the prior year period reflected a $5.7 million net gain on the sale of research and development tax credits.

Income Tax Expense

In thousands	Three months ended September 30, 2026	2025	Variance	
Income tax expense	$ 3,550	$ (31)	$ 3,581	(11,552)%

Income tax expense for the three months ended September 30, 2026 amounted to $3.6 million, compared to a modest income tax benefit in the prior period. The effective tax rate for the period was 10.1%, compared with (0.1)% in the prior year period. The increase in the effective tax rate was primarily attributed to the growth in Latin America jurisdictions, which have higher tax rates. These increases were partially offset by the incremental tax deductions associated with contractual claims related to client losses from the Pix incident in Brazil, as well as the recognition of a non-taxable gain from the sale of research and development tax credits recorded during the prior year period.

Comparison of the nine months ended September 30, 2026 and 2025

In thousands	Nine months ended September 30, 2026	2025	Variance	
Revenues	$ 805,737	$ 686,986	$ 118,751	17 %
Operating costs and expenses				
Cost of revenues, exclusive of depreciation and amortization	373,504	349,411	24,093	7 %
Selling, general and administrative expenses	162,870	108,992	53,878	49 %
Depreciation and amortization	120,881	85,217	35,664	42 %
Total operating costs and expenses	657,255	543,620	113,635	21 %
Income from operations	148,482	143,366	5,116	4 %

Revenues

Total revenue for the nine months ended September 30, 2026 was $805.7 million, an increase of 17% compared with $687.0 million in the prior year period driven by organic growth across most of the Company's segments, contributions from the recent acquisitions completed in the current and prior year and favorable foreign currency fluctuations. Merchant acquiring revenue benefited from higher sales volume and higher non-transactional revenues. Payments Puerto Rico revenue benefited from higher POS transactions and growth in ATH Movil, primarily in ATH Business, as well as a volume-based benefit recognized during the second quarter. Latin America revenue benefited from the contributions of recent acquisitions, and continued organic growth across the region. Business Solutions revenue contracted mainly as a result of the 10% discount to Popular that came

into effect in the fourth quarter of 2025 and a non-recurring hardware and software sale executed in the prior year. Revenue also benefited from foreign currency exchange rate fluctuations of $21.8 million, primarily in Brazil.

Cost of Revenues

Cost of revenues, exclusive of depreciation and amortization, for the nine months ended September 30, 2026 amounted to $373.5 million, an increase of $24.1 million or 7% when compared to the same period in the prior year. This increase was driven by the same factors explained for above in the quarter.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the nine months ended September 30, 2026 amounted to $162.9 million, an increase of $53.9 million or 49% when compared to the same period in the prior year. This increase was mainly driven by the same factors explained above in the quarter, costs related to the cybersecurity incident response and remediation activities coupled with cash payment of contingent considerations related to prior acquisitions.

Depreciation and Amortization

Depreciation and amortization expense for the nine months ended September 30, 2026 amounted to $120.9 million, an increase of $35.7 million or 42% when compared to the same period in the prior year. The increase was primarily driven by the same factors explained above in the quarter.

Non-Operating Expenses

	Nine months ended September 30,		Variance	
	2026	2025		
Interest income	11,751	10,346	1,405	14 %
Interest expense	(59,132)	(50,241)	(8,891)	18 %
(Loss) gain on foreign currency remeasurement	(4,646)	455	(5,101)	(1,121)%
Earnings (losses) from equity investees	(5,059)	4,290	(9,349)	(218)%
Other (expenses) income, net	(203)	7,483	(7,686)	(103)%
Total non-operating expenses	(57,289)	(27,667)	(29,622)	107 %

Non-operating expenses for the nine months ended September 30, 2026 increased by $29.6 million to $57.3 million when compared to the same period in the prior year. The increase was primarily driven by a $9.3 million unfavorable change in earnings from equity investees, as a result of $8.9 million of impairment losses recognized during the period, an increase in interest expense of $8.9 million resulting from the increased debt raised to finance the Dimensa and Tecnobank acquisitions, a $7.7 million decrease in other income, net as the prior year period reflected a $5.7 million net gain on the sale of research and development tax credits and a $5.1 million increase in foreign currency remeasurement losses.

Income Tax Expense

	Nine months ended September 30,		Variance	
In thousands	2026	2025		
Income tax expense	28,056	8,175	$ 19,881	243 %

Income tax expense for the nine months ended September 30, 2026 amounted to $28.1 million, compared to $8.2 million in the prior period. The effective tax rate for the period was 30.8%, compared with 7.1% in the prior year period. The increase is primarily driven by discrete tax items, including taxes associated with a dividend distribution from a foreign subsidiary as part of the Company’s capital allocation and funding strategy used to partially fund the acquisition of Dimensa, as well as a valuation allowance recorded against capital losses generated by impairment charges related to the Company's strategic decision to exit an Investment in equity investee. This increase is also attributable to the geographic mix of taxable income, including a larger proportion of income compared to the prior year period generated in higher tax rate in Latin America jurisdictions, as compared with Puerto Rico.

Segment Results of Operations

The Company has four operating and reportable segments: Payment Services - Puerto Rico & Caribbean, Latin America Payments and Solutions, Merchant Acquiring, and Business Solutions based upon organization of the Company by the nature of products and services provided to customers and geography.

The Payment Services - Puerto Rico & Caribbean segment revenues are comprised of revenues related to providing access to the ATH debit network and other card networks to financial institutions, including related services such as authorization, processing, management and recording of ATM and POS transactions, and ATM management and monitoring. The segment revenues also include revenues from card processing services (such as credit and debit card processing, authorization and settlement and fraud monitoring and control to debit or credit issuers), payment processing services (such as payment and billing products for merchants, government entities, businesses and financial institutions), ATH Movil (person-to-person) and ATH Business (person-to-merchant) digital transactions and EBT (which principally consist of services to the government of Puerto Rico for the delivery of benefits to participants). For ATH debit network and processing services, revenues are primarily driven by the number of transactions processed. Revenues are derived primarily from network fees, transaction switching and processing fees, and the leasing of POS devices. For card issuer processing, revenues are primarily dependent upon the number of cardholder accounts on file, transactions and authorizations processed, the number of cards embossed and other processing services. For EBT services, revenues are primarily derived from the number of beneficiaries on file.

The Latin America Payments and Solutions segment payment revenues consist of revenues related to providing access to the ATH network of ATMs and other card networks to financial institutions, including related services such as authorization, processing, management and recording of ATM and POS transactions, and ATM management and monitoring. The segment revenues also include revenues from card processing services (such as credit and debit card processing, authorization and settlement and fraud monitoring and control to debit or credit issuers), payment processing services (such as payment and billing products for merchants, businesses and financial institutions), as well as licensed software solutions for risk and fraud management and card payment processing. For network and processing services, revenues are primarily driven by the number of transactions processed. Revenues are derived primarily from transaction switching, processing fees, and the leasing of POS devices. For card issuer processing, revenues are primarily dependent upon the number of cardholder accounts on file, transactions and authorizations processed, the number of cards embossed, and other processing services. Solutions revenues consist of (a) licensing, support and maintenance (“subscription”), implementation and customization of software used to provide financial products in areas such as core banking, credit, investments, payments, foreign exchange, mutual funds, pension funds, consortium and insurance, in addition to software used to execute processes such as digital onboarding, digital signature, digital collection, and other digital transaction -related processes, including vehicle financing contract registration; and (b) outsourcing of mission critical IT services. Revenues are based on monthly fixed fees and, in several cases, variable fees based on usage.

The Merchant Acquiring segment consists of revenues from services that allow merchants to accept electronic methods of payment. In the Merchant Acquiring segment, revenues include a discount fee and membership fees charged to merchants, debit network fees and rental fees from POS devices and other equipment, net of credit card interchange and assessment fees charged by credit cards associations (such as VISA or MasterCard) or payment networks. The discount fee is generally a percentage of the transaction value. EVERTEC also charges merchants for other services that are unrelated to the number of transactions or the transaction value.

The Business Solutions segment consists of revenues from a full suite of business process management solutions in various product areas such as core bank processing, network hosting, managed services and managed security services, IT professional services, business process outsourcing, item processing, cash processing, and fulfillment. Core bank processing and network services revenues are derived in part from a recurrent fixed fee and from fees based on the number of accounts on file (i.e., savings or checking accounts, loans, etc.), server capacity usage or computer resources utilized. Revenues from other processing services within the Business Solutions segment are generally volume-based and depend on factors such as the number of accounts processed. In addition, EVERTEC is a reseller of hardware and software products and these resale transactions are generally non-recurring.

The Company’s Chief Operating Decision Maker ("CODM") is the President and Chief Executive Officer (“CEO”). The CODM uses revenue and Segment Adjusted EBITDA to evaluate segment performance and allocate resources, and regularly reviews performance at the segment level against budget and forecast when making decisions about the allocation of resources to each segment. Segment Adjusted EBITDA reviewed by the CODM is calculated as EBITDA further adjusted to exclude certain non-cash unrealized items and unusual expenses such as: share-based compensation, restructuring related expenses, fees and expenses from corporate transactions such as M&A activity and financing, equity investment income net of dividends received, and the impact from non-cash unrealized gains and losses on foreign currency remeasurement for assets and liabilities

in non-functional currency. Segment Adjusted EBITDA is presented in conformity with ASC Topic 280, *Segment Reporting*, given that it is used by the CODM for purposes of evaluating performance and allocating resources.

Expense information that is regularly provided to the CODM on a consolidated financial statement basis includes personnel costs, professional fees, technology expenses and cost of sales, adjusted primarily for the impact of share-based compensation, restructuring related expenses, and fees and expenses from corporate transactions such as M&A activity and financing.

The Company does not report assets or other balance sheet information to the CODM on a segment basis as the Company's CODM does not assess performance, make strategic decisions, or allocate resources based on this information. No segment expense information is regularly provided to the CODM and therefore the Company does not report significant segment expenses.

The following tables set forth information about the Company's operations by its four reportable segments for the periods indicated below.

Comparison of the three months ended September 30, 2026 and 2025

Payment Services - Puerto Rico & Caribbean

	Three months ended September 30,			
In thousands	2026		2025	
Revenues	$ 60,144		$ 55,244	
Segment Adjusted EBITDA	34,188		29,874	
Segment Adjusted EBITDA Margin	56.8	%	54.1	%

Payment Services - Puerto Rico & Caribbean segment revenues for the three months ended September 30, 2026 increased by $4.9 million to $60.1 million when compared to the same period in the prior year. The increase in revenues was primarily driven by higher POS revenues driven by transaction growth, the continued strength in ATH Movil, primarily ATH Business coupled with higher vehicle registration and fine processing fees and higher revenue from services provided to the Latin America Payments and Solutions and Merchant Acquiring segments. Segment Adjusted EBITDA increased by $4.3 million to $34.2 million, driven by revenue growth, partially offset by a one-time operational loss as well as higher cloud expenses.

Latin America Payments and Solutions

	Three months ended September 30,			
In thousands	2026		2025	
Revenues	$ 143,622		$ 90,378	
Segment Adjusted EBITDA	43,247		24,426	
Segment Adjusted EBITDA Margin	30.1	%	27.0	%

Latin America Payments and Solutions segment revenues for the three months ended September 30, 2026 increased by $53.2 million to $143.6 million when compared to the same period in the prior year, driven by the contribution from the acquisitions completed in the prior and current year and the continued organic growth across the region. Revenue also benefited from favorable foreign currency exchange rate fluctuations of $6.0 million, primarily in Brazil. Segment Adjusted EBITDA increased by $18.8 million to $43.2 million, primarily driven by the increase in revenue, partially offset by higher personnel costs resulting from incremental headcount across the region and higher cloud expenses.

Merchant Acquiring

	Three months ended September 30,			
In thousands	2026		2025	
Revenues	$ 51,005		$ 46,753	
Segment Adjusted EBITDA	21,441		18,611	
Segment Adjusted EBITDA Margin	42.0	%	39.8	%

Merchant Acquiring segment revenues for the three months ended September 30, 2026 increased by $4.3 million to $51.0 million when compared to the same period in the prior year. The revenue increase was primarily driven by higher sales volume

as well as higher non-transactional revenues, reflecting the benefit from pricing initiatives. Segment Adjusted EBITDA increased by $2.8 million to $21.4 million mainly driven by higher revenue growth, partially offset by higher processing costs from the Payments Services - Puerto Rico & Caribbean segment.

Business Solutions

	Three months ended September 30,	
In thousands	**2026**	**2025**
Revenues	$ 58,570	$ 61,679
Segment Adjusted EBITDA	20,599	25,100
Segment Adjusted EBITDA Margin	35.2 %	40.7 %

Business Solutions segment revenues for the three months ended September 30, 2026 decreased by $3.1 million to $58.6 million as compared to the prior year period. This decrease was primarily driven by the 10% discount to Popular that came into effect in the fourth quarter of 2025. Segment Adjusted EBITDA decreased by $4.5 million to $20.6 million as compared to the prior period primarily driven by lower revenues, higher reserves and cloud expenses.

Comparison of the nine months ended September 30, 2026 and 2025

Payment Services - Puerto Rico & Caribbean

	Nine months ended September 30,	
In thousands	**2026**	**2025**
Revenues	$ 179,458	$ 166,822
Segment Adjusted EBITDA	105,822	94,340
Segment Adjusted EBITDA Margin	59.0 %	56.6 %

Payment Services - Puerto Rico & Caribbean segment revenues for the nine months ended September 30, 2026 increased by $12.6 million to $179.5 million when compared to the same period in the prior year. The increase in revenues was primarily driven by the same factors explained for above in the quarter, as well as a volume-based benefit recognized in the second quarter. Segment Adjusted EBITDA increased by $11.5 million to $105.8 million, primarily driven by the same factors explained for above in the quarter.

Latin America Payments and Solutions

	Nine months ended September 30,	
In thousands	**2026**	**2025**
Revenues	$ 384,825	$ 260,208
Segment Adjusted EBITDA	115,703	72,671
Segment Adjusted EBITDA Margin	30.1 %	27.9 %

Latin America Payments and Solutions segment revenues for the nine months ended September 30, 2026 increased by $124.6 million to $384.8 million when compared to the same period in the prior year, driven by the same factors explained for above in the quarter. Revenue also benefited from favorable foreign currency exchange rate fluctuations of $21.8 million, primarily in Brazil. Segment Adjusted EBITDA increased by $43.0 million to $115.7 million, primarily driven by the same factors explained for above in the quarter and higher professional fees.

Merchant Acquiring

	Nine months ended September 30,	
In thousands	**2026**	**2025**
Revenues	$ 151,711	$ 141,694
Segment Adjusted EBITDA	62,764	58,972
Segment Adjusted EBITDA Margin	41.4 %	41.6 %

Merchant Acquiring segment revenues for the nine months ended September 30, 2026 increased by $10.0 million to $151.7 million when compared to the same period in the prior year. The revenue increase was primarily driven by the same factors explained for above in the quarter. Segment Adjusted EBITDA increased by $3.8 million to $62.8 million driven by the same factors explained for above in the quarter.

Business Solutions

	Nine months ended September 30,	
In thousands	**2026**	**2025**
Revenues	$ 176,933	$ 191,762
Segment Adjusted EBITDA	64,792	73,343
Segment Adjusted EBITDA Margin	36.6 %	38.2 %

Business Solutions segment revenues for the nine months ended September 30, 2026 decreased by $14.8 million to $176.9 million as compared to the prior year period. This decrease was primarily driven by the same factors explained for above in the quarter, as well as the impact from the non-recurring hardware and software sales executed during the prior year. Segment Adjusted EBITDA decreased by $8.6 million to $64.8 million as compared to the prior period primarily driven by lower revenues, partially offset by lower technology, programming and infrastructure expenses.

Liquidity and Capital Resources

As of September 30, 2026, there were no material changes to our primary short-term and long-term requirements for liquidity and capital resources as disclosed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operation" of our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 2, 2026. Our principal source of liquidity is cash generated from operations, and our primary liquidity requirements are the funding of working capital needs, capital expenditures, acquisitions, dividend payments, share repurchases and debt service. We also have a $200.0 million Revolving Facility, of which $164.4 million was available for borrowing as of September 30, 2026. The Company issues letters of credit against our Revolving Facility which reduce our availability of funds to be drawn.

As of September 30, 2026, we had cash and cash equivalents of $284.1 million, of which $235.4 million resides in our subsidiaries located outside of Puerto Rico for purposes of (i) funding the respective subsidiary's current business operations and (ii) funding potential future investment outside of Puerto Rico. We intend to reinvest these funds outside of Puerto Rico, and based on our liquidity forecast, we will not need to repatriate this cash to fund the Puerto Rico operations or to meet debt-service obligations. However, if in the future we determine that we no longer need to maintain cash balances within our foreign subsidiaries, we may elect to distribute such cash to the Company in Puerto Rico. Distributions from the foreign subsidiaries to Puerto Rico may be subject to tax withholding and other tax consequences. Additionally, our credit agreement imposes certain restrictions on the distribution of dividends from subsidiaries.

Our primary use of cash is for operating expenses, working capital requirements, capital expenditures, acquisitions, dividend payments, share repurchases, debt service, and other transactions as opportunities present themselves.

Based on our current level of operations, we believe our existing cash flows from operations and the available secured Revolving Facility will be adequate to meet our liquidity needs for at least the next twelve months from the date of this Report. However, our ability to fund future operating expenses, dividend payments, capital expenditures, mergers and acquisitions, and our ability to make scheduled payments of interest, to pay principal on or refinance our indebtedness and to satisfy any other of our present or future debt obligations will depend on our future operating performance, which may be affected by general economic, financial and other factors beyond our control.

	Nine months ended September 30,	
(In thousands)	**2026**	**2025**
Cash provided by operating activities	$ 176,289	$ 157,001
Cash used in investing activities	(261,870)	(69,603)
Cash provided by financing activities	43,287	89,115
Effect of foreign exchange rate on cash, cash equivalents and restricted cash	22,882	16,817
Net (decrease) increase in cash, cash equivalents and restricted cash	$ (19,412)	$ 193,330

Net cash provided by operating activities increased by $19.3 million to $176.3 million for the nine months ended September 30, 2026, compared to $157.0 million for the same period in the prior year. The increase was primarily driven by higher non-cash

adjustments to net income, including an increase of $35.7 million in depreciation and amortization expense and the recognition of an $8.9 million non-cash impairment loss on an investment in an equity investee. Operating cash flows also benefited from favorable changes in working capital, primarily an increase of $55.9 million in accrued liabilities and accounts payable, partially offset by higher uses of cash related to accounts receivable and prepaid expenses and other assets. These increases were partially offset by lower net income of $44.4 million during the period.

Net cash used in investing activities for the nine months ended September 30, 2026 was $261.9 million compared to $69.6 million for the same period in the prior year. The increase was primarily attributable to the acquisition completed during the current quarter for $186.6 million, net of cash acquired and an increase of $6.4 million in software additions.

Net cash provided by financing activities for the nine months ended September 30, 2026 was $43.3 million compared to $89.1 million for the same period in the prior year. The net cash provided by financing activities reflected the impact of the issuance of long term debt in connection with the Dimensa acquisition of $184.5 million and a decrease of $6.0 million in settlement activities, partially offset by a decrease of $130.0 million in borrowings under the Revolving Facility in connection with the acquisitions, an increase in share repurchases of $78.8 million, an increase of $17.9 million related to the payment of the remaining non-controlling interests in Brazil, and an increase in other financing activities of $7.0 million primarily related to dividends paid to non-controlling interest holders.

Capital Resources

Our principal capital expenditures are for hardware and computer software (purchased and internally developed) and additions to our property and equipment. During the nine months ended September 30, 2026 and 2025, we invested approximately $74.9 million and $67.9 million in our capital resources, respectively. Generally, we fund capital expenditures with cash generated from operations and, if necessary, borrowings under our Revolving Facility.

Dividend Payments

On February 19, 2026, the Company's Board declared quarterly cash dividends of $0.05 per share of common stock, which was paid on March 6, 2026 to stockholders' of record on March 2, 2026. On April 30, 2026, the Board declared quarterly cash dividends of $0.05 per share of common stock, which was paid on June 5, 2026 to stockholders' of record on May 11, 2026. On July 23, 2026, the Company's Board declared quarterly cash dividends of $0.05 per share of common stock, which was paid on September 4, 2026 to stockholders' of record on August 3, 2026.

On October 29, 2026, the Board declared a regular quarterly cash dividend of $0.05 per share on the Company’s outstanding shares of common stock. The dividend is expected to be paid on December 4, 2026 to stockholders of record as of the close of business on November 9, 2026. The Board anticipates declaring this dividend in future quarters on a regular basis; however future declarations of dividends are subject to the Board’s approval and may be adjusted as business needs or market conditions change.

Financial Obligations

Secured Credit Facilities

On December 1, 2022, EVERTEC and EVERTEC Group, entered into a credit agreement with a syndicate of lenders and Truist Bank, as administrative agent and collateral agent, providing for a $415.0 million term loan A facility (the “TLA Facility”) that matures on December 1, 2027, and a $200.0 million revolving credit facility (the “Revolving Facility”) that matures on December 1, 2027 (the “Credit Agreement”). Under the Revolving Facility the Company may request up to $20.0 million as part of the swingline, which consists of short-term borrowings, that allows the Company to obtain same-day, short-duration advances to address immediate liquidity needs. On October 30, 2023, EVERTEC and EVERTEC Group entered into a first amendment to the Credit Agreement with a syndicate of lenders and Truist, as administrative agent and collateral agent, providing for (i) additional term A loans in the amount of $60.0 million and a new tranche of term loan B commitments in the amount of $600.0 million maturing October 30, 2030 (the “TLB Facility”). On May 16, 2024, November 26, 2024 and August 12, 2025, EVERTEC and EVERTEC Group entered into second, third and fourth amendments to its Credit Agreement, each providing for a pricing reduction to its TLB Facility. On November 25, 2025, EVERTEC and EVERTEC Group entered into the fifth amendment to its Credit Agreement which provides for an additional $150.0 million under its TLB Facility. On May 18, 2026, EVERTEC and EVERTEC Group entered into the sixth amendment to its Credit Agreement which provides for an additional $185.0 million under its TLB Facility.

At September 30, 2026, the unpaid principal balance of the TLA Facility and TLB Facility were $387.8 million and $875.0 million, respectively. At September 30,2026, the outstanding balance of the Revolving Facility was $30.0 million and the

additional borrowing capacity for the Revolving Facility was $164.4 million, considering letters of credit issued. The Company issues letters of credit against the Revolving Facility which reduce the additional borrowing capacity of the Revolving Facility.

Deferred Consideration from Business Combinations

As part of the Company's merger and acquisition activities, the Company may enter into agreements by which a portion of the purchase price is financed directly by the seller. At September 30, 2026 and December 31, 2025, the unpaid principal balance of these agreements amounted to $2.8 million and $6.2 million, respectively. Obligations bear interest at rates ranging from 8.2% to 12.9% with maturities ranging from November 2026 through July 2032. The current portion of the deferred consideration is included in accounts payable and the long-term portion is included in other-long term liabilities on the Company's unaudited condensed consolidated balance sheet.

Note Payable

In September 2023, EVERTEC Group entered into a non-interest bearing financing agreement amounting to $10.1 million to purchase software and maintenance which the Company recorded on a discounted basis using an implied interest of 6.9%. As of September 30, 2026, the outstanding principal balance of the note payable on a discounted basis was $5.0 million. The current portion of the note is included in accounts payable and the long-term portion is included in other long-term liabilities on the Company's unaudited condensed consolidated balance sheet.

Interest Rate Swaps

As of September 30, 2026, the Company has three interest rate swap agreements which convert a portion of the interest rate payments on the Company's Facilities from variable to fixed. The interest rate swaps are used to hedge the market risk from changes in interest rates corresponding with the Company's variable rate debt. The interest rate swaps are designated as cash flow hedges and are considered highly effective. Cash flows from the interest rate swaps are included in the accrued liabilities and accounts payable line item in the Company's unaudited condensed consolidated statements of cash flows. Changes in the fair value of the interest rate swaps are recognized in other comprehensive income until the gains or losses are reclassified to earnings. Gains or losses reclassified to earnings are presented within interest expense in the accompanying unaudited condensed consolidated statements of income and comprehensive income.

Swap Agreement	Effective date	Maturity Date	Notional Amount	Variable Rate	Fixed Rate
2023 Swap	November 2024	December 2027	$250 million	1-month SOFR	3.375%
2024 Swap	March 2024	October 2027	$150 million	1-month SOFR	4.182%
2024 Swap	March 2024	October 2027	$150 million	1-month SOFR	4.172%

At September 30, 2026, the carrying amount of the derivatives included on the Company's unaudited condensed consolidated balance sheet was an asset of $4.1 million. At December 31, 2025, the carrying amount of the derivatives was a liability of $5.2 million. The fair value of these derivatives are estimated using Level 2 inputs in the fair value hierarchy on a recurring basis. Refer to Note 9 - *Equity* for disclosure of gains (losses) recorded on cash flow hedging activities.

During the three and nine months ended September 30, 2026, the Company reclassified gains of $0.2 million and $0.6 million, from accumulated other comprehensive loss into interest expense compared to gains of $0.8 million and $2.3 million for the corresponding period in 2025. Based on expected SOFR rates, the Company expects to reclassify gains of $3.5 million from accumulated other comprehensive loss into interest expense over the next 12 months.

Covenant Compliance

As of September 30, 2026, the total secured net leverage ratio was 2.46 to 1.00. As of the date of filing of this Report, no event has occurred that constitutes an Event of Default or Default.

In this Report, we refer to the term "Adjusted EBITDA" to mean EBITDA as so defined and calculated in a substantially consistent manner for purposes of determining compliance with the total secured net leverage ratio based on the financial information for the last twelve months at the end of each quarter.

Net Income Reconciliation to EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per common share (Non-GAAP Measures)

The non-GAAP measures referenced in this Report are supplemental measures of the Company's performance and are not required by, or presented in accordance with, accounting principles generally accepted in the United States of America ("GAAP"). They are not measurements of the Company's financial performance under GAAP and should not be considered as alternatives to total revenue, net income or any other performance measures derived in accordance with GAAP or as alternatives to cash flows from operating activities, as indicators of operating performance or as measures of the Company's liquidity. In addition to GAAP measures, management uses these non-GAAP measures to focus on the factors the Company believes are pertinent to the daily management of the Company's operations and believes that they are also frequently used by analysts, investors and other stakeholders to evaluate companies in our industry. These measures have certain limitations in that they do not include the impact of certain expenses that are reflected in our unaudited condensed consolidated statements of income and comprehensive income that are necessary to run our business. Other companies, including other companies in our industry, may not use these measures or may calculate these measures differently than as presented herein, limiting their usefulness as comparative measures.

Reconciliations of the non-GAAP measures to the most directly comparable GAAP measure are included below. These non-GAAP measures include EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per common share, each as defined below.

EBITDA is defined as earnings before interest, taxes, depreciation and amortization.

Adjusted EBITDA is defined as EBITDA further adjusted to exclude certain non-cash items and unusual expenses such as: share-based compensation, restructuring related expenses, fees and expenses from corporate transactions such as M&A activity and financing, multi-year non-recurring gains recognized in connection with the sale of tax credits, equity investment income net of dividends received, and the impact from unrealized gains and losses on foreign currency remeasurement for assets and liabilities in non-functional currency. Segment Adjusted EBITDA which is the measure reported to the chief operating decision maker for purposes of making decisions about allocating resources to the segments and assessing their performance, is presented in conformity with Accounting Standards Codification 280, Segment Reporting, and for this reason is excluded from the definition of non-GAAP financial measures under the Securities and Exchange Commission's Regulation G and Item 10(e) of Regulation S-K. See Note 16 – Segment Information for further information. The Company's presentation of Adjusted EBITDA is substantially consistent with the equivalent measurements that are contained in the secured credit facilities in testing EVERTEC Group's compliance with covenants therein such as the secured leverage ratio. Adjusted EBITDA Margin is defined as Adjusted EBITDA as a percentage of total revenues.

Adjusted Net Income is defined as Adjusted EBITDA less: operating depreciation and amortization expense, defined as GAAP Depreciation and amortization less amortization of intangibles related to acquisitions such as customer relationships, trademarks, non-compete agreements, among others; cash interest expense defined as GAAP interest expense, less GAAP interest income adjusted to exclude non-cash amortization of debt issue costs and premiums and accretion of discount; income tax expense which is calculated on adjusted pre-tax income using the applicable GAAP tax rate, adjusted for uncertain tax position releases, tax true-ups, windfall from share-based compensation, unrealized gains and losses from foreign currency remeasurement, among others; and non-controlling interests, net of amortization for intangibles created as part of the purchase.

Adjusted Earnings per common share is defined as Adjusted Net Income divided by diluted shares outstanding.

The Company uses Adjusted Net Income to measure the Company's overall profitability because the Company believes it better reflects the comparable operating performance by excluding the impact of the non-cash amortization and depreciation that was created as a result of merger and acquisition activity. In addition, in evaluating EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per common share, you should be aware that in the future the Company may incur expenses such as those excluded in calculating them.

A reconciliation of net income to EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per common share is provided below:

(In thousands, except per share information)	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025	Twelve months ended September 30, 2026
Net income	**$ 31,513**	**$ 33,460**	**63,137**	**107,524**	**$ 100,173**
Income tax expense (benefit)	3,550	(31)	28,056	8,175	29,696
Interest expense, net	17,347	12,518	47,381	39,895	60,729
Depreciation and amortization	43,627	28,435	120,881	85,217	157,750
EBITDA	**96,037**	**74,382**	**259,455**	**240,811**	**348,348**
Equity income (loss) [1]	1,073	2,129	7,395	(815)	6,590
Compensation and benefits [2]	9,083	8,133	31,862	27,727	40,168
Transaction, refinancing and other [3]	4,076	7,907	13,514	7,347	16,025
Loss (gain) on foreign currency remeasurement [4]	222	60	4,646	(455)	4,509
Adjusted EBITDA	**110,491**	**92,611**	**316,872**	**274,615**	**415,640**
Operating depreciation and amortization [5]	(20,310)	(16,892)	(59,205)	(50,416)	(77,578)
Cash interest expense, net [6]	(16,539)	(12,039)	(43,637)	(38,034)	(56,300)
Income tax expense [7]	(5,936)	(3,287)	(19,934)	(10,930)	(25,403)
Non-controlling interest [8]	(2,956)	(609)	(8,542)	(1,526)	(11,313)
Adjusted net income	**$ 64,750**	**$ 59,784**	**$ 185,554**	**$ 173,709**	**$ 245,046**
Net income per common share (GAAP):					
Diluted	$ 0.49	$ 0.51	$ 0.96	$ 1.64	
Adjusted Earnings per common share (Non-GAAP):					
Diluted	$ 1.07	$ 0.92	$ 3.02	$ 2.69	
Shares used in computing adjusted earnings per common share:					
Diluted	60,421,411	64,766,300	61,424,435	64,692,541	

1) Represents the elimination of non-cash equity earnings from equity investments, net of dividends received and non- recurring impairment charges.
2) Primarily represents share-based compensation and severance payments.
3) Primarily represents fees and expenses associated with transactions as defined in the Credit Agreement and other non-recurring expenses.
4) Represents non-cash unrealized losses and (gains) on foreign currency remeasurement for assets and liabilities denominated in non-functional currencies.
5) Represents operating depreciation and amortization expense, which excludes amounts generated as a result of merger and acquisition activity.
6) Represents interest expense, less interest income, as they appear on the unaudited condensed consolidated statements of income and comprehensive income (loss), adjusted to exclude non-cash amortization of the debt issue costs and premiums, and accretion of discount.
7) Represents income tax expense calculated on adjusted pre-tax income using the applicable GAAP tax rate, adjusted for certain discrete items and other non-recurring tax items.
8) Represents the non-controlling equity interests, net of amortization for intangibles created as part of the acquisition.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with GAAP. In connection with the preparation of our financial statements, we are required to make estimates and assumptions about future events and apply judgments that affect the reported amounts of certain assets and liabilities, and in some instances, the reported amounts of revenues and expenses during the period. We base our assumptions, estimates, and judgments on historical experience, current events, and other factors that management believes to be relevant at the time our condensed consolidated financial statements are prepared. However, because future events are inherently uncertain and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material. For a description of the Company's critical accounting estimates, refer to "Part II—Item 7-Management's Discussion and Analysis of Financial Condition and Results of

Operations-Critical Accounting Estimates" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025 filed with the SEC on March 2, 2026.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks arising from our normal business activities. These market risks principally involve the possibility of changes in interest rates that will adversely affect the value of our financial assets and liabilities or future cash flows and earnings, foreign currency exchange risk that may result in unfavorable foreign currency translation adjustments and inflation. Market risk is the potential loss arising from adverse changes in market rates and prices. The following analysis provides quantitative and qualitative information regarding these risks.

Interest Rate Risks

Interest rate risk is highly sensitive due to many factors, including U.S. monetary and tax policies, U.S. and international economic factors and other factors beyond our control.

We issued floating-rate debt which is subject to fluctuations in interest rates. Our secured credit facilities accrue interest at variable rates and are subject to a floor or a minimum rate. Based upon a sensitivity analysis of our outstanding debt on September 30, 2026, a hypothetical 100 basis point increase in interest rates over our floor on our debt balances outstanding as of September 30, 2026, under the secured credit facilities, would increase our annual interest expense by approximately $7.4 million. The impact on future interest expense as a result of future changes in interest rates will depend largely on the gross amount of our borrowings at that time.

As of September 30, 2026, the Company has three interest rate swap agreements which convert a portion of the interest rate payments on the Company's Term Loan Facilities from variable rate debt to fixed.

The interest rate swap exposes us to credit risk in the event that the counterparty to the swap agreement does not or cannot meet its obligations. The notional amount is used to measure interest to be paid or received and does not represent the amount of exposure to credit loss. The loss would be limited to the amount that would have been received, if any, over the remaining life of the swap. The counterparties to the swaps are major U.S. based financial institutions, and we expect all counterparties to be able to perform its obligations under the swaps. We use derivative financial instruments for hedging purposes only and not for trading or speculative purposes.

See Note 6 of the Unaudited Condensed Consolidated Financial Statements appearing elsewhere in this report for additional information related to the secured credit facilities.

Foreign Exchange Risk

We conduct business in certain countries in Latin America for which we have determined that the functional currency is other than the U.S. dollar. Given this, our operating results are exposed to volatility due to fluctuations in exchange rates for the countries' functional currencies. Non-functional currency transactions are remeasured into the functional currency which results in a foreign exchange gain or loss recorded through Other income. For the nine months ended September 30, 2026, the Company recognized non-cash unrealized foreign currency remeasurement losses of $4.6 million compared to gains of $0.5 million for the same period in 2025. For subsidiaries whose functional currency is other than the U.S. dollar, their assets and liabilities are translated into U.S. dollars at exchange rates at the balance sheet date, and revenues and expenses are translated using average exchange rates in effect during the period. The resulting foreign currency translation adjustments are reported in accumulated other comprehensive loss in the condensed consolidated balance sheets. As of September 30, 2026, the Company had $13.1 million in an unfavorable foreign currency translation adjustment as part of accumulated other comprehensive loss compared with an unfavorable foreign currency translation adjustment of $63.4 million as of December 31, 2025.

Inflation Risk

While it is difficult to accurately measure the impact of inflation on our results of operations and financial condition, we believe the effects of inflation, if any, on our historical results of operations and financial condition have been immaterial. General inflation in the geographies in which we operate has risen to levels that have not been experienced in recent years; however, inflation has historically had a minimal net effect on our operating results given that overall inflation has been offset by sales and cost reduction actions. Rising prices for input costs, including wages and benefits, occupancy and general administrative costs, could potentially have a negative impact on our results of operations and financial condition which may not be readily recoverable from our customers. In addition, inflation has led to enhanced volatility on foreign currency exchange rates. While

we proactively try to mitigate these rising costs, we may not be able to fully offset these impacts, which could result in negative effect on our results of operation. Thus, we cannot assure you that our results of operations and financial condition will not be materially impacted by inflation in the future.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this Report. Based upon their evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that as of September 30, 2026, the Company's disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting (as such term is defined in Rule 13a -15(f) and Rule 15d-15(f) under the Exchange Act) that occurred during the fiscal quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are, from time to time, party to various claims and legal proceedings arising in the ordinary course of our business.

Data Breach Litigation:

Beginning on June 12, 2026, a series of putative class action lawsuits were filed in the United States District Court for the District of Puerto Rico, and in the Superior Court of the Commonwealth of Puerto Rico, against the Company relating to a cybersecurity incident (the "Incident") involving a third-party support platform that exposed certain customer data and transaction records primarily affecting financial institutions in Puerto Rico. Plaintiffs are individual consumers who allege that their personal information was impacted in the Incident, which they allege may have included their names, contact information, transaction records, and payment card numbers. Plaintiffs generally allege that the Incident occurred due to the Company's failure to implement adequate and reasonable cybersecurity procedures and protocols, and bring claims for negligence, breach of contract, unjust enrichment on behalf of a proposed class of all individuals impacted by the Incident.

The four cases pending in federal court relating to the Incident have been consolidated, and on October 5, 2026, plaintiffs filed a consolidated complaint. The Company intends to file a motion to dismiss the consolidated complaint, and has separately moved to stay the pending Superior Court case until the federal consolidated action is resolved. The Company believes that the lawsuits relating to the Incident are without merit, and intends to vigorously defend them.

See Part I, Item 1 "Financial Statements (Unaudited) - Note 15, Commitments and Contingencies," incorporated herein by reference, for a discussion of material legal proceedings.

Item 1A. Risk Factors

There have been no material changes to the risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 2, 2026. For a discussion of the potential risks and uncertainties related to us, see "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table summarizes repurchases of the Company's common stock in the three month period ended September 30, 2026:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of a publicly announced program[(1)]	Approximate dollar value of shares that may yet be purchased under the program
8/1/2026-8/31/2026	408,543	31.03	408,543	
9/1/2026-9/30/2026	92,403	29.79	92,403	
	500,946	30.78	500,946	$ 134,570,817

(1) On July 31, 2026 the Board approved an increase to Evertec's existing share repurchase authorization to permit future repurchases of up to an aggregate of $150 million worth of shares of the Company's common stock, par value $0.01 per share by December 31, 2027. Under the repurchase program, the Company may repurchase shares in the open market, through accelerated share repurchase programs, Rule 10b5-1 plans, or in privately negotiated transactions, subject to business opportunities and other factors.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) Disclosure in lieu of reporting on a Current Report on Form 8-K.
None.

(b) Material changes to the procedures by which security holders may recommend nominees to the board of directors.

None.

(c) Insider trading arrangements and policies.

During the three months ended September 30, 2026, no director or officer of the Company, as defined in Rule 16a-1(f) of the Exchange Act, adopted or terminated a "Rule 10b5-1 trading arrangement" intended to satisfy the affirmative defense of Rule 10b5-1(c) or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

31.1*	CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	CFO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	CEO Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	CFO Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS XBRL*	Inline Instance document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH XBRL*	Inline XBRL Taxonomy Extension Schema Document
101.CAL XBRL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF XBRL*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB XBRL*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE XBRL*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.
** Furnished herewith.
\+ This exhibit is a management contract or a compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EVERTEC, Inc.
(Registrant)

Date: November 4, 2026

By: /s/ Morgan Schuessler
Morgan Schuessler
Chief Executive Officer (Principal Executive Officer)

Date: November 4, 2026

By: /s/ Karla Cruz-Jusino
Karla Cruz-Jusino
Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)